



LOGORY LOGISTICS TECHNOLOGY CO., LTD.

合肥维天运通信息科技股份有限公司

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

Stock Code : 2482



2024 INTERIM REPORT

# Contents

<b>2</b>	Corporate Information
<b>3</b>	Management Discussion and Analysis
<b>22</b>	Corporate Governance and Other Information
<b>35</b>	Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)
<b>36</b>	Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)
<b>37</b>	Interim Condensed Consolidated Statement of Financial Position (Unaudited)
<b>39</b>	Interim Condensed Consolidated Statement of Change in Equity (Unaudited)
<b>40</b>	Interim Condensed Consolidated Statement of Cash Flows (Unaudited)
<b>42</b>	Notes to Interim Condensed Consolidated Financial Information
<b>57</b>	Definitions



# Corporate Information

## DIRECTORS

### Executive Directors

Mr. Feng Lei (馮雷) (*Chairman*)  
 Mr. Du Bing (杜兵) (*Chief executive officer*)  
 Mr. Ye Sheng (葉聖)  
 Ms. Wang Yao (王瑤) (*re-designated to a non-executive Director with effect from August 30, 2024*)

### Non-Executive Directors

Mr. Fu Da (傅達) (*appointed on May 29, 2024*)  
 Mr. Chen Zhijie (陳志傑)  
 Ms. Wang Yao (王瑤) (*re-designated from an executive Director with effect from August 30, 2024*)

### Independent Non-Executive Directors

Mr. Dai Dingyi (戴定一)  
 Mr. Li Dong (李東)  
 Mr. Liu Xiaofeng (劉曉峰)

## SUPERVISORS

Ms. Liang Xiaojia (梁曉佳)  
 Mr. Fan Hua (樊驊)  
 Mr. Wang Yang (汪洋)

## AUDIT COMMITTEE

Mr. Li Dong (李東) (*Chairman*)  
 Mr. Liu Xiaofeng (劉曉峰)  
 Mr. Dai Dingyi (戴定一)

## REMUNERATION COMMITTEE

Mr. Liu Xiaofeng (劉曉峰) (*Chairman*)  
 Mr. Li Dong (李東)  
 Mr. Du Bing (杜兵)

## NOMINATION COMMITTEE

Mr. Dai Dingyi (戴定一) (*Chairman*)  
 Mr. Liu Xiaofeng (劉曉峰)  
 Mr. Feng Lei (馮雷)

## AUTHORISED REPRESENTATIVES

Ms. Wang Yao (王瑤)  
 Mr. Long Ke (龍科)

## JOINT COMPANY SECRETARIES

Mr. Long Ke (龍科)  
 Ms. Yuen Wing Yan, Winnie (袁穎欣) (*FCG, HKFCG(PE)*)

## AUDITOR

Ernst & Young  
*Certified Public Accountants and Registered PIE Auditor*  
 27/F, One Taikoo Place  
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 Hong Kong

## COMPLIANCE ADVISER

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## HONG KONG LEGAL ADVISER

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 PRC

## REGISTERED OFFICE AND HEAD OFFICE IN THE PRC

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 China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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 348 Kwun Tong Road  
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## H SHARE REGISTRAR

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 17/F, Far East Finance Centre  
 16 Harcourt Road  
 Hong Kong

## PRINCIPAL BANK

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 Branch of Bank of Communication Co., Ltd.  
 868 Changjiang West Road  
 Shushan District  
 Hefei, Anhui Province  
 China

## COMPANY WEBSITE

www.logory.com

## STOCK CODE

2482



# Management Discussion and Analysis

## MARKET OVERVIEW

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

Despite the large and steady growing size of the FTL market, the market concentration is relatively low. In the highly competitive market environment, logistics companies are under intense pressure to enhance quality, increase efficiency, and reduce operational expenditures. They deepen their collaboration with upstream industries such as manufacturing and commerce and trade, promoting collaborative development between upstream and downstream of the industries, and expanding the scope and boundaries of logistics services. At the same time, logistics companies are increasing their investment in technological innovation to enhance the digitalization of their business management and operations.

Digital freight platforms have introduced new industry solutions for “cost reduction and efficiency enhancement” in the FTL market and play active roles in improving digital business operations and integrating resources. With their digital application technologies and massive first worksite data, digital freight platforms serve as a new source of productivity force for the development of the logistics industry, bringing the most efficient collaboration, optimal scale linkage among business segments, and the most efficient trucks and drivers supply chain to the industry.

Digital freight platforms are not limited to serving within the logistics companies; instead, they follow business process to break through organizational boundaries, covering various industrial chain links such as cargo owners, logistics companies, and truckers, connecting the entire process from order issuance to financial settlement by using digital means, and to help logistics companies empower digital capabilities to upstream and downstream segments of the supply chain. By conducting operational management through digital freight platforms, logistics companies can effectively reduce intermediate links, reshape a transparent, efficient, and flexible supply chain, thereby resolve the most prominent contradiction in the operation of logistics companies — ‘low cost in a single link but high cost in the whole business process’ — and significantly enhance the efficiency of logistics resource allocation and circulation.

According to the statistics on digital freight transportation information interaction system published by the Ministry of Transportation, as of June 30, 2024, there were 3,286 enterprises operating digital freight transportation platforms in the PRC. According to forecast data from China Insights Consultancy, the market size of digital freight platforms will reach RMB510 billion by the end of 2024, representing 12.5% of the FTL market share.

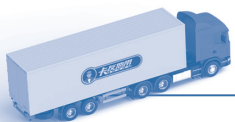
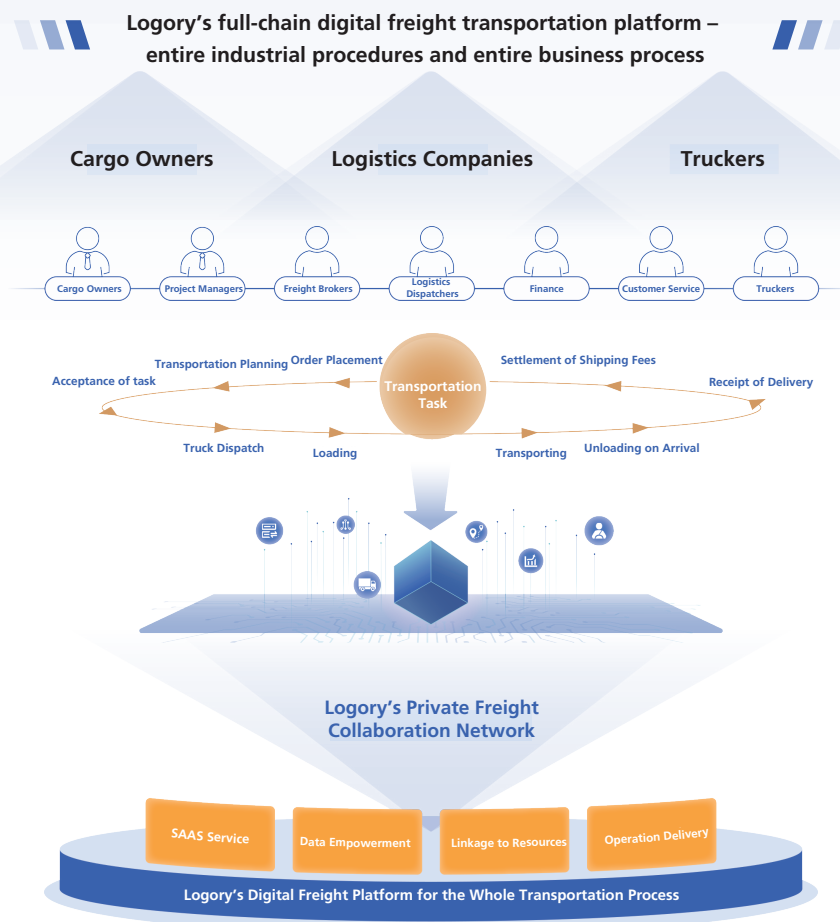


# Management Discussion and Analysis

## GROUP OVERVIEW

Based on more than 20 years of practical experience in digital innovation, we adhere to long-termism and, through continuously innovation in technology application and service models, help traditional logistics companies to fully advance towards digitalization and achieve the goals of cost reduction, efficiency enhancement, and quality improvement in logistics through “digitalization + operations”.

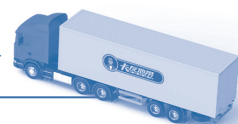
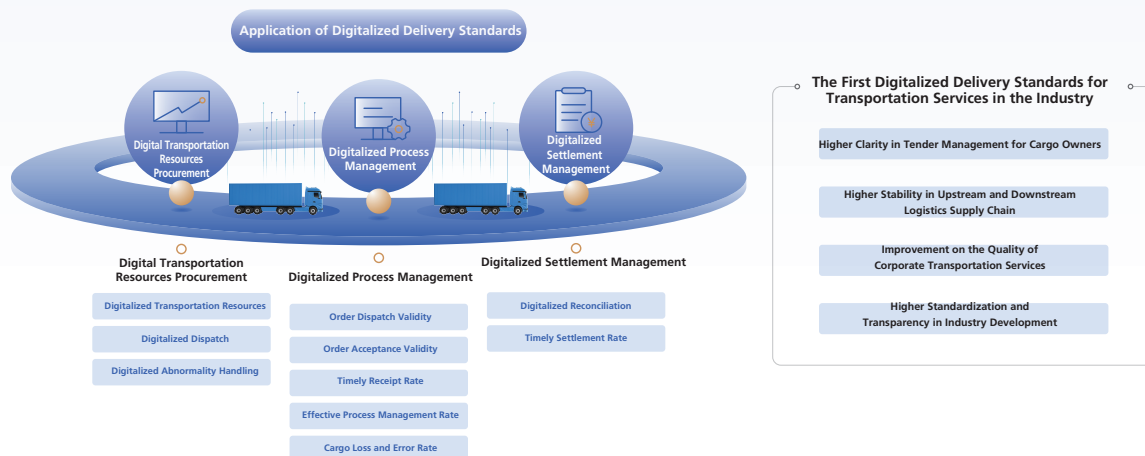
We provide business scenarios to support the iterative upgrading and rooting of digital freight transportation, explore innovative business models for digital transformation of the logistics industry, and we have built a digitalized ecosystem for road freight transportation. Our digital freight platform penetrates three different organizations: cargo owners, logistics companies, and truckers, works in close coordination with roles such as logistics project managers, on-site logistics dispatchers, and logistics company administrators, achieves efficient collaboration and clear job boundaries for frontline logistics project personnel by leveraging digitalization, and connects the entire process from order reception to financial settlement, which promotes a comprehensive digital upgrade of logistics companies. Meanwhile, we have established an integrated front, middle and back integrated and coordinated operation team. Through the four stages of data production and sedimentation, application, processing analysis, and optimization, we solidly promoted the implementation and application of digital freight services. According to our statistics, after adopting digital operational management, logistics companies have achieved an increase in transportation efficiency of approximately 30% and a reduction in labor costs of over 20%, realizing cost-effectiveness and efficiency improvements in both managerial and technical aspects of logistics.



# Management Discussion and Analysis

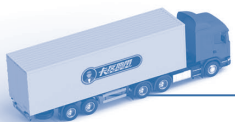
Our platform provides digital freight services and solutions to shippers, such as logistics companies and cargo owners, as well as truckers in both inter-city and intra-city road freight transportation. We had served over 15,700 shippers and 3.42 million truckers who had completed an aggregate of over 51 million shipping orders on our platform from the inception of our digital freight business up to June 30, 2024. The aggregate amount of shipping fees (including VAT) settled on our platform from transactions fulfilled through us as a statutory carrier under PRC law, which we refer to as our Online GTV, amounted to RMB17.7 billion during the six months ended June 30, 2024. Our platform has consistently maintained a high level of annual retention rate, with annual retention rates of 91.8% for our major shipper customers for the first half of 2024.

We seek to benefit and empower the participants in the ecosystem of road freight transportation industry, including shippers such as logistics companies and cargo owners, truckers, freight brokers, and other related service providers. We promote the collaboration between such ecosystem participants, enhance transparency and synergy in such collaboration through our digitalized services, and help logistics companies to improve their transport service delivery capabilities. In the first half of 2024, based on the community standard "Requirements for Digitalization of Transportation Service Delivery" (《運輸服務交付數字化要求》), we took the lead in the industry to propose specific implementation details for the digital delivery standards of transportation services, while also practicing their application in specific transportation operations. We assist logistics companies in completing transportation services while providing intelligent data services such as project management, business management diagnosis, and improvement suggestions based on further analysis of the entire business process data. For cargo owners, while logistics companies complete the delivery of goods, they also synchronize the delivery of logistics process data and outcomes to upstream freight enterprises. These data are beneficial for the integration of production, supply, and marketing, inventory management, and product delivery for cargo owners.



# Management Discussion and Analysis

In addition to our digital freight platform, we also operate Trucker Community, an “online + offline” community for truckers. It is the largest community for truckers in China and the largest community in the logistics industry in China, in terms of the number of registered users. As of June 30, 2024, the number of registered users of Trucker Community amounted to more than 3.43 million. We have accumulated a large and loyal user base of truckers over the past decade, which enabled us to establish indepth collaboration with a variety of partners in order to resolve the problems truckers encountered in “business, production and life” and improve truckers’ social status, work environment and living conditions.



# Management Discussion and Analysis

## BUSINESS OVERVIEW

### Our Business Model and Service Offerings

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

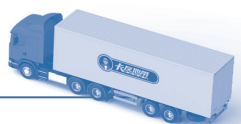
### Digital Freight Business

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

In the first half of 2024, we further deepened our digital solutions. Horizontally, we extended our solutions into more industry segments, such as pharmaceuticals, beverages and other industries where there are specific internal management and transportation structures. By leveraging "digitalization + operations", we provide industry-specific transportation service solutions for customers in different sectors. Vertically, we expanded the value of our digital solutions. Regarding aspects of significant interest to logistics enterprises, including project management, business management diagnosis, and the quality of transportation and delivery, we facilitate cost reduction and operational efficiency by integrating the digitization of business processes into logistics company management through rigorous data analysis and sedimentation.

### Freight Transportation Services

We address the shipping demand from the shippers with appropriate road freight transportation resources, based on our analysis of the shippers' business. Our freight transportation services are usually provided to customers in the industries with a high degree of standardization in logistics transportation such as bulk cargo. Facing of the market changes with declining demand for freight transportation and increasing internal driving forces of cargo owners to reduce costs and increase efficiency, bulk cargo shippers rely on our digital products and solutions to form a differentiated competitive advantage and gradually improve their qualities of delivery of bulk cargo transportation. The fully digitized freight business process, with real-time recording of on-site data, helps bulk cargo shippers to continuously enhance the refined management level of projects and improve operational performance. We have an in-depth integration between our digital solutions for different business scenarios and the internal operation flow of the logistics companies. For the six months ended June 30, 2024, Online GTV of our freight transportation services amounted to approximately RMB3.4 billion.





# Management Discussion and Analysis

## **Freight Platform Services**

When we provide freight platform services, our focus is on connecting and facilitating the coordination between shippers and truckers. Our freight platform services mainly target shippers for consumer commodities who generally have a lesser degree of standardization of transportation tasks as the shipping process for consumer commodities is relatively complicated. Logistics companies utilized freight platform often need to cooperate with multiple participants in the trucks and drivers supply chain to complete each transportation demand during logistics project operations. With our digital freight platform, we break down the barrier between working systems of various departments, achieving efficient collaboration and organizational management within logistics companies. At the same time, the digitization of the entire business process of the freight platform business enables real-time recording of the data generated by each business process, and systematic data presentation and analysis. The digital products and solutions for the whole transportation process of our freight platform services improve logistics companies' digitalization capabilities to and to deliver transparent, efficient, stable and modernized "trucks and drivers supply chain". For the six months ended June 30, 2024, Online GTV of our freight platform services amounted to approximately RMB14.3 billion.

## **Trucker Community and Trucker's Membership Services**

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

Through years of operation, our Trucker Community has become as a reliable self-organized community. As of June 30, 2024, the number of registered users of Trucker Community amounted to more than 3.4 million and the number of followers of our social media accounts amounted to approximately 3.6 million. We have established and assisted to manage offline communities of Trucker Community in 298 cities in the PRC, which are self-organized by local truckers.

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

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



# Management Discussion and Analysis

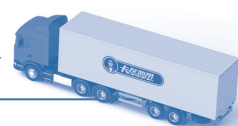
Set forth below are certain operating metrics of our Trucker Community during the Reporting Period:

	<b>For the six months ended June 30, 2024</b>
Number of Converted Truckers <sup>(1)</sup> ( <i>thousand</i> )	<b>170.4</b>
Online GTV fulfilled by Converted Truckers ( <i>RMB billion</i> )	<b>3.6</b>
Shipping orders fulfilled by Converted Truckers ( <i>thousand</i> )	<b>746.7</b>
Breakdown by:	
Freight transportation services ( <i>thousand</i> )	<b>20.5</b>
% of total freight transportation service shipping orders (%)	<b>2.11</b>
Freight platform services ( <i>thousand</i> )	<b>726.1</b>
% of total freight platform service shipping orders (%)	<b>19.6</b>
Percentage of truckers converted from Trucker Community to our digital freight platform <sup>(2)</sup> (%)	<b>21.7</b>

Notes:

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

Truckers on our Trucker Community platform serve as supplemental resources in fulfilling shipping orders on our platform, while the majority of shipping orders are fulfilled by other truckers on our digital freight platform who have not joined Trucker Community. The number of Converted Truckers in the first half of 2024 remained at a relatively steady level as compared with the corresponding period in 2023 and recorded approximately 170.4 thousand (first half of 2023: 160.9 thousand). The percentage of truckers converted from Trucker Community to our digital freight platform increased from 20.8% in the first half of 2023 to 21.7% in the first half of 2024 and remained at a reasonable level. In general, the performance of Trucker Community in terms of its conversion capabilities was within the expectation of the Company’s management during the Reporting Period.



# Management Discussion and Analysis

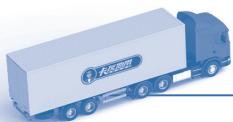
## Our Ecosystem

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

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



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



# Management Discussion and Analysis

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

- Shippers:** Shippers constitute the direct customers of our digital freight business. Our shipper customers primarily include logistics companies of all sizes and background. To a lesser extent, we also serve cargo owners with needs for freight transportation services. In the first half of 2024, shippers that had completed shipping orders on our digital freight platform amounted to 5,909; and as of June 30, 2024, the cumulative number of shippers that had completed shipping orders on our platform reached 15,777, representing an increase of 2,586 from the first half of 2023. In the first half of 2024, the number of shipping orders completed on our platform amounted to approximately 4.7 million, and the Online GTV on our platform amounted to approximately RMB17.7 billion.
- Truckers:** Truckers constitute the suppliers of road freight transportation resources for our digital freight business. We strive to empower truckers with better business opportunities, social communities and work capacities through our digital freight business, Trucker Community and Trucker's Membership Services, respectively. As of June 30, 2024, the number of truckers who had completed shipping orders on our platform amounted to 3.4 million, and the number of truckers who had newly registered on our Trucker Community platform amounted to 3,430 thousand. We consider truckers who complete at least four orders on our digital freight platform in a given year or a given period to be active truckers, who completed more than 75% of the total amount of sales orders on our platform in the first half of 2024. In the first half of 2024, the number of active truckers on our platform amounted to 225.9 thousand.
- Freight brokers:** Traditionally freight brokers serve as an intermediary between shippers and truckers, who select truckers for shippers and coordinate with both sides. In our case, the major function of freight brokers is to introduce truckers to our digital freight platform. In some cases, freight brokers also assist with the vetting of, and coordination with, such truckers. We believe that freight brokers play an important role in our ecosystem by bringing additional truckers to our platform and facilitating the coordination and communication with truckers.
- Other ecosystem participants:** Other ecosystem participants, such as truck aftermarket service providers, truck sellers, insurance companies and other financial institutions are connected to truckers on our platform through the truck aftermarket services available on our platform.

## Our Technology and Digitalized Products

The core of digital freight lies in operations. Digitalization must be integrated into the daily operations of logistics companies to be effective, allowing logistics companies to operate according to digital workflows and achieve expected business value and financial results. To improve the operational efficiency of logistics projects, we have implemented AI technology in customer operations. By utilizing preemptive automated operational commands, we enhance the efficiency and service quality of logistics projects. Additionally, we have introduced intelligent customer service into logistics project operations, reducing the resource investment related to driver management for both logistics clients and our business teams. With the support of AI technology, we have significantly improved the response speed and resolution rate of operational anomalies, which has led to a reduction in operational costs.



# Management Discussion and Analysis

## Our Corporate Social Responsibility

In June 2022, we established a dedicated charity platform for truckers in the logistics industry, “Charitable Mileage Donation” (“愛心里程捐”). Through the platform, truckers could convert their drives into “mile bubbles” for donation to charity projects. A total of 4 projects have been implemented, covering women in the logistics industry, families of truckers in difficulty and groups of abducted children. By the end of June 2024, the cumulative number of participants reached 505,749; the number of miles donated was 3.845 billion kilometers; 2,953 truckers and logistics families have been benefited; 32,341 family tracing bumper stickers have been distributed free of charge and we helped 24 families whose children have been abducted reunite.

We collaborate with the All-China Federation of Trade Unions to assist in carrying out related work such as the membership registration of truck drivers, based on the real needs of truckers in their daily transportation scenarios, we have supported trade unions in multiple provinces to strengthen the protection of truckers’ rights. Through both online and offline channels, we provide unionized truckers with services such as accident insurance, cooling packages, warmth packages, and health check-ups. Additionally, during high-risk periods like the Spring Festival and the summer, we conduct safe operation activities to raise drivers’ risk awareness and reduce transportation risks, striving to create a safer market environment for the freight industry. During the reporting period, we secured approximately 89,000 service rights for unionized drivers, with a value exceeding RMB9.3 million, covering 64,000 drivers.

In Hefei, Anhui Province, where our Company is located, we established the “Home of Female Truckers and Truckers’ Wives”. This center provides comprehensive services for women in the trucking industry, including mental health support, rights protection, marriage and family counseling, and personal development, covering more than 3,000 individuals. Tailored to their unique needs, we offer compassionate programs such as breast and cervical cancer screenings, parent-child activities, skills training, and handicraft workshops, helping them and their families thrive.

## Our Milestones in the first half of 2024

Set out below are the important milestones of the Group’s businesses for the first half of 2024:

### (1) The Group was honored with the title of “New Quality Productive Forces Enterprise” (“新質生產力企業”).

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

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

In April 2024, the Group’s data product, Evaluation of Digital Delivery Capability of Logistics Companies, (“《物流企業數字化交付能力評價》”) was officially made available through tender on the Beijing International Data Exchange.

### (3) The Group successfully held the 10th I Love Trucker’s Day

The Group successfully organized the 10th “I Love Trucker’s” Day “(52卡友節)”, in which more than 43,000 drivers participated, and the cumulative publicity exposure exceeded 8.6 million. In this festival, we signed the “Collective Contract for the Protection of Truck Drivers’ Rights and Interests on the Logory Internet + Logistics Platform (All Network)” (“《「路歌互聯網+物流平台」(全網)貨車司機權益保障集體合同》”) with the representatives of truckers across the country, which is a pioneering legal document signed by us as an Internet platform enterprise with individual operators to protect their rights and interests.



# Management Discussion and Analysis

## OUTLOOK

The year 2024 marks the growth of digitalization. In the first half of the year, we have welcomed the improvement in performance and achieved a turnaround from net loss to net profit. Looking ahead, we plan to seize market opportunities in China's digital freight industry and expand our business in the following directions:

- Given that digital freight is an integral part of digital China, and the new logistics industry formed under the “integration of digital economy and real economy (數實融合)” has taken the lead in the standardized development stage, we intend to be actively involved in formulation and implementation of the relevant industry standards, association standards, business management norms so as to drive the standardized development of the industry as well as to lead the high-quality development of digital freight platforms.
- The industry standard “Specifications for Road Freight Transportation Services on Online Platforms” (“網絡平台道路貨物運輸服務規範”) issued by the Ministry of Transport has officially taken effect on July 1, 2024. At the national level, there is a dual focus on development and standardized management of the online freight industry, promoting deep integration of the digital economy with road freight. We will adhere to these industry standards and support the full digitalization transformation of traditional logistics through continuous innovation in technology applications and service models.
- Effective from January 1, 2024, the Ministry of Finance has officially implemented the “Interim Provisions on Accounting Treatment Related to Enterprise Data Resources,” (“企業數據資源相關會計處理暫行規定”) which explicitly categorizes digital assets as an intangible asset on the balance sheet. In response to this development, we carry out comprehensive analysis, precise management, and expert processing of the data from our digital freight platform. Through these strategic efforts, we are dedicated to proactively exploring viable methods for incorporating our data assets into the financial statements. This pursuit aims to bolster our financial performance and stimulate the ongoing innovation and enhancement of our business model.
- Leveraging our Group's advantages in digitalization, we will collaborate with high-quality logistics companies to expand digital logistics delivery services for upstream and downstream of the supply chain and manufacturing enterprises.
- We will integrate related industry and social resources to continuously enhance support and commercial services for truckers, building a digital service system for truckers.

The next phase of digital freight will be a battleground for digital upgrade capabilities. We will continue to uphold the value of “seeking truth, fairness, altruism” and create real value for the logistics industry. Though the journey may be long, we will reach our destination with persistence.



# Management Discussion and Analysis

## FINANCIAL REVIEW

The Group generated revenue predominantly from our digital freight business, by providing freight transportation services and freight platform services. During the Reporting Period, the Group's total revenue was approximately RMB3,257.2 million, representing an increase of approximately RMB646 million, or approximately 24.7%, from approximately RMB2,611.2 million for the six months ended June 30, 2023. We helped logistics companies to innovate their business management and operation models through digital transportation resources procurement, digital business operation and digital financial settlement led to the increase in customer recognition and demand for the Group's products and services, which in turn led to the increase in the revenue of the Group.

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

	For the six months ended June 30,			
	2024		2023	
	RMB'000 (unaudited)	%	RMB'000 (unaudited)	%
Revenue from freight transportation services	3,094,506	95.01	2,475,284	94.79
Revenue from freight platform services	148,037	4.54	123,132	4.72
Sale of goods	273	0.01	2,561	0.10
Others <sup>(1)</sup>	14,348	0.44	10,225	0.39
<b>Total</b>	<b>3,257,164</b>	<b>100.0</b>	<b>2,611,202</b>	<b>100.0</b>

Note:

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

## Cost of revenue

During the Reporting Period, the Group's cost of revenue was approximately RMB3,083.0 million, representing an increase of approximately RMB611.3 million, or approximately 24.7%, from approximately RMB2,471.7 million for the six months ended June 30, 2023. This was mainly due to the increase in the Company's online GTV in the first half of 2024 corresponding to the rise in the Company's freight payment costs for drivers.

## Gross profit and gross profit margin

As a result of the above, the Group's gross profit increased by approximately RMB34.7 million or approximately 24.9% from approximately RMB139.5 million for the six months ended June 30, 2023 to approximately RMB174.2 million for the six months ended June 30, 2024. Gross profit margin remained relatively stable at approximately 5.34% for the six months ended June 30, 2023 and approximately 5.35% for the six months ended June 30, 2024.



# Management Discussion and Analysis

## Other income and gains

Other income and gains of the Group decreased by approximately RMB6.4 million or approximately 44.8% from approximately RMB14.3 million for the six months ended June 30, 2023 to approximately RMB7.9 million for the six months ended June 30, 2024, which is comprised of: (i) bank interest income of approximately RMB4.3 million; (ii) the government grants (other than those related to digital freight businesses) of approximately RMB1.2 million; and (iii) others of RMB2.4 million. Such decrease was primarily attributable to the decrease in bank interest income and government grants (other than those related to digital freight businesses).

## Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses amounted to approximately RMB43.2 million, representing a decrease of approximately RMB19.0 million, or approximately 30.5%, from approximately RMB62.2 million for the six months ended June 30, 2023, mainly due to lower staff costs as a result of the decline in the number of employees, together with lower share-based payments.

## Administrative expenses

Our administrative expenses primarily consist of staff costs, share-based payments, depreciation and amortization and office expenses, among others. During the Reporting Period, the Group's administrative expenses amounted to approximately RMB45.8 million, representing a decrease of approximately RMB10.4 million, or approximately 18.5%, from approximately RMB56.2 million for the six months ended June 30, 2023, mainly due to the decrease in listing expenses and share-based payments.

## Research and development expenses

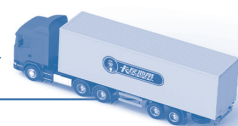
During the Reporting Period, the Group's research and development expenses amounted to approximately RMB39.0 million, representing a decrease of approximately RMB0.2 million or approximately 0.5% from approximately RMB39.2 million for the six months ended June 30, 2023, of which costs remain relatively stable.

## Impairment of financial and contract assets, net

During the Reporting Period, the Group's impairment of financial and contract assets was approximately RMB6.5 million, mainly consist of loss on account receivables and receivables from shippers for shipping fees resulting from the credit impairments of our customers, The Group's impairment of financial and contract assets was approximately RMB0.2 million for the six months ended June 30, 2023.

## Other expenses

During the Reporting Period, the Group's other expenses mainly consist of taxes and surcharges, impairment loss on assets and financial transaction fees, the amount of which was approximately RMB18.4 million, representing a decrease of approximately RMB1.4 million, or approximately 7.1%, from approximately RMB19.8 million for the six months ended June 30, 2023, mainly due to the decrease in taxes and surcharges.





# Management Discussion and Analysis

## Finance costs

Our finance costs mainly consist of interest on bank loans and other borrowings. During the Reporting Period, the Group's finance costs amounted to approximately RMB3.8 million, representing an increase of approximately RMB3.0 million, or approximately 375.0%, from approximately RMB0.8 million for the six months ended June 30, 2023. The increase was mainly due to the increase in the Company's bank borrowings in the first half of 2024.

## Income tax expense

During the Reporting Period, the Group recorded income tax expense of approximately RMB3.4 million, while the income tax expenses for the six months ended June 30, 2023 were approximately RMB1.0 million. This was mainly due to the increase in the Company's taxable profit for the Reporting Period.

## Profit/(Loss) for the period

During the Reporting Period, profit attributable to owners of the Company was approximately RMB24.0 million (for the six months ended June 30, 2023: loss of approximately RMB26.2 million).

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

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



# Management Discussion and Analysis

The following tables set forth reconciliations of the Group's non-IFRS measures for the six months ended June 30, 2024 and 2023 to the nearest measures prepared in accordance with IFRS.

	For the six months ended June 30,			
	2024 RMB'000 (unaudited)	% of total revenue %	2023 RMB'000 (unaudited)	% of total revenue %
<b>Profit/(loss) for the period</b>	<b>21,803</b>	<b>0.67</b>	(26,166)	(1.00)
Adding back or excluding				
Share-based payments <sup>(1)</sup>	<b>3,199</b>	<b>0.10</b>	10,096	0.39
Listing expenses related to the Global Offering	—	—	12,654	0.48
<b>Non-IFRS measures</b>				
<b>Adjusted net profit/(loss) (unaudited)</b>	<b>25,002</b>	<b>0.77</b>	(3,416)	(0.13)
<b>Adjusted net profit/(loss) attributable to owners of the parent (unaudited)</b>	<b>27,236</b>	<b>0.84</b>	(3,416)	(0.13)

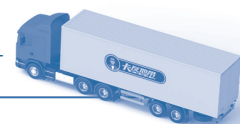
Note:

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

Our adjusted net profit (non-IFRS measure) during the Reporting Period amounted to approximately RMB25.0 million, representing an increase of RMB28.4 million, from an adjusted net loss of approximately RMB3.4 million for the six months ended June 30, 2023, which was mainly attributable to (i) the fact that we helped logistics companies to innovate their business management and operation models through digital transportation resources procurement, digital business operation and digital financial settlement led to the increase in customer recognition and demand for the Group's products and services, which in turn contributed to the increase in the Online GTV, revenue and gross profit of the Group; and (ii) technology research and development which helped the Group to refine its operation and achieve remarkable results in the control of selling expenses and administrative expenses.

## Liquidity, financial resources and capital structure

As of June 30, 2024, the Group had current assets of RMB2,531.4 million (December 31, 2023: RMB2,322.5 million), representing an increase of approximately RMB208.9 million or 9.0%, mainly due to the increase in cash and cash equivalents, prepayments, other receivables and other assets, partially offset by the decrease in financial assets at fair value through profit or loss. As of June 30, 2024, the Group had current liabilities of RMB1,955.2 million (December 31, 2023: RMB1,776.6 million), representing an increase of approximately RMB178.6 million or 10.1%, mainly due to increases in interest-bearing bank and other borrowings and other payables and accruals. The current ratio was 1.29 at June 30, 2024 as compared with 1.31 at December 31, 2023, equals to total current assets divided by total current liabilities as of the end of the period.



# Management Discussion and Analysis

As of June 30, 2024, the Group's cash and cash equivalents amounted to approximately RMB599.5 million (December 31, 2023: RMB 517.9 million). The increase was mainly attributable to the increase in the Group's bank borrowings. As of June 30, 2024, the Group had bank borrowings of approximately RMB265.4 million (December 31, 2023: RMB120 million), among which, RMB235.4 million were fixed-rate borrowings with interest rate from 2.99% to 3.45% per annum. The Group monitors and maintains cash and cash equivalents to a level that management believes to be sufficient to meet the Group's operating needs.

The Group has adopted a prudent financial management approach towards its treasury policies to ensure the liquidity requirements from daily operation as well as capital expenditures are met. The Board closely monitors the Group's liquidity positions, while surplus cash will be invested appropriately with the consideration of the credit risks, liquidity risks and market risks of the financial instruments.

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

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company during the Reporting Period. The capital of the Company comprises ordinary shares including Domestic Shares and H Shares.

## Capital Expenditures

During the Reporting Period, the Group's capital expenditures amounted to approximately RMB1.3 million, which primarily consist of purchase of properties, plants and equipment and purchase of intangible assets. We funded our capital expenditure requirements during the Reporting Period mainly from cash generated from operating activities.

## Inventories

As of June 30, 2024, the Group's inventories amounted to approximately RMB8.4 million, representing an increase of approximately RMB4.6 million or approximately 121.1% from approximately RMB3.8 million as of December 31, 2023, mainly due to the increase in inventory reserves of the Company during the Reporting Period.

## Trade and Notes Receivables

As of June 30, 2024, the Group's trade and notes receivables amounted to approximately RMB155.7 million, representing an increase of approximately RMB12.9 million or approximately 9.0% from approximately RMB142.8 million as of December 31, 2023, mainly due to the increase in transaction size of the freight services in the first half of 2024 as compared to the second half of 2023 on a period-on-period basis.



# Management Discussion and Analysis

## Trade Payables

As of June 30, 2024, the Group's trade payables amounted to approximately RMB169.6 million, representing an increase of approximately RMB14.3 million or approximately 9.2% from approximately RMB155.3 million as of December 31, 2023, mainly due to the increase in transaction size of the freight services in the first half of 2024 as compared to the second half of 2023 on a period-on-period basis.

## Prepayments, Other Receivables and Other Assets

As of June 30, 2024, the Group's prepayments, other receivables and other assets amounted to approximately RMB1,759.10 million, representing an increase of approximately RMB126.1 million or approximately 7.7% from approximately RMB1,633.0 million as of December 31, 2023, mainly due to an increase in freight charges receivable from shippers not yet received as of June 30, 2024.

## EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2024, we had 874 full-time employees, all of whom were based in China. The number of employees employed by the Group may change from time to time as required and employee emoluments are determined with reference to market conditions and the performance, qualifications and experience of individual employees.

As part of our human resources strategies, we are committed to establishing a competitive and fair remuneration and benefits system. Compensation for our employees typically consists of basic salary and performance-based bonus. We provide our employees with benefits such as pension scheme, medical insurance, workplace injury insurance, unemployment insurance and housing providence funds in accordance with relevant PRC laws and regulations. We offer employees additional benefits such as additional commercial insurance, among other things. In order to effectively motivate our staff, we continually refine our remuneration and incentive policies through market research. The Group also has in place share incentive schemes for its employees, for details of which please refer to the section headed "Share Incentive Schemes" in the "Corporate Governance and Other Information" in this interim report.

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



# Management Discussion and Analysis

## PLEDGE OF ASSETS

As of June 30, 2024, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (December 31, 2023: nil).

## CONTINGENT LIABILITIES

As of June 30, 2024, the Group did not have any material contingent liabilities.

## SHARE PLEDGE

During the Reporting Period, there is no pledge by our Controlling Shareholders of their interests in the Shares to secure the Company's debts or to secure guarantees or other support of its obligation.

## BORROWING AND GEARING RATIO

As of June 30, 2024, the Group had bank borrowings and other borrowings of approximately RMB265.4 million (December 31, 2023: RMB120 million).

As of June 30, 2024, our gearing ratio, calculated as net debts (including borrowings, lease liabilities) divided by the total equity as at the end of the year, was approximately 43.1% (December 31, 2023: 22.6%).

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

For the six months ended June 30, 2024, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of June 30, 2024, we did not have plans for material investments and capital assets.

## EXPOSURE TO FLUCTUATIONS IN FOREIGN EXCHANGE RATES

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

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



# Management Discussion and Analysis

## SHARE OPTION SCHEME AND TRAINING PROGRAM

During the Reporting Period, the Group has no share option scheme. The Group provides its employees with a comprehensive training program which it believes will enable them to effectively acquire the necessary skills and professional ethics. The Group participates in mandatory employee social security scheme organized by provincial and municipal governments in accordance with PRC laws, including endowment insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing provident fund. The Group and its employees are required to pay a specified percentage of the cost of the social security scheme. The Group is required to contribute directly to the employee social security scheme at a specified percentage of the employees' salaries, bonuses and certain allowances in accordance with PRC laws, and the amount of contribution shall not exceed the maximum amount prescribed by the local government from time to time.

## SIGNIFICANT INVESTMENT AND MATERIAL EVENT DURING THE REPORTING PERIOD

Save as disclosed in this interim report, the Board is not aware of any significant investment and material events which could have a material impact on our operating and financial performance for the six months ended June 30, 2024.

## MATERIAL EVENTS SUBSEQUENT TO THE REPORTING PERIOD

### Proposed Amendments to the Articles of Association

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

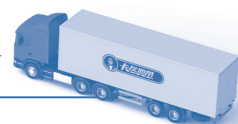
For details, please refer to the Company's announcement dated August 30, 2024 in relation to, among other things, the proposed amendments to the Articles of Association.

### Proposed Re-designation of a Director

With effect from August 30, 2024, Ms. Wang Yao (王瑤) ("**Ms. Wang**") has been re-designated from her position as an executive Director to a non-executive Director and retired from her position as the chief financial officer of the Company as she approaches the age of retirement and desires to devote more time on personal affairs. The Company is in the process of identifying suitable candidate to fill the vacancy of the person-in-charge of finance. During this transitional period, Mr. Du Bing will temporarily oversee the operation of the finance department until a suitable candidate is duly appointed as the person-in-charge for finance and related matters of the Company.

Details of the information required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules were set out in the Company's announcement dated August 30, 2024 in relation to, among other things, the re-designation of Director and retirement of chief financial officer of the Company.

Save as disclosed in this interim report, the Group is not aware of any material events of the Group which could have a material impact on our operating and financial performance from June 30, 2024 until the date of this interim report.



# Corporate Governance and Other Information

The Board is pleased to present the Corporate Governance and Other Information for the six months ended June 30, 2024.

## CORPORATE GOVERNANCE PRACTICES

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

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

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

The Directors will review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company each financial year.

## SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code to regulate all dealings by the Directors, the Supervisors and relevant employees of securities in the Company and other matters covered by the Model Code since the Listing Date. Having made specific enquiry with all the Directors and Supervisors of the Company, all the Directors and Supervisors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.



# Corporate Governance and Other Information

## USE OF PROCEEDS

### Use of Proceeds from the Global Offering

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

As of June 30, 2024, the unutilized net proceeds have been placed in licensed banks and/or authorized financial institution as defined under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and laws in the relevant jurisdictions (where applicable). For details of the use of net proceeds from the Global Offering, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As of June 30, 2024, the Company had utilized approximately HK\$17.0 million of net proceeds from the Global Offering, representing approximately 27.0% of the total net proceeds from the Global Offering, in accordance with the intended use set out in the Prospectus. The following table sets out breakdown of the use of proceeds from the Global Offering.

Use of net proceeds	Percentage of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus (HK\$ million)	Allocated net proceeds from the Global Offering <sup>(Note)</sup> (HK\$ million)	Net proceeds utilized since the Listing and up to June 30, 2024 (HK\$ million)	Expected timeline of full utilization of net proceeds	Unutilized net proceeds as of June 30, 2024 (HK\$ million)
<b>To further upgrade and enhance our digital freight business, with a goal to address more in-depth demands from our customers under more diversified business scenarios and to relentlessly improve the user experience for our digital freight business</b>	<b>45.0%</b>	<b>34.2</b>	<b>28.4</b>	<b>4.0</b>	<b>2031</b>	<b>24.4</b>
(i) To acquire additional customers for our freight transportation services and freight platform services	15.0%	11.4	9.5	1.2	2031	8.3
(ii) To improve our penetration into our existing customer base	15.0%	11.4	9.5	2.1	2027	7.4
(iii) To promote our involvement of other participants in our ecosystem and exploring additional opportunities for synergistic development within our ecosystem	15.0%	11.4	9.4	0.7	2031	8.7
<b>To further expand our Trucker Community and Truck Plus solutions</b>	<b>15.0%</b>	<b>11.4</b>	<b>9.5</b>	<b>1.5</b>	<b>2031</b>	<b>8.0</b>
(i) To explore and improve the commercialization of Trucker Community, including attracting registered members and enhancing commercialization opportunities through Truck Plus	7.5%	5.7	4.7	0.5	2027	4.2
(ii) To foster and maintain the nationwide service network of authorized stores for Truck Plus solutions	5.0%	3.8	3.2	0.5	2031	2.7
(iii) To strengthen the supply chain system that supports our Truck Plus solutions	2.5%	1.9	1.6	0.5	2027	1.1
<b>To enhance our research and development efforts and to strengthen our technological capabilities</b>	<b>20.0%</b>	<b>15.2</b>	<b>12.6</b>	<b>7.5</b>	<b>2025</b>	<b>5.1</b>
(i) To reinforce our technological strengths in big data	15.0%	11.4	9.4	4.9	2025	4.5
(ii) To improve our existing research and development capacities in the high-tech fields	5.0%	3.8	3.2	2.6	2024	0.6
<b>To recruit additional sales, marketing and operational personnel</b>	<b>10.0%</b>	<b>7.6</b>	<b>6.3</b>	<b>2.1</b>	<b>2026</b>	<b>4.2</b>
<b>Working capital and other general corporate purposes</b>	<b>10.0%</b>	<b>7.6</b>	<b>6.3</b>	<b>1.9</b>	<b>2027</b>	<b>4.4</b>

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

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





# Corporate Governance and Other Information

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and Supervisors since the Listing Date. Having made specific enquiry with the Directors and Supervisors, each of the Directors and Supervisors confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

## MATERIAL LEGAL PROCEEDINGS

During the Reporting Period, no member of the Group was involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

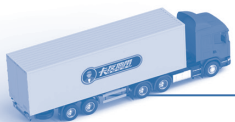
## AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive Directors, namely, Mr. Li Dong (chairman of the Audit Committee), Mr. Liu Xiaofeng and Mr. Dai Dingyi, has adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has considered and reviewed, with no disagreement, with the management the unaudited interim consolidated results for the six months ended June 30, 2024 and this interim report, and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee considers that the interim consolidated results for the six months ended June 30, 2024 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

## INTERIM DIVIDEND

The Board resolved not to recommend the payment of an interim dividend for the six months ended June 30, 2024 (for the six months ended June 30, 2023: nil).

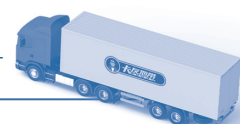


## Corporate Governance and Other Information

### INTERESTS AND SHORT POSITIONS OF EACH OF OUR DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of June 30, 2024, the interests or short positions of the Directors, Supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Listing Rules were as follows:

Name of Director/ Supervisor/Chief Executive	Position	Nature of interest	Class of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant class of Shares <sup>(1)</sup>	Approximate percentage of shareholding in the total issued Shares of the Company <sup>(2)</sup>
Mr. Feng Lei	Chairman and Executive Director	Beneficial owner	Domestic Shares	273,447,680	31.56%	19.62%
		Interest in controlled corporation <sup>(3)</sup>	Domestic Shares	4,970,665	0.57%	0.36%
		Interest held jointly with another person <sup>(3)</sup>	Domestic Shares	273,447,680	31.56%	19.62%
		Interest in controlled corporation <sup>(3)</sup>	H Shares	8,062,151	1.53%	0.58%
<b>Sub-total</b>				559,928,176		40.17%
Mr. Du Bing	Chief executive officer and Executive Director	Beneficial owner	Domestic Shares	273,447,680	31.56%	19.62%
		Interest in controlled corporation <sup>(3)</sup>	Domestic Shares	4,970,665	0.57%	0.36%
		Interest held jointly with another person <sup>(3)</sup>	Domestic Shares	273,447,680	31.56%	19.62%
		Interest in controlled corporation <sup>(3)</sup>	H Shares	8,062,151	1.53%	0.58%
<b>Sub-total</b>				559,928,176		40.17%
Mr. Ye Sheng	Executive Director	Beneficial owner	Domestic Shares	9,763,739	1.13%	0.70%
		Interest in controlled corporation <sup>(4)</sup>	Domestic Shares	18,523,737	2.14%	1.33%
		Beneficial owner	H Shares	15,836,261	3.00%	1.14%
		Interest in controlled corporation <sup>(4)</sup>	H Shares	30,044,503	5.70%	2.16%
<b>Sub-total</b>				74,168,240		5.32%
Mr. Fan Hua	Supervisor	Interest in controlled corporation <sup>(5)</sup>	Domestic Shares	505,988	0.06%	0.04%
		Interest in controlled corporation <sup>(5)</sup>	H Shares	820,684	0.16%	0.06%
<b>Sub-total</b>				1,326,672		0.10%



## Corporate Governance and Other Information

### Notes:

1. The calculation is based on a total number of 866,444,180 Domestic Shares in issue and a total number of 527,431,924 H Shares in issue as of June 30, 2024.
2. The calculation is based on the total number of 1,393,876,104 Shares in issue as of June 30, 2024.
3. As of June 30, 2024, Shanghai Chuyan directly holds 13,032,816 Domestic Shares and H Shares in total, representing approximately 0.93% of the enlarged registered share capital of our Company. Mr. Feng Lei is the general partner of Shanghai Chuyan and owns 52% of the equity interests of Shanghai Chuyan. Mr. Du Bing is the sole limited partner of Shanghai Chuyan and owns 48% of the equity interests of Shanghai Chuyan. As such, both Mr. Feng Lei and Mr. Du Bing are deemed under the SFO to be interested in the Shares held by Shanghai Chuyan.  
  
By virtue of the concert party agreement entered into by and between Mr. Feng Lei and Mr. Du Bing on July 30, 2021, Mr. Feng Lei and Mr. Du Bing are deemed under the SFO to be interested in each other's interests in the Shares.
4. Mr. Ye Sheng is the general partner of and has full control over Tianjin Mingyin, Tianjin Mingtong, Tianjin Mingyun and Tianjin Mingwei. As such, Mr. Ye Sheng is deemed under the SFO to be interested in the Shares held by Tianjin Mingyin, Tianjin Mingtong, Tianjin Mingyun and Tianjin Mingwei.
5. Hainan Fanrong No.2 Investment Center (Limited Partnership)\* (海南樊榮二號投資中心(有限合夥)) (“**Fanrong No.2**”) is owned as to (i) 1.0% by Duolinuo (Beijing) Engineering Consultancy Co., Ltd.\* (多利諾(北京)工程諮詢有限公司) (as the general partner) which is wholly owned by Mr. Fan Hua, and (ii) 99% by Mr. Fan Hua (as the sole limited partner). As such, Mr. Fan Hua has full control over Fanrong No.2 and is therefore deemed under the SFO to be interested in the Shares held by Fanrong No.2.
6. All interests stated are long positions.

Save as disclosed above, as of June 30, 2024, none of the Directors, Supervisors or the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### ARRANGEMENTS FOR PURCHASE OF SHARES OR DEBENTURES

At no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouse or children under the age of 18 had any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.



# Corporate Governance and Other Information

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2024, to the best knowledge of the Directors, the following persons (other than a Director, Supervisor or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder/ Ultimate Controller	Nature of interest	Class of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant class of Shares <sup>(1)</sup>	Approximate percentage of shareholding in the total issued Shares of the Company <sup>(2)</sup>
Shanghai Yunxin	Beneficial owner	Domestic Shares	72,103,345	8.32%	5.17%
	Beneficial owner	H Shares	116,947,759	22.17%	8.39%
		<b>Sub-total</b>	189,051,104		13.56%
Ant Group	Interest in controlled corporation <sup>(3)</sup>	Domestic Shares	72,103,345	8.32%	5.17%
	Interest in controlled corporation <sup>(3)</sup>	H Shares	116,947,759	22.17%	8.39%
		<b>Sub-total</b>	189,051,104		13.56%

Notes:

- The calculation is based on a total number of 866,444,180 Domestic Shares in issue and a total number of 527,431,924 H Shares in issue as of June 30, 2024.
- The calculation is based on the total number of 1,393,876,104 Shares in issue as of June 30, 2024.
- Shanghai Yunxin is a direct wholly-owned subsidiary of Ant Group. As such, Ant Group shall be deemed under the SFO to be interested in the Shares held by Shanghai Yunxin. As of June 30, 2024, Hangzhou Junhan Equity Investment Partnership (Limited Partnership)\* (杭州君瀚股權投資合夥企業(有限合夥)) (“Junhan”) and Hangzhou Junao Equity Investment Partnership (Limited Partnership)\* (杭州君澳股權投資合夥企業(有限合夥)) (“Junao”) held approximately 31% and 22% of Ant Group’s total issued shares, respectively. Hangzhou Xingtiao Enterprise Management Consultancy Co., Ltd.\* (杭州星滔企業管理諮詢有限公司) (“Xingtiao”) is the executive partner and general partner of Junhan; Hangzhou Yunbo Investment Consultancy Co., Ltd.\* (杭州雲鉞投資諮詢有限公司) (“Yunbo”) is the executive partner and general partner of Junao; and each of Xingtiao and Yunbo is held by five individuals as to 20% each. The remaining issued shares in Ant Group are held as to approximately 33% by Taobao (China) Software Co., Ltd.\* (淘寶(中國)軟件有限公司), an indirect wholly-owned subsidiary of Alibaba Holding, and as to approximately 14% by other minority shareholders.
- All interests stated are long positions.



## Corporate Governance and Other Information

### CHANGES IN COMPOSITION OF DIRECTORS AND SUPERVISORS

Given that the term of office of the Directors of the fourth session of the Board had expired, the Board considered and approved the re-election and appointment of members of the fifth session of the Board. At the annual general meeting held on June 20, 2023, Mr. Feng Lei (馮雷), Mr. Du Bing (杜兵), Mr. Ye Sheng (葉聖) and Ms. Wang Yao (王瑤) were re-elected as executive Directors of the fifth session of the Board, Mr. Liu Junjie (劉俊傑) and Mr. Chen Zhijie (陳志傑) were re-elected non-executive Directors of the fifth session of the Board and Mr. Dai Dingyi (戴定一), Mr. Li Dong (李東) and Mr. Liu Xiaofeng (劉曉峰) as independent non-executive Directors of the fifth session of the Board. Mr. Liu Junjie (劉俊傑) has resigned from his position as a non-executive Director of the Company and his resignation took effect since December 29, 2023.

Given that the term of office of the Supervisors of the fourth session of the Board of Supervisors had expired, the Board of Supervisors considered and approved the re-election of members of the fifth session of the Board of Supervisors. Ms. Liang Xiaojia (梁曉佳) was re-elected as an employee representative Supervisor of the fifth session of the Board of Supervisors. According to the Articles of Association and the Company Law of the People's Republic of China (中華人民共和國公司法), Ms. Liang Xiaojia has been elected as the employee representative Supervisor of the fifth session of the Board of Supervisors democratically by employees of the Company at the employee representatives' meeting of the Company on March 30, 2023, and was not subject to approval by the Shareholders. At the annual general meeting held on June 20, 2023, Mr. Fan Hua (樊驊) and Mr. Wang Yang (汪洋) were re-elected as Shareholders' representative Supervisors of the fifth session of the Board of Supervisors.

The changes in the Directors and the Supervisors of the Company during the Reporting Period and up to the date of this interim report are set out below:

- (i) At the annual general meeting held on May 29, 2024, Mr. Fu Da (傅達) ("**Mr. Fu**") was nominated and appointed as a non-executive Director of the fifth session of the Board.
- (ii) With effect from July 27, 2024, Mr. Liu Xiaofeng (劉曉峰), one of our independent non-executive Directors, ceased to serve as an independent non-executive director of Cinda International Holdings Limited (信達國際控股有限公司), a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 0111), upon expiration of his term of appointment.
- (iii) With effect from August 30, 2024, Ms. Wang Yao (王瑤) ("**Ms. Wang**") has been re-designated from her position as an executive Director to a non-executive Director of the Company.

Details of the biographies of Mr. Fu and Ms. Wang as well as other information in relation to their appointment and re-designation (as applicable) that are required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules were set out in the circular of annual general meeting dated April 26, 2024 and the Company's announcement dated August 30, 2024, respectively.

Save as disclosed above, the Company is not aware of the changes to information in respect of the Directors, Supervisors and senior management of the Company required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules during the Reporting Period and up to the date of this interim report.



# Corporate Governance and Other Information

## SHARE INCENTIVE SCHEMES

### 2019 Logory Logistic Share Incentive Plan

#### Purpose and validity period

On October 31, 2019, the Board approved the 2019 Logory Logistics Share Incentive Plan, for the purpose of attracting and retaining employees and directors who are considered essential to the success of the Company and the Group. The 2019 Logory Logistics Share Incentive Plan shall be valid until all the Logory Logistics Options are vested or become invalid, but for a period of no longer than 72 months.

#### Participants

Eligible participants under the 2019 Logory Logistics Share Incentive Plan include any Director, senior management, core technical personnel, and other personnel whom the Board of Directors deems necessary (excluding independent Directors, Supervisors, Shareholders who individually or collectively hold more than 5% of the Company's Shares, the Company's *de facto* controllers, and their spouses, parents and children).

#### Total number of 2019 Logory Logistics RSs available for grant

The 2019 Logory Logistics Share Incentive Plan does not involve any subscription or issuance of new shares.

Pursuant to the 2019 Logory Logistics Share Incentive Plan, the Company grants employees awards, including new options (the "**Logory Logistics Options**") to purchase ordinary shares of the Company and restricted shares (the "**2019 Logory Logistics RSs**"). Vesting of the Logory Logistics Options requires the relevant employees to remain in service for the period from the date of grant to the date of vesting, and satisfy the performance assessment requirements, along with a condition requiring an initial public offering ("**IPO**") of the Company, which was a performance vesting condition. On November 30, 2020, the Company's Board of Directors approved a modification plan of Logory Logistics Options (the "**Modification Plan**"), pursuant to which, all the Logory Logistics Options should be converted into restricted shares with the same conditions under corresponding Logory Logistics Option awards other than extending the remaining vesting schedule.

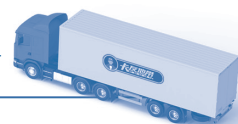
As at June 30, 2024, the remaining number of restricted shares to be granted under the 2019 Logory Logistics Share Incentive Plan was 3,586,667, representing approximately 0.2573% of the total issued Shares as at the date of this interim report.

#### Maximum entitlement of each participant

The terms of the 2019 Logory Logistics Share Incentive Plan (as amended by the Modification Plan) has no limit on the maximum entitlement of each participant.

#### Vesting period

Logory Logistics Options granted are generally subject to a vesting schedule from 19 months to 55 months and were classified as an equity award. Depending on the nature and the purpose of the grant, the vesting schedule of the Logory Logistics Options is generally as follows: (i) 25% of the awards shall be vested 19 months after the grant date and the date of IPO, as provided in the grant agreement, (ii) 25% of the awards shall be vested 31 months after the grant date, (iii) 25% of the awards shall be vested 43 months after the grant date and (iv) 25% of the awards shall be vested 55 months after grant date. No outstanding Logory Logistics Options will be exercisable after the expiry of a maximum of 12 months from the date of vesting or when the relevant employees cease to remain in service. Upon the Logory Logistics Options converted into restricted shares in accordance with the Modification Plan, the vesting period remains unchanged to corresponding Logory Logistics Option awards.



## Corporate Governance and Other Information

2019 Logory Logistics RSs granted to senior management of the Company are subject to a vesting schedule of 12 months upon the date of IPO and were classified as an equity award.

The grant price per share is RMB2.50 before Share Subdivision and the weighed grant price per share is RMB0.15625 after Share Subdivision. The grant price shall be paid within the period as stipulated in the respective grant letter.

Details of the restricted shares granted under the 2019 Logory Logistics Share Incentive Plan during the Reporting Period are as follows:

	Date of grant	Number of awards unvested as at December 31, 2023	Number of awards granted during the Reporting Period	Fair value of awards granted during the Reporting Period at the date of grant (RMB)	Number of awards vested during the Reporting Period	Number of awards unvested as at June 30, 2024	Closing price of shares immediately before the date on which awards were granted (HKD)
<b>Directors</b>							
Wang Yao	October 31, 2019	3,100,800	–	–	3,100,800	–	N/A
	December 30, 2019	3,200,000	–	–	3,200,000	–	N/A
<b>Five highest paid individuals (excluding Directors)<sup>1</sup></b>	December 30, 2019	3,200,000	–	–	3,200,000	–	N/A
<b>Other employee participants</b>	October 31, 2019	23,000,000	–	–	22,816,000	– <sup>2</sup>	N/A
	December 30, 2019	9,600,000	–	–	6,400,000	– <sup>2</sup>	N/A
<b>Total</b>		42,100,800	–		38,716,800	–	

Notes:

1. Except for Ms. Wang Yao, one of the five highest paid individuals during the Reporting Period has been granted awards under the 2019 Logory Logistics Share Incentive Plan. The remaining three of the five highest paid individuals are not granted any awards under the 2019 Logory Logistics Share Incentive Plan.
2. A total number of 3,578,667 restricted share awards granted (including 3,384,000 unvested awards and 194,667 vested awards) were forfeited due to employees' departure with the terms of the 2019 Logory Logistics Share Incentive Plan during the Reporting Period. No restricted share awards granted were cancelled or lapsed in accordance with the terms of the 2019 Logory Logistics Share Incentive Plan during the Reporting Period.



# Corporate Governance and Other Information

## 2020 Logory Logistics Share Incentive Plan

### Purpose and validity period

On November 30, 2020, the Board approved the 2020 Logory Logistics Share Incentive Plan, for the purpose of attracting and retaining employees and directors who are considered essential to the success of the Company and the Group. The 2020 Logory Logistics Share Incentive Plan shall remain in effect unless terminated in accordance with relevant provisions of the 2020 Logory Logistics Share Incentive Plan and considered by the Board and approved by the Shareholders.

### Participants

Eligible participants under the 2020 Logory Logistics Share Incentive Plan include any Director (excluding independent Directors), senior management, core technical personnel, and other personnel whom the Board of Directors deems necessary (including management who have primary management responsibility for operating units and divisions and other managers and business cadres who, in the opinion of the Board of Directors, have a direct impact on the Company's operating performance and future development).

### Total number of 2020 Logory Logistics RSs available for grant

The 2020 Logory Logistics Share Incentive Plan does not involve any subscription or issuance of new shares.

Pursuant to the 2020 Logory Logistics Share Incentive Plan, the Company grants employees restricted shares (the "2020 Logory Logistics RSs"). Vesting of the above 2020 Logory Logistics RSs requires the relevant employees to remain in service for the period from the date of grant to the date of vesting, and satisfy the performance assessment requirements, along with a condition requiring an IPO of the Company, which was deemed as a performance vesting condition.

The maximum number of restricted shares in respect of which awards may be granted under the Scheme shall not exceed 515,015 Shares (subdivided into 8,240,240 Shares after Share Subdivision). As at June 30, 2024, the remaining number of 2020 Logory Logistics RSs to be granted under the 2020 Logory Logistics Share Incentive Plan was 1,493,307, representing approximately 0.1071% of the total issued Shares as at the date of this interim report.

### Maximum entitlement of each participant

The terms of the 2020 Logory Logistics Share Incentive Plan has no limit on the maximum entitlement of each participant.

### Vesting period

2020 Logory Logistics RSs granted are generally subject to a vesting schedule from 2 years to 5 years and were classified as an equity award. Depending on the nature and the purpose of the grant, the vesting schedule of the 2020 Logory Logistics RSs is generally as follows: (i) 25% of the awards shall be vested 2 years after the grant date and 12 months after the date of IPO (which later), as provided in the grant agreement, (ii) 25% of the awards shall be vested 3 years after the grant date, (iii) 25% of the awards shall be vested 4 years after the grant date, and (iv) 25% of the awards shall be vested 5 years after the grant date, and 25% every year from the second year of the grant date thereafter. The grant price per share is RMB2.50 before Share Subdivision and the weighed grant price per share is RMB0.15625 after Share Subdivision. The grant price shall be paid within the period as stipulated in the respective grant letter.





## Corporate Governance and Other Information

Details of the 2020 Logory Logistics RSs granted under the 2020 Logory Logistics Share Incentive Plan during the Reporting Period are as follows:

	Date of grant	Number of awards unvested as at December 31, 2023	Number of awards granted during the Reporting Period	Fair value of awards granted during the Reporting Period at the date of grant (RMB)	Number of awards vested during the Reporting Period	Number of awards unvested as at June 30, 2024	Closing price of shares immediately before the date on which awards were granted (HKD)
<b>Directors</b>							
Ye Sheng	November 30, 2020	30,640	–	–	15,320	15,320	N/A
<b>Five highest paid individuals – (excluding Directors)<sup>1</sup></b>		–	–	–	–	–	N/A
<b>Other employee participants</b>	November 30, 2020	6,940,800	–	–	3,246,400	3,256,000 <sup>2</sup>	N/A
<b>Total</b>		6,971,440	–		3,261,720	3,271,320	

Notes:

1. Except for Mr. Ye Sheng, the remaining four of the five highest paid individuals during the Reporting Period are not granted any awards under the 2020 Logory Logistics Share Incentive Plan.
2. A total number of 480,507 restricted share awards granted (including 438,400 unvested awards and 42,107 vested awards) were forfeited due to employees' departure in accordance with the terms of the 2020 Logory Logistics Share Incentive Plan during the Reporting Period. No restricted share awards granted were cancelled or lapsed in accordance with the terms of the 2020 Logory Logistics Share Incentive Plan during the Reporting Period.

### 2021 Logory Logistics Share Incentive Plan

#### Purpose and validity period

On September 13, 2021, the Board approved the 2021 Logory Logistics Share Incentive Plan, for the purpose of attracting and retaining employees and directors who are considered essential to the success of the Company and the Group. The 2021 Logory Logistics Share Incentive Plan shall remain in effect unless terminated in accordance with relevant provisions of the 2021 Logory Logistics Share Incentive Plan and considered by the Board and approved by the Shareholders.

#### Participants

Eligible participants under the 2021 Logory Logistics Share Incentive Plan include any Director (excluding independent directors), senior management, core technical personnel, and other personnel whom the Board of Directors deems necessary (including management who have primary management responsibility for operating units and divisions and other managers and business cadres who, in the opinion of the Board of Directors, have a direct impact on the Company's operating performance and future development).



# Corporate Governance and Other Information

## Total number of 2021 Logory Logistics RSs available for grant

The 2021 Logory Logistics Share Incentive Plan does not involve any subscription or issuance of new shares.

Pursuant to the 2021 Logory Logistics Share Incentive Plan, the Company grants employees restricted shares (the “**2021 Logory Logistics RSs**”). Vesting of the above 2021 Logory Logistics RSs requires the relevant employees to remain in service for the period from the date of grant to the date of vesting, and meet the performance assessment requirements, along with a condition requiring an IPO of the Company, which was deemed as a performance vesting condition.

The maximum number of restricted shares in respect of which awards may be granted under the Scheme shall not exceed 742,000 Shares (subdivided into 11,872,000 Shares after Share Subdivision). As at June 30, 2024, the remaining number of 2021 Logory Logistics RSs to be granted under the 2021 Logory Logistics Share Incentive Plan was 32,000, representing approximately 0.0023% of the total issued Shares as at the date of this interim report.

## Maximum entitlement of each participant

The terms of the 2021 Logory Logistics Share Incentive Plan has no limit on the maximum entitlement of each participant.

## Vesting period

2021 Logory Logistics RSs granted to senior management of the Company are subject to a vesting schedule of 12 months upon the date of IPO and were classified as an equity award.

2021 Logory Logistics RSs granted to the employees except for senior management are generally subject to a vesting schedule from 2 years to 5 years and were classified as an equity award. Depending on the nature and the purpose of the grant, the vesting schedule of the 2021 Logory Logistics RSs is generally as follows: (i) 25% of the awards shall be vested 2 years after the grant date and 12 months after the date of IPO (which later), as provided in the grant agreement, (ii) 25% of the awards shall be vested 3 years after the grant date, (iii) 25% of the awards shall be vested 4 years after the grant date, and (iv) 25% of the awards shall be vested 5 years after the grant date, and 25% every year from the second year of the grant date thereafter.

The grant price per share is RMB2.50 before Share Subdivision and the weighed grant price per share is RMB0.15625 after Share Subdivision. The grant price shall be paid within the period as stipulated in the respective grant letter.



## Corporate Governance and Other Information

Details of the 2021 Logory Logistics RSs granted under the 2021 Logory Logistics Share Incentive Plan during the Reporting Period are as follows:

	Date of grant	Number of awards unvested as at December 31, 2023	Number of awards granted during the Reporting Period	Fair value of awards granted during the Reporting Period at the date of grant (RMB)	Number of awards vested during the Reporting Period	Number of awards unvested as at June 30, 2024	Closing price of shares immediately before the date on which awards were granted (HKD)
<b>Directors</b>							
Ye Sheng	September 13, 2021	3,200,000	–	–	3,200,000	–	N/A
<b>Five highest paid individuals (excluding Directors)<sup>1</sup></b>	September 13, 2021	5,600,000	–	–	5,600,000	–	N/A
<b>Other employee participants</b>	September 13, 2021 November 30, 2023	1,600,000 1,440,000	– –	– –	400,000 –	1,200,000 1,440,000	N/A 1.2
<b>Total</b>		11,840,000	–	–	9,200,000	2,640,000	

Notes:

1. Except for Mr. Ye Sheng, only one of the five highest paid individuals during the Reporting Period has been granted awards under the 2021 Logory Logistics Share Incentive Plan. The remaining three of the five highest paid individuals are not granted any awards under the 2021 Logory Logistics Share Incentive Plan.
2. No restricted share awards granted were cancelled, lapsed or forfeited in accordance with the terms of the 2021 Logory Logistics Share Incentive Plan during the Reporting Period.



# Interim Condensed Consolidated Statement of Profit or Loss (Unaudited)

For the six months ended June 30, 2024

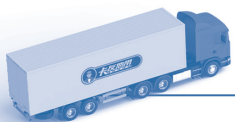
	Notes	Six months ended June 30,	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
<b>REVENUE</b>	4	<b>3,257,164</b>	2,611,202
Cost of revenue	5	<b>(3,082,955)</b>	(2,471,696)
<b>GROSS PROFIT</b>		<b>174,209</b>	139,506
Other income and gains	4	<b>7,897</b>	14,314
Selling and marketing expenses	5	<b>(43,197)</b>	(62,202)
Administrative expenses	5	<b>(45,786)</b>	(56,244)
Research and development expenses	5	<b>(39,025)</b>	(39,168)
Impairment on financial and contract assets, net	5	<b>(6,491)</b>	(242)
Other expenses	5	<b>(18,359)</b>	(19,767)
Finance costs	6	<b>(3,781)</b>	(835)
Share of losses of associates		<b>(228)</b>	(552)
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>25,239</b>	(25,190)
Income tax expense	7	<b>(3,436)</b>	(976)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>21,803</b>	(26,166)
Attributable to:			
Owners of the parent		<b>24,037</b>	(26,166)
Non-controlling interests		<b>(2,234)</b>	–
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted (RMB)		<b>0.02</b>	(0.02)



# Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the six months ended June 30, 2024

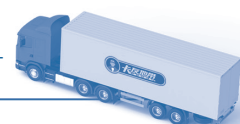
	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
PROFIT/(LOSS) FOR THE PERIOD	21,803	(26,166)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income		
Changes in fair value	-	-
Income tax effect	-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	21,803	(26,166)
Attributable to:		
Owners of the parent	24,037	(26,166)
Non-controlling interests	(2,234)	-



# Interim Condensed Consolidated Statement of Financial Position (Unaudited)

As at June 30, 2024

	Notes	June 30, 2024 RMB'000 (unaudited)	December 31, 2023 RMB'000 (audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		57,104	58,963
Right-of-use assets		27,929	32,302
Intangible assets		1,842	1,783
Investments in associates		4,169	4,395
Prepayments, other receivables and other assets	11	2,401	3,275
Deferred tax assets		26,139	27,587
<b>Total non-current assets</b>		<b>119,584</b>	128,305
<b>CURRENT ASSETS</b>			
Inventories		8,381	3,839
Trade and notes receivables	10	155,713	142,803
Contract assets		8,946	6,583
Prepayments, other receivables and other assets	11	1,756,693	1,629,731
Financial assets at fair value through profit or loss ("FVTPL")		–	20,000
Pledged deposits		2,139	1,640
Cash and cash equivalents		599,542	517,861
<b>Total current assets</b>		<b>2,531,414</b>	2,322,457
<b>CURRENT LIABILITIES</b>			
Trade payables	13	169,590	155,267
Other payables and accruals	12	1,489,042	1,464,746
Contract liabilities		10,653	12,814
Interest-bearing bank and other borrowings		265,357	120,000
Lease liabilities		8,286	5,619
Tax payable		12,253	18,115
<b>Total current liabilities</b>		<b>1,955,181</b>	1,776,561
<b>NET CURRENT ASSETS</b>		<b>576,233</b>	545,896
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>695,817</b>	674,201
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		18,082	21,572
Deferred tax liabilities		127	23
<b>Total non-current liabilities</b>		<b>18,209</b>	21,595
<b>NET ASSETS</b>		<b>677,608</b>	652,606



# Interim Condensed Consolidated Statement of Financial Position (Unaudited)

As at June 30, 2024

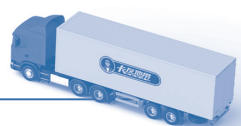
	<b>June 30, 2024 RMB'000 (unaudited)</b>	December 31, 2023 RMB'000 (audited)
<b>EQUITY</b>		
Equity attributable to owners of the parent		
Share capital	<b>87,117</b>	87,117
Reserves	<b>592,784</b>	565,548
	<b>679,901</b>	652,665
Non-controlling interests	<b>(2,293)</b>	(59)
<b>TOTAL EQUITY</b>	<b>677,608</b>	652,606



# Interim Condensed Consolidated Statement of Change in Equity (Unaudited)

	Attributable to owners of the parent									
	Share capital	Capital reserve	Special reserve	Share-based payments reserve	Statutory surplus reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2024	87,117	587,169	-	162,193	625	(8,288)	(176,151)	652,665	(59)	652,606
Issue of shares (unaudited)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period (unaudited)	-	-	-	-	-	-	24,037	24,037	(2,234)	21,803
Equity-settled share-based payments (unaudited)	-	-	-	3,199	-	-	-	3,199	-	3,199
Special reserve (unaudited)										
Appropriation of special reserve (unaudited)	-	-	1,604	-	-	-	(1,604)	-	-	-
Amount utilized in the period (unaudited)	-	-	(1,604)	-	-	-	1,604	-	-	-
As at June 30, 2024	87,117	587,169	-	165,392	625	(8,288)	(152,114)	679,901	(2,293)	677,608

	Attributable to owners of the parent									
	Share capital	Capital reserve	Special reserve	Share-based payments reserve	Statutory surplus reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2023	84,417	489,105	1,725	135,221	625	(8,288)	(148,312)	554,493	-	554,493
Issue of shares (unaudited)	2,700	97,310	-	-	-	-	-	100,010	-	100,010
Total comprehensive income for the period (unaudited)	-	-	-	-	-	-	(26,166)	(26,166)	-	(26,166)
Equity-settled share-based payments (unaudited)	-	-	-	10,096	-	-	-	10,096	-	10,096
Special reserve (unaudited)										
Appropriation of special reserve (unaudited)	-	-	822	-	-	-	(822)	-	-	-
As at June 30, 2023	87,117	586,415	2,547	145,317	625	(8,288)	(175,300)	638,433	-	638,433





# Interim Condensed Consolidated Statement of Cash Flows (Unaudited)

	Notes	Six months ended June 30,	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		<b>25,240</b>	(25,191)
Adjustments for:			
Finance costs	6	<b>3,781</b>	835
Interest income	4	<b>(4,252)</b>	(3,210)
Investment income arising from financial investments		<b>(819)</b>	(601)
Share of losses of associates		<b>228</b>	552
Equity-settled share-based payments expenses		<b>3,199</b>	10,096
Loss on disposal of items of property, plant and equipment, net	5	<b>–</b>	93
Gain on revision of lease terms		<b>–</b>	(18)
Depreciation of property, plant and equipment	5	<b>3,605</b>	4,945
Depreciation of right-of-use assets	5	<b>4,775</b>	1,436
Amortisation of intangible assets	5	<b>226</b>	226
Impairment of financial and contract assets, net	5	<b>6,491</b>	242
(Increase)/decrease in inventories		<b>(4,541)</b>	1,451
(Increase)/decrease in trade and notes receivables		<b>(13,114)</b>	29,170
(Increase)/decrease in contract assets		<b>(2,386)</b>	3,204
(Increase) in prepayments, other receivables and other assets		<b>(136,125)</b>	(25,423)
(Increase)/decrease in pledged deposits		<b>(499)</b>	363
Increase in trade payables		<b>14,323</b>	407
(Increase)/decrease in other payables and accruals		<b>24,457</b>	(121,373)
(Decrease)/increase in contract liabilities		<b>(2,162)</b>	2,238
Cash used in operations		<b>(77,573)</b>	(120,558)
Interest received		<b>4,252</b>	3,210
Income tax paid		<b>(3,973)</b>	(11,102)
Net cash flows used in operating activities		<b>(77,294)</b>	(128,450)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		<b>(973)</b>	(1,816)
Purchase of intangible assets		<b>(281)</b>	–
Investments in associates		<b>–</b>	–
Purchase of FVTPL financial assets		<b>(788,500)</b>	(550,000)
Proceeds from disposal of items of property, plant and equipment		<b>(938)</b>	306
Maturity or disposal of FVTPL financial assets		<b>809,317</b>	590,631
Net cash flows from investing activities		<b>18,625</b>	39,121



## Interim Condensed Consolidated Statement of Cash Flows (Unaudited)

	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	–	100,010
Proceeds from interest-bearing bank and other borrowings	<b>235,357</b>	40,117
Repayment of interest-bearing bank and other borrowings	<b>(90,000)</b>	(500)
Interest paid	<b>(3,311)</b>	(818)
Principal portion of lease payments	<b>(1,696)</b>	(557)
Net cash flows from financing activities	<b>140,350</b>	138,252
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>81,681</b>	48,923
Cash and cash equivalents at beginning of period	<b>517,861</b>	520,714
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>599,542</b>	569,637
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>601,681</b>	573,338
Restricted bank deposits	<b>(2,139)</b>	(3,701)
<b>CASH AND CASH EQUIVALENTS AS STATED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF CASH FLOWS</b>	<b>599,542</b>	569,637



# Notes to Interim Condensed Consolidated Financial Information

## 1. CORPORATE INFORMATION

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

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

### Information about subsidiaries

Particulars of the Company's principal subsidiaries are set out below:

Name of subsidiaries	Place and date of incorporation/ registration and place of operations	Nominal value of registered share capital	Percentage of effective equity interest attributable to the Company	Principal activities
<b>Directly held:</b>				
Hubei Log Logistics Co., Ltd. ("Hubei Log") (湖北路歌物流有限公司)	PRC November 3, 2014	RMB12,000,000	100%	Digital freight businesses
Anhui Jinwang Express Logistics Technology Co., Ltd. ("Anhui Jinwang Express") (安徽金網運通物流科技有限公司)	PRC August 12, 2016	RMB50,000,000	100%	Digital freight businesses
Anhui Yuntongda Logistics Technology Co., Ltd. ("Anhui Yuntongda") (安徽運通達物流科技有限公司)	PRC September 7, 2017	RMB50,000,000	100%	Digital freight businesses
Anhui Qiantong Logistics Technology Co., Ltd. ("Anhui Qiantong") (安徽乾通物流科技有限公司)	PRC April 13, 2018	RMB50,000,000	100%	Digital freight businesses
Fujian Huilian Logistics Technology Co., Ltd. ("Fujian Huilian") (福建慧連物流科技有限公司)	PRC May 25, 2018	RMB50,000,000	100%	Digital freight businesses
Sichuan Quanwang Express Logistics Technology Co., Ltd. ("Sichuan Quanwang Express") (四川全網運通物流科技有限公司)	PRC July 12, 2018	RMB10,000,000	100%	Digital freight businesses
Ma'anshan Cloud Net Logistics Technology Co., Ltd. ("Ma'anshan Cloud Net") (馬鞍山雲網物流科技有限公司)	PRC January 11, 2019	RMB30,000,000	100%	Digital freight businesses



# Notes to Interim Condensed Consolidated Financial Information

## 1. CORPORATE INFORMATION (CONTINUED)

### Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are set out below: (continued)

Name of subsidiaries	Place and date of incorporation/ registration and place of operations	Nominal value of registered share capital	Percentage of effective equity interest attributable to the Company	Principal activities
<b>Directly held: (continued)</b>				
Anhui Log Transportation Co., Ltd. ("Anhui Log") (安徽路歌運輸有限公司)	PRC March 2, 2020	RMB50,000,000	100%	Digital freight businesses
Huainan Log Express Logistics Co., Ltd. ("Huainan Log") (淮南路歌物流運輸有限公司)	PRC March 2, 2022	RMB30,000,000	100%	Digital freight businesses
Tianjin Log Logistics Technology Co., Ltd. ("Tianjin Log Logistics") (天津路歌物流科技有限公司)	PRC August 3, 2021	RMB50,000,000	100%	Digital freight businesses
Huangshan Log Logistics Technology Co., Ltd. ("Huangshan Log") (黃山路歌物流科技有限公司)	PRC June 24, 2022	RMB10,000,000	100%	Digital freight businesses
Sichuan Jinwang Logistics Technology Co., Ltd. ("Sichuan Jinwang") (四川金網物流科技有限公司)	PRC April 2, 2022	RMB10,000,000	100%	Digital freight businesses
<b>Indirectly held:</b>				
Fujian Jinwang Express Logistics Technology Co., Ltd. ("Fujian Jinwang Express") (福建金網運通物流科技有限公司)	PRC August 10, 2018	RMB50,000,000	100%	Digital freight businesses
Anqing Jinwang Express Transportation Co., Ltd. ("Anqing Jinwang Express") (安慶金網運通運輸有限公司)	PRC December 25, 2018	RMB50,000,000	100%	Digital freight businesses
Hefei Huika Automobile Service Co., Ltd. ("Hefei Huika") (合肥惠卡汽車服務有限公司)	PRC April 23, 2018	RMB2,000,000	100%	Sale of trucks and accessories

The English names of all group companies registered in the PRC represent the best efforts made by management of the Company to translate the Chinese names of these companies as they do not have official English names.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note: All of the above principal subsidiaries of the Company are limited companies incorporated under the laws of the People's Republic of China.



# Notes to Interim Condensed Consolidated Financial Information

## 2.1 BASIS OF PREPARATION

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

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

### Basis of consolidation

The consolidated financial statements include the interim condensed consolidated financial information of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended June 30, 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

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

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

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.



# Notes to Interim Condensed Consolidated Financial Information

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of the following revised IFRSs for the first time for the current period's financial information.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements

The revised standards have had no significant financial effect on these financial statements.

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

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to IFRS 10 and IAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

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

<sup>2</sup> No mandatory effective date yet determined but available for adoption

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

## 3. OPERATING SEGMENT INFORMATION

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

### Geographical information

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

### Information about major customers

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



# Notes to Interim Condensed Consolidated Financial Information

## 4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Revenue from contracts with customers	3,257,142	2,611,180
Revenue from other sources		
Rental income	22	22
	<b>3,257,164</b>	2,611,202

### Revenue from contracts with customers

#### (i) Disaggregated revenue information

	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
<i>Types of goods or services</i>		
Revenue from freight transportation services	3,094,506	2,475,284
Revenue from freight platform services*	148,037	123,132
Sale of goods	273	2,561
Others	14,326	10,225
Total revenue from contracts with customers	<b>3,257,142</b>	2,611,202

### Geographical markets

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

\* The revenue from freight platform services mainly represents the difference between the contract amount to be received from the shipper and the net freight cost, which is the contract amount to be paid to the trucker, net of the government grants related to digital freight businesses. Such government grants are presented in line with revenue of an amount of RMB518,490,732 (as of June 30, 2023: RMB503,032,546) as of June 30, 2024.



# Notes to Interim Condensed Consolidated Financial Information

## 4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

### Revenue from contracts with customers (Continued)

#### (ii) Performance obligations

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

##### *Freight transportation services*

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

##### *Freight platform services*

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

##### *Sale of goods*

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

An analysis of other income and gains is as follows:

	<b>Six months ended June 30,</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
<b>Other income and gains</b>		
Bank interest income	<b>4,252</b>	8,960
Other government grants* — related to income	<b>1,220</b>	4,748
Others	<b>2,425</b>	606
	<b>7,897</b>	14,314

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





# Notes to Interim Condensed Consolidated Financial Information

## 5. PROFIT/(LOSS) BEFORE TAX

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

	Notes	Six months ended June 30,	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Cost of freight transportation services	(i)	<b>3,065,953</b>	2,450,209
Cost of assistance from logistics cooperation partners	(ii)	<b>1,699</b>	2,381
Other cost of digital freight businesses	(iii)	<b>14,958</b>	16,821
Cost of inventories sold		<b>345</b>	2,285
<b>Cost of revenue</b>		<b>3,082,955</b>	2,471,696
Taxes and surcharges	(iv)	<b>17,924</b>	19,137
Depreciation of property, plant and equipment		<b>3,605</b>	4,945
Depreciation of right-of-use assets		<b>4,775</b>	1,436
Amortisation of intangible assets		<b>226</b>	226
Impairment of trade and notes receivables		<b>204</b>	1,305
Impairment/(Reversal of impairment) of contract assets		<b>23</b>	(61)
Impairment/(Reversal of Impairment) of financial assets included in prepayments, other receivables and other assets		<b>6,264</b>	(1,002)
Employee benefit expense			
Salaries, bonuses, allowances and benefits in kind		<b>69,707</b>	76,110
Pension scheme contributions and social welfare	(v)	<b>16,615</b>	16,590
Equity-settled share-based payments expenses		<b>3,199</b>	10,096
Lease payments not included in the measurement of lease liabilities		<b>625</b>	803
Loss on disposal of items of property, plant and equipment		<b>–</b>	93
Auditor's remuneration		<b>70</b>	44

- (i) Cost of freight transportation services provided mainly represents costs incurred with contracted truckers for freight transportation, net of the government grants related to digital freight businesses, the amount of which is RMB123,565,647 (as of June 30, 2023: RMB99,502,286) as of June 30, 2024.
- (ii) The portion of the Group's day-to-day contact with its shippers is through its network of independent logistics cooperation partners. The logistics cooperation partners could arrange temporary truckers on short notice, multiple pick-up and delivery points and drop-and-hook operations. Costs to logistics cooperation partners are directly related to the freight transportation and freight platform services, and then are recognised as costs of the Group.
- (iii) Other costs of digital freight businesses mainly represent staff cost and cost incurred with third party suppliers for the digital freight businesses, such as location service cost, short message service cost, and payment channels service cost.
- (iv) It mainly represents taxes and surcharges, net of the government grants related to digital freight businesses, the amount of which is RMB145,268,158 (as of June 30, 2023: RMB138,995,965) as of June 30, 2024.
- (v) As at June 30, 2024, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years.



# Notes to Interim Condensed Consolidated Financial Information

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Interest on bank loans and other borrowings	3,311	818
Interest on lease liabilities	470	17
	<b>3,781</b>	835

## 7. INCOME TAX EXPENSE

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

	Six months ended June 30,	
	2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Current	1,885	733
Deferred tax	1,551	243
Total tax charge for the period	<b>3,436</b>	976

## 8. DIVIDENDS

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



## Notes to Interim Condensed Consolidated Financial Information

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

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

	Six months ended June 30,	
	2024	2023
<b>Earnings/(Loss)</b>		
Profit/(Loss) attributable to ordinary equity holders of the Company	24,037	(26,166)
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period (in thousand) (i)	1,393,876	1,379,472
Earnings/ (loss) per share attributable to ordinary equity holders of the Company (RMB yuan per share)		
— Basic and Diluted (ii)	0.02	(0.02)

(i) The weighted average numbers of ordinary shares as of June 30, 2023 and June 30, 2024 were adjusted retrospectively to reflect the subdivision of shares on a one-for-sixteen basis in March 2023.

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



# Notes to Interim Condensed Consolidated Financial Information

## 10. TRADE AND NOTES RECEIVABLES

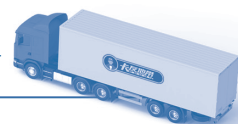
	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Notes receivables	<b>6,361</b>	–
Trade receivables	<b>150,129</b>	143,376
Less: expected credit losses	<b>(777)</b>	(573)
	<b>155,713</b>	142,803

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

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Within 1 year	<b>153,732</b>	142,800
1 to 2 years	<b>1,981</b>	3
	<b>155,713</b>	142,803

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

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
At the beginning of the year/period	<b>573</b>	1,406
Expected credit losses	<b>204</b>	(146)
Amounts written off as uncollectible	<b>–</b>	(687)
At the end of the year/period	<b>777</b>	573



## Notes to Interim Condensed Consolidated Financial Information

## 11. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at June 30, 2024 RMB'000 (unaudited)	As at December 31, 2023 RMB'000 (audited)
<b>Non-current:</b>		
Prepaid expenses	2,401	3,275
<b>Current:</b>		
Other receivables from shippers for shipping fees (i)	982,634	880,887
Government grants receivables (ii)	715,307	708,387
Advances to suppliers	25,842	17,249
Rental and business deposits	3,769	8,031
Due from related parties	624	261
Prepaid tax	29,877	11,713
Prepaid expenses	129	1,178
Others	25,206	17,708
Less: expected credit losses	(26,695)	(15,683)
	<b>1,756,693</b>	1,629,731
	<b>1,759,094</b>	1,633,006

- (i) Other receivables from shippers for shipping fees mainly represent the shipping fees uncollected from shippers upon fulfilment of the shipping orders under the freight platform services.
- (ii) Government grants receivables represent the government grants from local government authorities to support the Group's digital freight businesses.



# Notes to Interim Condensed Consolidated Financial Information

## 12. OTHER PAYABLES AND ACCRUALS

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Other payables to truckers for shipping fees (i)	927,746	809,805
Other taxes payable	327,809	378,220
Advances from shippers (ii)	85,016	133,277
Due to related parties	10	500
Employee benefit payables	17,823	31,370
Deposits	110,606	98,339
Accrued expenses	4,063	4,451
Others	15,969	8,784
	<b>1,489,042</b>	1,464,746

(i) Other payables to truckers for transportation fees represent transportation fees collected from shippers but yet to be paid to truckers under freight platform services.

(ii) Mainly representing the refundable prepayments from shippers for future shipping arrangements under freight transportation services and freight platform services. Upon signing of the contract, the amounts which will be recognised as revenue will be reclassified to contract liabilities.

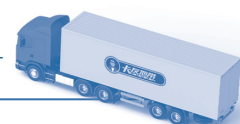
All the other payables and accruals of the Group are non-interest-bearing and unsecured.

## 13. TRADE PAYABLES

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

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Within 1 year	169,590	155,267

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



# Notes to Interim Condensed Consolidated Financial Information

## 14. RELATED PARTY TRANSACTIONS

- (i) Details of the Group's related parties that had transactions and/or balances with the Group during the reporting period are as follows:

Company	Relationship with the Group
Mr. Feng Lei	Shareholder with significant influence over the Group
Mr. Du Bing	Shareholder with significant influence over the Group
Ms. Liu Fei	Close family member of a shareholder with significant influence over the Group
Qingkong Shoulu Supply Chain Management (Tianjin) Co., Ltd. (" <b>Qingkong Shoulu</b> ")	An associate of the Group
Wuhu Luge Logistics Technology Co., Ltd. (" <b>Wuhu Luge</b> ")	An associate of the Group
Xinjiang Zhongya Log Digital Technology Co., Ltd. (" <b>Xinjiang Zhongya</b> ")	An associate of the Group

The Group had the following transactions with related parties during the reporting period:

	Notes	Six months ended June 30,	
		2024 RMB'000 (unaudited)	2023 RMB'000 (unaudited)
Provision of services:			
Xinjiang Zhongya	(a)	269	221
Wuhu Luge	(a)	494	548
Purchases of services from:			
Xinjiang Zhongya	(b)	991	

Notes:

- (a) The provision of services to related parties was made according to the published prices and conditions offered to the major customers of the Group.
- (b) The purchases from related parties were made according to the published prices and conditions offered by the related parties to their major customers.
- (ii) Guarantees:

The Group has no pledge nor guarantee provided by or to its related parties as at June 30, 2024.

The Group has no pledge nor guarantee provided by or to its related parties as at December 31, 2023.



# Notes to Interim Condensed Consolidated Financial Information

## 14. RELATED PARTY TRANSACTIONS (CONTINUED)

(iii) Outstanding balances with related parties:

### (a) Prepayments, other receivables and other assets

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Wuhu Luge	514	144
Xinjiang Zhongya	110	117
	<b>624</b>	261

### (b) Other payables and accruals

	<b>As at June 30, 2024 RMB'000 (unaudited)</b>	As at December 31, 2023 RMB'000 (audited)
Qingkong Shoulu	10	–
Xinjiang Zhongya	–	500
Total	<b>10</b>	500

All the balances with related parties are unsecured, interest-free and repayable on demand.

(iv) Compensation of key management personnel of the Group:

	<b>Six months ended June 30,</b>	
	<b>2024 RMB'000 (unaudited)</b>	2023 RMB'000 (unaudited)
Salaries, bonuses, allowances and benefits in kind	1,964	2,066
Pension scheme contributions and social welfare	145	138
Equity-settled share-based payment expenses	1,902	5,735
Total compensation paid to key management personnel	<b>4,011</b>	7,939





## Notes to Interim Condensed Consolidated Financial Information

**14. RELATED PARTY TRANSACTIONS (CONTINUED)**

(v) Transactions between the Company and its subsidiaries

**(a) Transactions with subsidiaries**

	<b>Six months ended June 30,</b>	
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
Platform service fees charged from subsidiaries	<b>107,046</b>	92,278

**(b) Outstanding balances with subsidiaries**

	<b>As at</b>	As at
	<b>June 30,</b>	December 31,
	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Prepayments, other receivables and other assets	<b>448,321</b>	445,883
Other payables and accruals	<b>201,413</b>	244,948



## Definitions

In this interim report, the following expressions have the meanings set out below unless the context otherwise requires:

“2019 Logory Logistic Share Incentive Plan”	the share incentive plan approved by the Board on October 31, 2019
“2020 Logory Logistic Share Incentive Plan”	the share incentive plan approved by the Board on November 30, 2020
“2021 Logory Logistic Share Incentive Plan”	the share incentive plan approved by the Board on September 13, 2021
“Ant Group”	Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a joint stock limited liability company established under the laws of the PRC on October 19, 2000
“Articles of Association”	the articles of association of our Company adopted on October 28, 2021 with effect on the Listing Date, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	board of directors of the Company
“Board of Supervisors”	board of supervisors of the Company
“CG Code”	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
“China” or “the PRC”	the People’s Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein
“Company” or “our Company” “the Company”	Logory Logistics Technology Co., Ltd. (合肥維天運通信息科技股份有限公司), a joint stock company with limited liability incorporated in the PRC on June 23, 2010 and whose H Shares are listed on the Stock Exchange (Stock code: 2482)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and in the context of this interim report, refers to the controlling shareholders of our Company, namely Mr. Feng Lei, Mr. Du Bing and Shanghai Chuyan
“Director(s)”	director(s) of the Company
“Domestic Shares”	ordinary share(s) in the registered share capital of the Company, with a nominal value of RMB0.0625 each, which are subscribed for and paid up in Renminbi by domestic investors



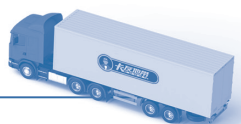
## Definitions

“FTL”	full truckload shipping, a transportation service in which the delivery involves a dedicated shipment of a full truckload, typically shipped directly from the point of departure to the point of destination through linehaul with the freight weight over 3 tons
“Global Offering”	an offering of 43,211,000 H Shares, comprising a final Hong Kong public offering of 12,964,000 H Shares and a final international public offering of 30,247,000 H Shares
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
“H Share(s)”	overseas listed shares in the share capital of our Company with a nominal value of RMB0.0625 each, to be subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hangzhou Yunbo”	Hangzhou Yunbo Investment Consultancy Co., Ltd. (杭州雲鉞投資諮詢有限公司), a limited liability company established under the laws of the PRC, the executive partner and general partner of Hangzhou Junhan and Hangzhou Junao
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$” or “HK cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“IoT”	Internet of things
“IFRS”	International Financial Reporting Standards
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	March 9, 2023, the date on which the H Shares of the Company were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LTL”	less than truckload shipping, a transportation service in which the shipment is less or lighter than a full truckload, and typically placed together with other shipments into a full truckload with the freight weight between 30 kg to 3 tons



## Definitions

“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Online GTV”	online gross transaction volume, the aggregate amount of shipping fees (including VAT) settled on a digital freight platform for shipping transactions fulfilled through such platform as a statutory carrier under PRC law
“Prospectus”	the prospectus of the Company dated February 27, 2023
“Reporting Period”	the six months ended June 30, 2024
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Chuyan”	Shanghai Chuyan Enterprise Management Partnership (Limited Partnership)* (上海褚岩企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on December 16, 2020 and is a Controlling Shareholder. As of June 30, 2024, Shanghai Chuyan was owned as to 52% by Mr. Feng Lei and 48% by Mr. Du Bing
“Shanghai Yunxin”	Shanghai Yunxin Venture Capital Company Limited* (上海雲鑫創業投資有限公司), a limited liability company established under the laws of the PRC on February 11, 2014 and is one of the Pre-IPO Investors. As of June 30, 2024, Shanghai Yunxin was directly wholly owned by Ant Group Co., Ltd. (螞蟻科技集團股份有限公司)
“Share(s)”	ordinary share(s) of the Company with nominal value of RMB0.0625 each including the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Share Subdivision”	As approved by the Board in October 2021, the ordinary shares of the Company would be subdivided on a one-for-sixteen basis, and the nominal value of the shares was changed from RMB1.0 each to RMB0.0625 each subject to the completion of the Listing and all necessary approvals obtained in accordance with the applicable PRC laws, regulations and rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



## Definitions

“Supervisor(s)”	member(s) of the board of Supervisors of the Company
“Tianjin Mingtong”	Tianjin Mingtong Enterprise Management Partnership (Limited Partnership)* (天津明通企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on November 6, 2020, and an employee shareholding platform of our Company
“Tianjin Mingwei”	Tianjin Mingwei Enterprise Management Partnership (Limited Partnership)* (天津明維企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on October 30, 2020, and an employee shareholding platform of our Company
“Tianjin Mingyin”	Tianjin Mingyin Enterprise Management Partnership (Limited Partnership)* (天津明印企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on December 13, 2018, and an employee shareholding platform of our Company
“Tianjin Mingyun”	Tianjin Mingyun Enterprise Management Partnership (Limited Partnership)* (天津明運企業管理合夥企業(有限合夥)), a limited partnership formed under the laws of the PRC on November 6, 2020, and an employee shareholding platform of our Company
“VAT”	Value-added tax
“%”	per cent

