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An investment in our Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an investment in our Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our Shares could decline, and you may lose all or part of your investment.

This document contains certain forward-looking statements regarding our Group’s plans, objectives, expectations and intentions which involve risks and uncertainties. Our Group’s actual results could differ materially from those discussed in this document. Factors that could cause or contribute to such differences include those discussed below as well as those discussed elsewhere in this document. The trading price of the [REDACTED] could decline due to any of these risks, and you may lose all or part of your investment.

The risks involved in our business and operations can be classified into: (i) risks relating to our business and industry; (ii) risks relating to conducting business in the PRC; (iii) risks relating to our corporate structure; (iv) risks relating to the [REDACTED]; and (v) risks relating to the statements made in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our cross-border e-commerce logistics service provider business is significantly affected by changes in global economic and social conditions.

We are an established cross-border e-commerce logistics service provider based in the PRC principally engaged in the provision of end-to-end cross-border logistics services. Our current focus is in response to the increasing prevalence of cross border e-commerce across the globe, particularly transactions with customers in the PRC. Accordingly, any adverse economic or social developments in Asia, in particular the PRC, as a result of a global economic slowdown or otherwise, could lead to a general decline in consumption and a slowdown in international trade, which could have a significant impact on our businesses. In addition, an economic slowdown around the world and the shifting of outsourced manufacturing activities away from the PRC could have a significant impact on our cross-border e-commerce logistics service business. These factors could have a negative impact on the manufacturing activities in the PRC; and consequently, the results of our cross-border e-commerce business might be adversely and materially affected. During the Track Record Period, we recorded a total revenue of approximately RMB1,512.1 million, RMB1,353.7 million and RMB925.7 million in the years ended 31 December 2020, 2021 and the nine months ended 30 September 2022, respectively, which was largely attributable to our

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end-to-end cross-border logistics services. If the PRC experiences slower growth or a decline in exports, our business, financial condition and results of operations could be materially and adversely affected.

We face risks related to severe weather conditions and other natural disasters, health epidemics and other outbreaks, such as the outbreak of COVID-19.

Areas or regions where we operate may be exposed to the outbreak of epidemics including COVID-19, swine influenza, avian influenza, Middle East respiratory syndrome (MERS-CoV) and severe acute respiratory syndrome (SARS-CoV). The outbreak of such epidemics may affect us in various ways. For example, people’s demand for our services may be affected. Also, the availability of resources may be limited. In addition, government authorities may adopt certain hygiene measures, including quarantines, closures of our offices and warehouses, travel and transportation restrictions, and import and export restrictions. Any of these circumstances may materially slow regional or national economic development in areas where we operate and may have a material and adverse effect on our business operations. The COVID-19 has resulted in quarantines, travel restrictions, home office policies, and temporary closures of many corporate offices, manufacturing facilities and factories across the PRC and around the world.

Specifically, we are not able to predict the impact of the COVID-19 pandemic due to uncertainties relating to the geographic spread of the virus, the severity of the disease and how long the pandemic may last. In response to the COVID-19 pandemic, the PRC government imposed measures including various degrees of travel restrictions and lockdowns across the PRC and quarantine arrangements for travelers, whether infected or not. As a result, our operations may be impacted by potential delays in business activities, commercial transactions and general uncertainties surrounding the duration of the government’s extended business and travel restrictions. For example, the COVID-19 pandemic has resulted in temporary closures of certain stores of our customers, especially small to medium-sized merchants, affecting their purchasing of our services. Furthermore, the COVID-19 pandemic may continue to spread throughout the PRC and globally and may materially and adversely affect economic development. National or global economic downturns resulting from the outbreak may have a negative impact on our strategy and our business, financial condition and results of operations may be materially and adversely affected.

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We operate in a competitive industry, and if we fail to compete effectively, our business and profitability could suffer.

The PRC’s cross-border e-commerce logistics industry is competitive and fragmented. We compete with existing market players and potential new entrants emerging in the market, including other cross-border e-commerce logistics service providers, among others. According to the F&S Report, the top ten players within the cross-border e-commerce logistics industry accounted for an aggregate market share of 1.61% in terms of revenue generated from cross-border e-commerce logistics services in 2021. Our competitors may have a broader service or network coverage, more advanced technology infrastructure, broader customer base, stronger relationships with business and strategic partners, better brand recognition and greater capital, technical and marketing resources than we do. As competition intensifies, we may need to increase our marketing resources and incur higher marketing expenses. We may also have to offer more incentives to our customers, which could materially and adversely affect our profitability. Our competitors may also establish cooperative relationships or competing networks to increase their ability to address the needs of e-commerce sellers and end customers of e-commerce platforms, which could also negatively impact us. In addition, our competitors may compete with us by reducing their prices, especially during economic downturns. Such reductions may limit our ability to maintain or increase our prices or operating margins or achieve growth in our business. We may not be able to successfully compete against current or future competitors, and competitive pressures may have a material and adverse effect on our business, financial condition and results of operation. All of these make it difficult to evaluate our business and prospects due to a level of uncertainty.

Our business relies on our suppliers. Increases in their operating costs or failure to maintain partnerships with them may adversely affect our business.

Our suppliers mainly included international and national-level logistics service providers, sea carriers and air carriers. Many of our suppliers are subject to increasingly stringent laws, which could, directly or indirectly, have a material adverse effect on our business. Future regulatory developments of the cross-border e-commerce logistics service industry in the PRC, the US and other countries could adversely affect their operations and increase operating costs of the upstream suppliers, which in turn could increase our cost of sales. If we are unable to pass such costs on to our customers, our business and results of operations could be materially and adversely affected.

Changes in the financial stability, operating capabilities and capacity of our suppliers and capacity allotment available to us may affect us in unpredictable ways. For example, any combination of reduced carrier capacity or availability, pricing volatility or more limited carrier shipping schedules, shipwreck or other accidents, or congestion of trade lanes or air/sea ports,

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could further negatively affect our ability to execute services and maintain profitability. In addition, relief measures extended by certain governments may also affect our suppliers’ financial stability and ability to provide services, which we cannot predict.

We have limited control over the quality of services provided by these suppliers. In the event that they fail to meet the expectation of our customers in terms of delivery time, transportation process and parcel handling procedures, which may cause delay in delivery or damages in parcel during the transportation process, our business and reputation may be harmed. In addition, any illegal actions, material misconduct or non-compliant conduct by these suppliers may also adversely affect our business and reputation.

Fluctuations in the price or availability of fuel, may adversely affect our results of operations.

Fluctuating fuel prices and interruptions of fuel supplies may reduce our profitability. Fuel represents a sizable cost to the logistics service providers engaged by us during the transportation processes. Hence, an increase in fuel prices may increase our costs as these logistics service providers may increase their fees to cover the increased fuel costs. According to F&S Report, the cost of cross-border e-commerce logistics is mainly affected by the price of international oil and transportation cost. In the event that we fail to transfer such costs to our customers, our profitability may be adversely affected. The cost of fuel can fluctuate significantly and is subject to many economic and political factors that are beyond our control, primarily including the political instability in oil-producing regions and geopolitical landscape. In the event of a significant rise in fuel prices, our related costs may increase and our gross profit may decrease if we are unable to adopt any effective cost control measures or pass on the rising costs to our customers in the form of service surcharges.

We had negative operating cash flow for the nine months ended 30 September 2021 and 2022.

We had negative cash flow from operating activities of approximately RMB57.8 million and RMB16.6 million for the nine months ended 30 September 2021 and 2022, respectively. Although we seek to manage our working capital, we cannot assure you that we will be able to match the timing and amounts of our cash inflows with the timing and amounts of our payment obligations and other cash outflows. As a result, there could be a period during which we experience a net cash outflow.

During the Track Record Period, we mainly relied on cash generated from our operation to finance our business. Please refer to the section headed “Financial information — Liquidity and capital resources” in this document. Negative operating cash flow requires our Group to obtain

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sufficient external financing to meet our financing needs and obligations. If we are unable to do so, we will be in default of our payment obligations and may not be able to expand our business. Thus, our business, financial position and results of operations may be materially and adversely affected.

We are dependent on our customers’ business performance and their continuing demand for our services.

Our Group principally engages in the provision of cross-border e-commerce logistics services. We provide various flexible and reliable delivery options to our customers and ensure that parcels will be delivered in a time-efficient manner based on customers’ selection of express, standard or economic logistics options. We are indirectly and largely dependent on our customers’ business performance and developments in their markets and industries.

For the years ended 31 December 2020, 2021 and the nine months ended 30 September 2022, our revenue attributable to our five largest customers in aggregate amounted to approximately RMB346.8 million, RMB432.2 million and RMB273.7 million, respectively, representing approximately 22.9%, 31.9% and 29.6% of our total revenue for the same period. We expect to cooperate with our major customers in the foreseeable future. Our strong and stable relationships with customers are crucial to our business and we are dependent on our customers’ business performance, reputation and development in their respective markets, all of which are beyond our control. Any reduction in the number of orders placed by any of these major customers, and any loss or deterioration in our relationships with any of these customers could materially and adversely affect our revenue and cash flows from operating activities.

Our business is subject to customer satisfaction of our ability to meet the unpredictable customer demand and requirements. Furthermore, adverse developments in our customers’ business performance could reduce their demand for the services we are providing and hence materially and adversely affect our business, financial condition and results of operations, which are beyond our control. A significant portion of our revenue is derived from customers in industries whose shipping patterns are dependent upon just-in-time production schedules. Their business performance could also be affected by factors such as global or regional economic conditions, trade restrictions, changes in trade policies, tariff regulations or embargoes. If our customers’ business performance is affected by these factors, their demand for our services may decrease. Therefore, volatile market conditions can create situations where we are given little or no prior notice.

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We are subject to credit risk in respect of our trade receivables.

Trade receivables represent balance due from customers which amounted to approximately RMB124.1 million, RMB122.8 million and RMB135.5 million as at 31 December 2020, 2021 and 30 September 2022, respectively. We generally allow a credit period of up to 90 days. Our trade receivable turnover days were approximately 39.3 days, 33.3 days and 38.2 days for the two years ended 31 December 2020, 2021 and the nine months ended 30 September 2022, respectively. For more details on our trade receivables, please refer to the section headed “Financial information — Discussion of selected items from the combined statements of financial position — Trade receivables” in this document.

Should (i) our customers fail to settle relevant receivables in full; or (ii) there be a change in their payment policies resulting in a longer settlement period for the amount due, our business, financial condition and results of operations could be materially and adversely affected.

There can be no assurance that our credit control policies and measures implemented will be adequate to protect us against material credit risks and enable us to avoid losses. We may make allowances for doubtful debts based on certain assumptions, estimates and assessments about the recoverability of our trade receivables, including the creditworthiness and past collection history of our customers. However, such collectability estimates may prove to be inaccurate or there may be a change in the underlying basis of such assumptions, estimates and assessments. In the event that we are required to make future adjustments or our actual losses exceed our allowances, this could result in a material and adverse effect on our results of operations and financial condition.

Our customers may reduce their expenditure on third-party cross-border e-commerce logistics service providers or increase utilisation of their internal solutions.

Our growth strategy is partially based on the assumption that the trend toward engaging of cross-border e-commerce logistics service providers in the e-commerce industry will continue. Third-party cross-border e-commerce service providers in the service providers like us are generally able to provide such services more efficiently than otherwise could be provided “in-house,” primarily as a result of our expertise, technology and flexible delivery options. However, many factors could cause a reversal in the trend. For example, our customers, in particular other logistics service providers, may see risks in relying on third-party cross-border e-commerce logistics service providers, or they may begin to define these activities as within their own core competencies and decide to perform cross-border delivery operations themselves. If our customers are able to improve the cost structure of their in-house cross-border e-commerce logistics activities, including in particular their labour-related costs, we may not be able to provide our customers with an attractive alternative for their supply chain needs. If our customers, in particular other logistics service providers, in-source significant parts of their cross-border

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e-commerce logistics operations, or if potential new customers decide to carry out their own cross-border delivery operations, our business, financial condition and results of operations may be materially adversely affected.

Failure to successfully implement our business strategy, effectively respond to changes in market dynamics and satisfactorily meet customer demand will cause our future financial results to suffer.

We are making significant investments and other decisions in connection with our long-term business strategy including our ability to expand the breadth and depth of our cross-border e-commerce logistics services and further invest in logistics-related technologies. Such initiatives and enhancements may require us to make significant capital expenditures. Additionally, in developing our business strategy, we make certain assumptions including, but not limited to, those related to customer demand and preferences, competition landscape and the economy in the PRC and globally; and actual market, economic and other conditions may be different from our assumptions. As technology, customer behaviour and market conditions continue to evolve, it is important that we keep our brand and service offerings relevant to our customers. If we are not able to successfully implement our business strategy and effectively respond to changes in market dynamics, our future financial results will suffer. We have also incurred, and may continue to incur, increased operating expenses in connection with certain changes to our business strategy.

In addition, we make planning and spending decisions, including capacity expansion, procurement commitments, personnel needs and other resource requirements based on our estimate of customer demand. In particular, we may potentially experience capacity and resource shortages in fulfilling customer orders during peak season of e-commerce consumption or following special promotional campaigns on any e-commerce platforms. Failure to meet customer demand in a timely manner or at all will adversely affect our competitive position, financial condition and results of operations.

We are subject to various risks relating to third-party payments.

During the Track Record Period, certain of our customers (the “**Relevant Customer(s)**”) settled their payments with us through third-party payors (the “**Third-party Payment Arrangement(s)**”). During the years ended 31 December 2020, 2021 and the nine months ended 30 September 2022, the amount of third-party payments accounted for approximately 1.6%, 0.7% and 1.2% of our total revenue, respectively. We have implemented various internal control measures to reduce the proportion of payments received from third party payors and to mitigate the relevant risks as detailed in the section headed “Business — Our third-party payment arrangements”. Since February 2023, we have been strictly enforcing “no Third-party Payments” policies and enhancing internal procedures requiring employees to carefully verify payment

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information against the information recorded in our system to ensure that payments are made through customers’ bank accounts. As at the Latest Practicable Date, all Third-party Payment Arrangement(s) have been ceased.

We were subject to various risks relating to such Third-party Payment Arrangements during the Track Record Period, including possible claims from third-party payors for return of funds as they were not contractually indebted to us and possible claims from liquidators of third-party payors. In the event of any claims from third-party payors or their liquidators, or legal proceedings (whether civil or criminal) instituted or brought against us in respect of third-party payments, we will have to spend significant financial and managerial resources to defend against such claims and legal proceedings, and our financial condition and results of operations may as a result be adversely affected.

Our operations may be subject to transfer pricing adjustment.

During the Track Record Period, related party transactions were conducted between Global Link and Global Link Shenzhen. For further details, please refer to “Business — Transfer pricing arrangement” in this document. According to regulations concerning transfer pricing between associated enterprises, related party transactions should comply with the arm’s length principle. If the related party transactions fail to comply with the arm’s length principle. The relevant tax authority has the power to make an adjustment following certain procedures. For further details, please refer to “Regulatory overview — Laws and regulations relating to transfer pricing” in this document.

There is no assurance that the competent tax authorities would not subsequently challenge the appropriation of our transfer pricing arrangement or that the relevant regulations or standards governing such arrangement will not be subject to future changes. If a competent tax authority later determines that the transfer prices and terms that we have applied are not in compliance with the applicable transfer pricing rules and regulations, such authority may require us to re-assess the transfer prices, re-allocate the income, and/or adjust the taxable income. Any such reallocation or adjustment may result in a higher overall tax liability for us and may adversely affect our business, operation and financial results.

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We rely on our largest supplier, Supplier Group A, in the provision of cross-border logistics services.

During the years ended 31 December 2020 and 2021, and the nine months ended 30 September 2022, the total purchase amount in respect of service fees payable to our largest supplier, Supplier Group A, amounted to approximately RMB379.3 million, RMB300.6 million and RMB341.9 million, respectively, which accounted for approximately 28.3%, 25.2% and 42.3% of our total purchase amount for the corresponding period, respectively.

There is no guarantee that we will be able to renew the contracts with Supplier Group A. In the event that the contracts with Supplier Group A were terminated, our business and operation may be interrupted and adversely affected as we have to look for new logistics service providers to carry out cross-border logistics services on behalf of us and our business and results of operations could be materially and adversely affected.

We face risks inherent in the logistics industry, including personal injury, product damage, and transportation-related incidents.

We handle parcels across our service outlets in the PRC, and face challenges with respect to the protection and examination of these parcels. Parcels in our network may be delayed, stolen, damaged or lost during delivery for various reasons, and we may be perceived or found liable for such incidents. In addition, we may fail to screen parcels and detect unsafe or prohibited/restricted items. Unsafe items, such as flammables and explosives, toxic or corrosive items and radioactive materials, may damage other parcels in our network, harm our personnel and assets, or even injure recipients. Furthermore, if we fail to prevent prohibited or restricted items from entering into our network and if we participate in the transportation and delivery of such items unknowingly, we may be subject to administrative or even criminal penalties. If any personal injury or property damage occurs, we may also be held liable for civil compensation.

The delivery of parcels also involves inherent risks. Our logistics process in the PRC involve vehicles and personnel in transportation, and are therefore subject to risks associated with transportation safety, and the insurance maintained by us may not fully cover the liabilities caused by transportation related injuries or loss. From time to time, our vehicles and personnel may be involved in transportation and vehicle accidents, and the parcels carried by them may be lost or damaged. In addition, frictions or disputes may occasionally arise from the direct interactions between our personnel and parcel senders and recipients. Personal injuries or property damages may arise if such incidents occur.

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Any of the foregoing could disrupt our services, cause us to incur substantial expenses and divert the time and attention of our management. We may face claims and incur significant liabilities if found liable or partially liable for any of injuries, damages or losses. Claims against us may exceed the amount of our insurance coverage, or may not be covered by insurance at all. Any uninsured or underinsured loss could harm our business and financial condition. These proceedings or actions may subject us to significant penalties and negative publicity, increasing our costs and severely disrupting our business. Governmental authorities may also impose significant fines on us or require us to adopt costly preventive measures. Furthermore, if our services are perceived to be insecure or unsafe by our customers, e-commerce platforms and their end customers, our business volume may be significantly reduced, and our business, financial condition and results of operations may be materially and adversely affected.

Any failure in efficient order fulfilment could damage our reputation and business.

High-quality order fulfilment is crucial to our firm commitment to efficiently serving multi-scenario customer needs. However, our on-time delivery rate is subject to factors beyond our control and prediction, including regional traffic conditions, weather conditions, road blockage for events, lockdown measures and other unanticipated incidents. Industrial actions or other labour unrest with respect to such external labour could prevent or hinder our normal operation activities, and, if not resolved in a timely manner, could lead to declines in our revenue. We may experience carrier equipment shortages in peak hours or in remote areas, where the number of carriers or cargo containers may not be sufficient to meet the order demand. If we are unable to provide our services in a timely, reliable and safe manner, our reputation and customer loyalty could be materially and adversely affected.

We may require additional financing to support our further developments or adapt to changes in business conditions, but we may not be able to obtain additional financing on favourable terms or at all.

We may require additional financing if we incur operating losses or for future growth and development of our business, including any investments or acquisitions we may decide to pursue. If our financing is insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities. Our ability to obtain external financing in the future is subject to a variety of uncertainties, including our future financial condition, results of operations, cash flows, share price performance, liquidity of international capital and lending markets and PRC regulations over foreign investment and the PRC logistics industry. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financing covenants that would restrict our operations. There can be no assurance that financing would be available in a timely manner or in amounts or on terms favourable to us, or at all. Any failure to raise needed funds on terms favourable to us, or at all,

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could severely restrict our liquidity as well as have a material adverse effect on our business, financial condition and results of operations. Moreover, any issuance of equity or equity-linked securities could result in significant dilution to our existing shareholders.

We may face challenges associated with expanding or diversifying our service offerings and exploring new business.

The ongoing success of our business depends on our ability to continue to introduce innovative and reliable cross-border e-commerce logistics services to meet evolving market trends and satisfy changing customer demands. We intend to further diversify our service offerings and expand our customer base to increase our revenue sources in the future.

We have been exploring business boundaries and diversifying our services. We successfully expanded our customer base during the Track Record Period. However, our evolving business makes it difficult to evaluate the risks and challenges we may encounter. The risks and uncertainties we may face include challenges to our ability to expand our service offerings to enhance the experience of our varied customer base, to attract new customers in a cost-effective manner, to anticipate and respond to macroeconomic changes and changes in local markets where we operate, to successfully expand our geographic reach, to forecast our revenue and cost of sales and manage capital expenditures for our current and future operations. If we fail to address the risks and challenges that we face, our business, financial condition and results of operations may be materially and adversely affected. In addition, we may not be able to ensure adequate service quality, and therefore may receive complaints or incur costly liability claims, which would harm our overall reputation and financial performance. We may also selectively invest in emerging business opportunities in adjacent logistics market, or leverage our existing network and infrastructure to directly engage in these businesses. We may not be able to achieve profitability or recoup our investments with respect to any new services or new types of customers in time or at all.

We may revise pricing methodologies from time to time. If we fail to control our costs or price favourably, our long-term growth and competitiveness would be materially and adversely affected.

We may revise our pricing methodologies from time to time. While we have been and will continue to set prices based on our past operating experience, our assessments may not be accurate or there may be errors in our pricing algorithms, resulting in the underpricing or overpricing of our services. Any such changes to our pricing methodologies could materially and adversely affect our ability to attract or retain customers and suppliers.

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To maintain competitive pricing, narrow our loss margin and achieve profit margin, we must continuously and effectively control our costs. We have implemented cost control measures. For example, delivery costs can be reduced through the optimisation of delivery routes. However, the measures we have adopted or will adopt in the future may not be as effective as expected. There can be no assurance that we will not be forced, through competition, regulation or otherwise, to reduce delivery fees we pay to our suppliers, reduce the fees we charge our customers, or increase our marketing and other expenses to attract and retain customers and suppliers in response to competitive pressures. If we are not able to effectively control our costs based on market conditions, our profitability and cash flow may be materially and adversely affected.

As some of our leased properties have title defects and did not complete registration procedures at relevant authorities, we may be required to cease occupation and the use of such leased properties.

We lease the premises primarily for offices, logistics operations and/or storage purposes. We cannot assure you that we would be able to renew the relevant lease agreements without substantial additional cost or increase in the rental cost payable by us. If a lease agreement is renewed at a rent substantially higher than the current rate, or currently existing favourable terms granted by the lessor are not extended, our business and results of operations may be adversely affected. As at the Latest Practicable Date, landlords of 10 out of 42 of our leased properties in the PRC had not provided us with valid title certificates or building permit, and the leases may not be valid as a result. Our PRC Legal Advisor has advised us that the lack of registration for the lease contracts will not affect the validity of such lease contracts under PRC law, and has also advised us that a maximum penalty of RMB10,000 may be imposed for each incident of non-compliance of lease registration requirements. For further details, please refer to the section headed “Business — Properties” in this document.

Any failure to obtain requisite approvals, licenses or permits applicable to our business operation may have a material and adverse impact on our business, financial condition and results of operations.

Our business is subject to rigorous regulation, and we are required to hold a number of licenses, permits and filings in connection with our business operation, including, but not limited to, express delivery licence (domestic delivery)* (快遞服務經營許可證(國內快遞)), Express delivery licence (international agency delivery)* (快遞業務經營許可證(代理國際快遞)), filing of NVOCC* (無船承運業務備案), registration certificate for customs* (報關企業備案), filing of international freight forwarding enterprise* (國際貨運代理企業備案) and IATA Certificate of Accreditation. For more details, please refer to “Business — Licenses and permits” in this document. We cannot assure you that we can successfully obtain, maintain, update or renew all the required licenses, permits and approvals in the future in a timely manner or at reasonable

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operating costs. Failures to obtain, maintain, update or renew such licenses, permits and approvals may have a material and adverse impact on our business, financial condition and results of operations.

During the Track Record Period, we have not been subject to material penalties or other material disciplinary action from the relevant governmental authorities regarding the conducting of our business without the above-mentioned approvals, licenses, permits and filing. However, we cannot assure you that the relevant governmental authorities would not require us to obtain the approvals, certificates or permits, complete filings or take any other actions retrospectively in the future. If the relevant governmental authorities require us to obtain the approvals, licenses or permits, or to complete filings, we cannot assure you that we will be able to do so in a timely manner or at all.

New laws and regulations may be enforced from time to time to require additional licenses and permits other than those we currently have or provide additional requirements on the operation of our business. If the relevant governmental authorities promulgate new laws and regulations that require additional approvals or licenses or provide additional requirements on the operation of any part of our business and we are not able to obtain such approvals, licenses, permits or filings or adjust our business model to comply with such new laws in a timely manner, we could be subject to penalties and operational disruption and our business, financial condition and results of operations could be adversely affected.

We are subject to changing laws and regulations regarding corporate governance and public disclosure that have increased both our costs and the risk of non-compliance.

We are or will be subject to rules and regulations by various governing bodies, including, for example, the Stock Exchange, which together with the SFC is charged with the protection of investors and the oversight of companies whose securities are publicly traded, the various regulatory authorities in the PRC, Hong Kong and the Cayman Islands, and to new and evolving regulatory measures under applicable law. Our efforts to comply with new and changing laws and regulations have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

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If our risk management system is not adequate or effective, and if it fails to detect potential risks in our business as intended, our business, financial condition and results of operations could be materially and adversely affected.

We have adopted and implemented comprehensive risk management policies in various aspects of our business operations, such as financial reporting, IT system, human resources and internal control management. However, due to the inherent limitations in the design and implementation of our risk management system, it may not be sufficiently effective in identifying, managing and preventing all risks if external circumstances change substantially or extraordinary events take place. Furthermore, our new business initiatives may give rise to additional risks that are currently unknown to us, despite our efforts to anticipate such issues. If our risk management system fails to detect potential risks in our business as intended or is otherwise exposed to weaknesses and deficiencies, our business, financial condition and results of operations could be materially and adversely affected.

Our risk management also depends on effective implementation by our employees. There can be no assurance that such implementation by our employees will always function as intended or such implementation will not involve any human errors, mistakes or intentional misconduct. If we fail to implement our policies and procedures in a timely manner, or fail to identify risks that affect our business with sufficient time to plan for contingencies for such events, our business, financial condition and results of operations could be materially and adversely affected, particularly with respect to the maintenance of our relevant approvals and licenses granted by governments.

Our insurance coverage may not be adequate, which could expose us to significant costs and business disruptions.

We have obtained or caused relevant counterparties to obtain insurance to cover certain potential risks and liabilities. We are required to make contributions to mandatory social insurance funds for our employees to provide pension, unemployment, work-related injury and medical insurance, as well as housing provident funds, under the applicable PRC laws and regulations. For further details, please refer to “Business — Insurance” in this document. Further, we have purchased compulsory motor vehicle liability insurance and commercial insurance such as automobile third-party liability insurance, vehicle loss insurance and driver/passenger liability insurance. However, we do not purchase insurance for items delivered by us except for ocean cargo transportation insurance. We do not maintain business interruption insurance; nor do we maintain product liability insurance or key-man insurance.

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There can be no assurance that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future.

Any failure to maintain the satisfactory performance of our technology systems and resulting interruptions in the availability of our websites, applications, or services could adversely affect our business, financial condition and results of operations.

The satisfactory performance, reliability and availability of our technology platform are critical to our success. We have developed a SaaS platform that enables us to deliver one-stop end-to-end supply chain solutions and logistics services with simplicity, convenience, speed and reliability. These integrated systems support the smooth performance of certain key functions of our business. However, our technology platform or infrastructure may not function properly at all times. We may be unable to monitor and ensure high-quality maintenance and upgrade of our technology platform and infrastructure, and our customers may experience service outages and delays in accessing and using our platforms as we seek to source additional capacity. In addition, we may experience surges in online traffic and orders associated with promotional activities as we scale, which can put additional demand on our platform at specific times. Any disruption to our technology platform and causing interruptions to our website, applications, platform or services could materially and adversely affect our business, financial condition and results of operations.

Our technology systems may also experience telecommunications failures, computer viruses, failures during the process of upgrading or replacing software, databases or components, power outages, hardware failures, user errors, or other attempts to harm our technology systems, which may result in the unavailability or slowdown of our technology platform or certain functions, delays or errors in transaction processing, loss of data, inability to accept and fulfil orders, reduced gross merchandise volume and the attractiveness of our technology platform. Further, hackers, acting individually or in coordinated groups, may also launch distributed denial of service attacks or other coordinated attacks that may cause service outages or other interruptions in our business. Any of such occurrences could cause severe disruption to our daily operations. If we cannot successfully execute system maintenance and repair, our business and results of operations could be adversely affected and we could be subject to liability claims.

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We rely on assumptions and estimates to calculate certain key operating metrics, and inaccuracies in such metrics may harm our reputation and may materially and adversely affect our business, financial condition and results of operations.

We rely on certain key operating metrics, such as order volume and on-time delivery rate, to evaluate the performance of our business. We cannot assure you of the indicative value of our key operating metrics which are derived from and calculated using various assumptions and estimates that may be different from those used by competitors due to differences in data availability, sources and methodology. Any material inaccurate data analytics may lead to inappropriate operational and strategic decisions, and our business, financial condition and results of operations may be materially and adversely affected.

We may from time to time become parties to litigation or regulatory proceedings.

We are from time to time involved in litigation or regulatory proceedings and are exposed to the possibility of being in other major litigations. We may be subject to claims and lawsuits in the ordinary course of our business. We may also be liable for personal injuries or property damages of our pickup and delivery personnel or third parties, resulting from transport accidents happened in the course of their work. We may also be subject to inquiries, inspections, investigations and proceedings by relevant regulatory and other governmental agencies. During the logistics process, we or third-party suppliers engaged by us may be subject to routine inspection by the local authorities in the ordinary course of our business, and we may be subject to administrative penalty if we could not fully comply with the applicable laws and regulations regarding cross border e-commerce logistics service, such as security inspections on articles. A significant judgment or regulatory action against us or a material disruption in our business arising from adverse adjudications in proceedings against our directors, officers or employees would have a material adverse effect on our business, financial condition and results of operations.

If we are unsuccessful in defending any legal proceedings, or are unsuccessful in settling any legal proceedings on commercially reasonable terms, and the damages which we may be liable to pay in respect of such legal proceedings are not covered by our insurance policies, our business, financial condition and results of operations could be materially and adversely affected. In addition, our management’s attention could be diverted from the operation of our business in order to defend the legal proceedings in which we are involved, which could also negatively affect our business.

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We may not be able to prevent others from unauthorised use of our intellectual property, which could harm our business and competitive position.

We regard our proprietary technologies, licensed trademarks, copyrights, patents, domain names, know-how and similar intellectual property to be critical to our business operations. We rely on a combination of intellectual property laws and measures, including confidentiality, invention assignment and non-compete agreements with our employees and others, to protect our proprietary rights. However, the functionality of our system might be reproduced and our source code might be copied. In addition, any of our intellectual property rights may be challenged, invalidated, circumvented or misappropriated.

Monitoring the unauthorised use of intellectual property is difficult and costly, and the steps we have taken may not fully prevent the infringement or misappropriation of our intellectual property rights. From time to time we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources, and may materially and adversely affect our business.

Our business and growth prospects depend on our ability to retain and attract qualified personnel, including our senior management

Our business operations depend upon the continuing efforts of our employees, particularly the members of our Directors and senior management named in this document. For further details of their expertise and experience, please refer to the section headed “Directors and senior management” in this document. If one or more members of our Directors and senior management are unable or unwilling to continue their employment with us, we may not be able to replace them in a timely manner, or at all. We may incur additional expenses to recruit and retain qualified replacements. In addition, our management may join a competitor or form a competing company. We can provide no assurance that we will be able to successfully enforce our contractual rights included in employment agreements with our management. As a result, our business may suffer the loss of services of one or more members of our management, and our financial condition and results of operations may be materially and adversely affected.

We may experience damage to the reputation and recognition of our brand names, including negative publicity against us.

We believe our brand image and corporate reputation will play an increasingly important role in enhancing our competitiveness and maintaining business growth. Any actual or perceived deterioration of our service quality, which is based on an array of factors including customer satisfaction, rate of complaint or rate of accident, could subject us to damages such as loss of important customers. Further, any failure to conduct marketing and promotional activities, manage

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relationship with and among our customers and business partners, and manage complaints and events of negative publicity, maintain positive perception of our Company, our peers and cross-border e-commerce logistics service industry in general may negatively impact our brand image and corporate reputation. Any negative publicity against us, our services, operations, directors, senior management, employees, business partners or our peers could adversely affect customer perception of our brand, cause damages to our corporate reputation and result in decreased demand for our solutions and services. If we are unable to promote our brand image and protect our corporate reputation, we may not be able to maintain and grow our customer base, and our business, financial condition and results of operations may be adversely affected.

We are exposed to foreign exchange risks.

Our functional currency is RMB while some of our business transactions with our customers and suppliers are denominated in other currencies, including but not limited to US dollars and Hong Kong dollars. We are exposed, to some extent, to foreign currency risks as a result of sales or purchases that are denominated in a currency other than RMB. As we currently do not hedge foreign currency exposure in general, any significant changes in the exchange rate between RMB and other currencies may result in substantial loss for us and our financial condition and results of operations may be materially and adversely affected.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

Changes in global economic, political or social conditions or government policies in the PRC could have a material and adverse effect on our business and operations.

Substantially all of our operations are located in the PRC. Accordingly, our business, financial condition, results of operations and prospects may be influenced to a significant degree by political, economic and social conditions in the PRC generally. Any economic reform policies or measures in the PRC may from time to time be modified or revised. The PRC economy differs from the economies of most developed countries in many respects, including with respect to the level of government involvement, level of development, growth, control of foreign exchange and allocation of resources. Notwithstanding that significant growth over the past few decades, the growth has been uneven across different regions and among various economic sectors.

The PRC government exercises significant control over the PRC’s economic growth through strategically allocating resources, controlling the payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Although the PRC economy has grown significantly in the past decade, that growth may not continue, and any slowdown may have a negative effect on our business. Any adverse changes in economic conditions in the PRC, in the policies of the PRC government or in the laws

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and regulations of the PRC could have a material adverse effect on overall economic growth in the PRC. Such developments could materially and adversely affect our businesses, lead to a reduction in demand for our services and affect our competitive position.

The political relationships between the PRC and other countries or regions, changes in international trade or investment policies and barriers to trade or investment, and the ongoing conflict and the emergence of a trade war between the US and the PRC may affect our business operations.

Although currently majority of assets and operations are exclusive in the PRC, we are subject to international trade or investment in the future. Our business may therefore subject to constantly changing international economic, regulatory, social and political conditions, including changes in changes in international laws and regulations, changes in tariffs, trade restrictions, trade agreements and taxation, and difficulties in managing or overseeing operations outside the PRC.

The US government has taken steps toward restricting trade in certain goods imported into the US, particularly from the PRC and proposed, among other actions, imposing new or higher tariffs on specified products in the future. The threats to impose new tariffs or sanctions on the PRC have resulted in increased tensions in the PRC’s international relations. We may be affected by the proposed tariffs as we provide cross-border e-commerce logistics services to the United States. Further, the proposed tariffs and the tensions between the PRC and the US may cause the depreciation of the RMB currency and a contraction of certain PRC industries that will likely be affected by the tariffs and tensions. As such, we may have access to fewer business opportunities and our operation may be negatively impacted. In addition, future actions or escalations by either the United States or the PRC that affect trade relations may cause global economic turmoil and potentially have a negative impact on our business and we cannot provide any assurances as to whether such actions will occur or the form that they may take.

Uncertainties with respect to the PRC legal system could adversely affect us.

As a significant part of our business operations are located in the PRC, our operations are governed by the PRC laws and regulations. The PRC legal system is based on statutory law. Prior court decisions may be cited for reference but have limited precedential value. The prevalent PRC laws and regulations may not sufficiently cover all aspects of economic activities. As some of these laws and regulations are relatively new, and due to the limited volume of published court decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations may involve uncertainties and not be as consistent or predictable as in other jurisdictions.

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From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. The legal protections available to us under PRC laws and regulations may be limited. Any litigation or regulatory enforcement action in the PRC may be prolonged and could result in substantial costs and diversion of our resources and management attention. Moreover, we cannot ensure that the PRC government will not amend or revise existing laws or regulations, or promulgate new laws or regulations, in a manner which materially and adversely affects our business, financial position or results of operations. For example, the PRC government may require additional approvals, licenses or permits for our business and operations, or impose stricter requirements or conditions for the maintenance or renewal of approvals, licenses or permits required for our business and operations. Any loss of or failure to obtain, maintain or renew our approvals, licenses or permits could disrupt our business and operations or subject us to fines or penalties imposed by the PRC government.

Our business operations are extensively impacted by the policies and regulations of the PRC government. Any policy or regulatory change may cause us to incur significant compliance costs.

We are subject to extensive national, provincial and local governmental regulations, policies and controls. Central governmental authorities and provincial and local authorities and agencies regulate many aspects of Chinese industries, including, among others, the following aspects: (i) cybersecurity and privacy laws; (ii) traffic and transport-related services; (iii) provision of transport services, financial services, retail services and operation of high technology businesses; (iv) environmental laws and regulations; (v) security laws and regulations; (vi) establishment of or changes in shareholder of foreign investment enterprises; (vii) foreign exchange; (viii) taxes, duties and fees; (ix) customs; (x) land planning and land use rights, including establishment of urban transformation initiatives; (xi) labour and employment; (xii) intellectual property; (xiii) consumer protection; (xiv) competition; (xv) mobile application accessibility; (xvi) money transmission; (xvii) service liability; and (xviii) personal injury.

The liabilities, costs, obligations and requirements associated with these laws and regulations may cause interruptions to our operations or impact our financial position and results of operations. Failure to comply with the relevant laws and regulations in our operations may result in various penalties, including, among others the suspension of our operations and thus adversely and materially affect our business, prospects, financial condition and results of operations. Additionally, there can be no assurance that the relevant government agencies will not change such laws or regulations or impose additional or more stringent laws or regulations. Compliance with such laws or regulations may require us to incur material capital expenditures or other obligations or liabilities.

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Inflation in the PRC, if occurs, could negatively affect our profitability and growth.

Economic growth in the PRC has, during certain periods, been accompanied by periods of high inflation, and the PRC government has implemented various policies from time to time to control inflation. For example, the PRC government introduced measures in certain sectors to avoid overheating of the PRC economy, including increasing interest rates and capital reserve thresholds at PRC commercial banks. The effects of the stimulus measures implemented by the PRC government since the global economic crisis that commenced in 2008 and the continued growth in the overall economy since then have resulted in sustained inflationary pressures. If these inflationary pressures continue and are not mitigated by PRC government measures, our cost of services will likely increase and our profitability could be materially reduced, as we may not be able to pass any cost increases onto our customers.

Our business may be materially and adversely affected by adverse news, scandals or other incidents associated with China’s logistics industry.

Incidents that reflect doubt as to the safety of shipment and inventories or the safety of delivery personnel in the logistics industry, particularly the cross-border e-commerce logistics industry, including our competitors, have been, and may continue to be, subject to widespread media attention. Such incidents may damage the reputation of not only the parties involved, but also the logistics industry in general, even if such parties or incidents have no relation to us, our management, our employees, our suppliers or our other business partners. Such negative publicity may indirectly and adversely affect our reputation and business operations. In addition, incidents not related to the safety of shipment and inventories or the safety of delivery personnel or other negative publicity or scandals implicating us, our employees, or our other business partners, regardless of merit, may also have an adverse impact on us and our reputation and corporate image.

Our business may be adversely affected by the introduction of new laws or changes to existing laws by the PRC government and uncertainties regarding interpretation and enforcement of the PRC laws and regulations.

Our business and operations in the PRC are governed by the legal system of the PRC. The PRC legal system is a codified system with written laws, regulations, circulars, administrative directives and internal guidelines. The PRC government is still in the process of developing its legal system, so as to meet the needs of investors and to encourage foreign investment. As the PRC economy is undergoing development generally at a faster pace than its legal system, some degree of uncertainty exists in connection with whether and how existing laws and regulations will apply to certain events or circumstances. Some of the laws and regulations, and the interpretation, implementation and enforcement thereof, are still at an experimental stage and are therefore

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subject to policy changes. Accordingly, the outcome of dispute resolutions may not be consistent or predictable and any litigation or regulatory enforcement action in the PRC may be protracted and may result in substantial costs and the diversion of resources and management attention.

Further, the PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions, or to obtain enforcement of a judgment by a court of another jurisdiction.

Failure to comply with PRC laws and regulations by us or our strategic partners may materially and adversely impact our business, reputation, financial condition and results of operations.

Our business is subject to governmental supervision and regulation by the relevant PRC governmental authorities, including but not limited to the State Post Bureau, the Ministry of Transport, MIIT and the General Administration of Customs. Together, these governmental authorities promulgate and enforce regulations that cover many aspects of our day-to-day operations, and we may fail to fully comply with certain of these regulations. Please refer to “Regulatory Overview” in this document. For example, the PRC Postal Law indicates that express delivery companies cannot engage in “posting and mail delivery business exclusively operated by postal enterprises”. However, PRC law does not provide a definition for “posting and mail delivery business exclusively operated by postal enterprises”. If the authorities define such term in the future and if the parcels that we deliver fall into the defined category, we may be considered in violation of such regulation. Noncompliance with applicable laws, regulations and policies by us may materially and adversely impact our business, reputation, financial condition and results of operations.

Our use of some leased properties could be challenged by third parties or government authorities, which may cause interruptions to our business operations. Failure to renew our current leases or locate desirable alternatives for our facilities could materially and adversely affect our business.

Some of the lessors of our leased properties have not provided us with their property ownership certificates or other documentation proving their right to lease those properties to us. If our lessors are not the owners of the properties and they have not obtained consents from the owners or their lessors, our leases could be invalidated. If this occurs, we may have to renegotiate the leases with the owners or the parties who have the right to lease the properties, and the terms of the new leases may be less favourable to us. Some of our leased properties were also subject to mortgage at the time the leases were entered into. Such lease may not be binding on the transferee of the property in the event that the mortgage holder forecloses on the mortgage and transfers the property to another party. In addition, a substantial portion of our leasehold interests in leased

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properties have not been registered with the relevant PRC government authorities as required by PRC law, which may expose us to potential fines if we fail to remediate after receiving any notice from the relevant PRC government authorities. Also, in the event that the actual use of our leased properties is inconsistent with the use registered on the land use right certificate or our leased properties are on allocated land (劃撥土地), the competent authorities may require the lessors to return the land and impose fines on the lessors, or confiscate the proceeds from the leasing of the properties and imposed fines on the lessor if such properties are leased without their consent or handing in such income, as applicable. Therefore, the relevant lease agreements may be deemed to be in breach of the law and therefore be void. In addition, regulatory and administrative measures on fire safety in China may vary among different regions, and some internal regulatory guidance may not be published timely. During the Track Record Period and up to the Latest Practicable Date, none of the title defects of the leased properties were material to our Company and there were no material safety issues in relation to such properties. In addition, we cannot assure you that all our leased properties in China have filed the fire-control registration or have been satisfied with all fire-control requirements as required by relevant PRC laws and regulatory rules and standards. As a result, our use of the leased property may be affected. In the event that our use of properties is successfully challenged by the regulators or due to fire incidents, we may be forced to relocate from the affected operations.

We are not aware of any material claims or actions being contemplated or initiated by government authorities, property owners or any other third parties with respect to our leasehold interests in or use of such properties. However, we cannot assure you that our use of such leased properties will not be challenged in the future. In the event that our use of properties is successfully challenged, we may be subject to fines and forced to relocate the affected operations. In addition, we may become involved in disputes with the property owners or third parties who otherwise have rights to or interests in our leased properties. We cannot assure you that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties’ challenges on our use of such properties. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may be required to register our operating offices outside of our residence addresses as branch offices under PRC law.

Under PRC law, a company setting up premises for business operations outside its residence address must register them as branch offices with the relevant local market regulation bureau at the place where the premises are located and obtain business licenses for them as branch offices. We may not be able to register branch offices in a timely manner due to complex procedural requirements and relocation of branch offices from time to time. As at the Latest Practicable Date, we were able to register branch offices in all of the important locations where we had meaningful

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presence. If the PRC regulatory authorities determine that we are in violation of the relevant laws and regulations, we may be subject to penalties, including fines, confiscation of income and suspension of operation. If we become subject to these penalties, our business, results of operations, financial condition and prospects could be materially and adversely affected.

Our business benefits from certain government grants, financial incentives and discretionary policies granted by local governments. Expiration of, or changes to, these incentives or policies would have an adverse effect on our results of operations.

In the past, local governments in the PRC granted certain financial incentives from time to time to our PRC subsidiaries or consolidated affiliated entities as part of their efforts to encourage the development of local businesses. In the years ended 31 December 2020, 2021 and the nine months ended 30 September 2022, we recognised RMB3.0 million, RMB0.3 million and RMB0.2 million, respectively, of income from government grants in combined statements of profit or loss, respectively, which were non-recurring in nature. However, the timing, amount and criteria of government financial incentives are determined within the sole discretion of the local government authorities and cannot be predicted with certainty before we actually receive any financial incentive. We generally do not have the ability to influence local governments in making these decisions. Local governments may decide to reduce or eliminate incentives at any time. We cannot assure you of the continued availability of the government incentives currently enjoyed by our PRC subsidiaries or consolidated affiliated entities. Any reduction or elimination of incentives would have an adverse effect on our results of operations.

If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavourable tax consequences to us and our non-PRC shareholders.

Under the Enterprise Income Tax Law of the PRC, or the EIT Law, and its implementation rules, an enterprise established outside of the PRC with “de facto management body” within the PRC is considered a resident enterprise and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term “de facto management body” as the body that exercises full and substantial control and overall management over the business, productions, personnel, accounts and properties of an enterprise. On 22 April 2009, the State Administration of Taxation, or the SAT issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the “de facto management body” of a PRC-controlled enterprise that is incorporated offshore is located in China. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group

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will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

Although Circular 82 only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the SAT’s general position on how the “de facto management body” text should be applied in determining the tax resident status of all offshore enterprises. If the PRC tax authorities determine that we should be classified as a PRC resident enterprise for PRC tax purposes, our global income will be subject to income tax at a uniform rate of 25%, which may have a material adverse effect on our financial condition and results of operations. Notwithstanding the foregoing provision, the EIT Law also provides that, if a PRC resident enterprise directly invests in another PRC resident enterprise, the dividends received by the investing PRC resident enterprise from the invested PRC resident enterprise are exempted from income tax, subject to certain conditions. However, it remains unclear how the PRC tax authorities will interpret the PRC tax resident treatment of an offshore company with indirect ownership interests in PRC resident enterprises through intermediary holding companies.

Moreover, if the PRC tax authorities determine that our Company is a PRC resident enterprise for PRC enterprise income tax purposes, gains realized on the sale or other disposal of our Shares may be subject to PRC tax, at a rate of 10% in the case of non-PRC enterprises, or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if such gains are deemed to be from PRC sources. Any such tax may reduce the returns on your investment in our Shares.

Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Companies operating in China are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in China given the different levels of economic development in different

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locations. The relevant government authorities may examine whether an employer has made adequate payments of the requisite employee benefit payments, and employers who fail to make adequate payments may be subject to late payment fees, fines and/or other penalties. As at the date of this document, we have not received any notice of material penalties from the relevant government authorities. Although almost all of our PRC operating entities incorporated in various locations in China have made the required employee benefit payments, we cannot assure you that we are able to make adequate contribution in a timely manner at all time. If we are subject to late fees or fines in relation to the underpaid employee benefits, our financial condition and results of operations may be adversely affected.

Failure for us, our employees, affiliates and business partners such as suppliers and third-party couriers to comply with anti-corruption laws and regulations and our anti-corruption policies and procedures could severely damage our reputation, and materially and adversely affect our business, financial condition, results of operations and prospects.

We are subject to risks in relation to actions taken by us, our employees, affiliates and business partners such as suppliers and third-party couriers that constitute violations of the anti-corruption laws and regulations. While we have adopted anti-corruption policies, these policies may not be followed at all times or effectively detect and prevent all violations by us or our employees, affiliates or business partners. While we adopt strict internal procedures and work closely with relevant government agencies to ensure compliance with relevant laws and regulations, our efforts may not be sufficient to ensure that we, our employees, affiliates and business partners comply with relevant laws and regulations at all times. If we, our employees, affiliates and business partners such as suppliers and third-party couriers violate these laws, rules or regulations, we could be subject to fines and/or other penalties and our reputation, corporate image and business operations may be materially and adversely affected. Actions by PRC regulatory authorities or the courts to provide an interpretation of PRC laws and regulations that differs from our interpretation or to adopt additional anti-bribery or anti-corruption related regulations could also require us to make changes to our operations. Our reputation, corporate image, and business operations may be materially and adversely affected if we fail to comply with these measures or become the target of any negative publicity as a result of actions taken by us, our employees, affiliates and business partners, which may in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

Fluctuations in exchange rates could have a material and adverse effect on our results of operations and the value of your investment.

The conversion of RMB into foreign currencies, including Hong Kong dollars and US dollars, is based on rates set by the People’s Bank of China. It is difficult to predict how market forces or government policies may impact the exchange rate between the RMB and the Hong Kong dollars,

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the US dollar or other currencies in the future. The value of RMB against the Hong Kong dollars, US dollar and other currencies is affected by changes in China’s political and economic conditions and by China’s foreign exchange policies, among other things. We cannot assure you that RMB will not appreciate or depreciate significantly in value against Hong Kong dollars and the US dollar in the future.

We conduct our businesses mainly in RMB, with certain transactions conducted in USD, and to a less extent, other currencies. Our exposure to foreign currency exchange risks arises from such certain transactions conducted in USD and other foreign currencies. As at 31 December 2020 and 2021 and the nine months ended 30 September 2022, we had RMB19.9 million, RMB5.3 million and RMB12.3 million, respectively, in bank balances and cash denominated in USD and other foreign currencies. Although during the Track Record Period, exchange gains and losses from those transactions conducted in USD and other foreign currencies were immaterial, we cannot guarantee that we will not experience significant changes in exchange rates in the future, impacting both our statements of operations and the value of our assets and liabilities denominated in foreign currencies. Any significant appreciation or depreciation of RMB may materially and adversely affect our revenues, earnings and financial position, and the value of, and any dividends payable on, our Shares. For example, to the extent that we need to convert Hong Kong dollars and US dollars we receive into RMB to pay our operating expenses, appreciation of RMB against the Hong Kong dollars and the US dollar would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, a significant depreciation of RMB against the Hong Kong dollars and the US dollar may significantly reduce the Hong Kong dollars or the US dollar equivalent of our earnings, which in turn could adversely affect the price of our Shares. [REDACTED]. Assuming that we convert the full amount of the [REDACTED] Renminbi, a 10% appreciation of Hong Kong dollars against Renminbi, from the exchange rate of HK\$0.9044 for RMB1 to a rate of HK\$0.9948 for RMB1, would result in an increase of [REDACTED] in our [REDACTED]. Conversely, a 10% depreciation of Hong Kong dollars against Renminbi from the exchange rate of HK\$0.9044 for RMB1 to a rate of HK\$0.8140 for RMB1 would result in a decrease of [REDACTED] in our [REDACTED].

To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange

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losses may be magnified by PRC exchange control regulations that restrict our ability to convert RMB into foreign currency. As a result, fluctuations in exchange rates may have a material adverse effect on your investment.

Governmental control of currency conversion may limit our ability to utilise our revenues effectively and affect the value of your investment.

The PRC government imposes controls on the convertibility of the RMB into foreign currencies and, in certain cases, the remittance of currency out of China. We receive substantially all of our revenues in RMB. Under our current corporate structure, our Company incorporated in the Cayman Islands may rely on dividend payments from our PRC subsidiaries to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. Therefore, our wholly foreign-owned subsidiaries in China are able to pay dividends in foreign currencies to us without prior approval from SAFE, subject to the condition that the remittance of such dividends outside of the PRC complies with certain procedures under PRC foreign exchange regulation, such as the overseas investment registrations by our shareholders or the ultimate shareholders of our corporate shareholders who are PRC residents. But approval from or registration with appropriate government authorities or delegated banks is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders.

RISKS RELATING TO OUR CORPORATE STRUCTURE

PRC regulations on loans to and direct investment by offshore holding companies in PRC entities may delay or prevent us from using the [REDACTED] to make loans to our PRC subsidiaries.

We may make loans to our relevant PRC subsidiaries which are directly invested by offshore subsidiaries. Any loans to our PRC subsidiaries are subject to PRC regulations and foreign exchange loan registrations. For example, loans by us to our PRC subsidiaries to finance their activities cannot exceed statutory limits and must be registered with the SAFE or its local counterpart. We expect that PRC laws and regulations may continue to limit our use of net [REDACTED] or from other financing sources. We may not be able to obtain these government registrations on a timely basis, if at all, with respect to future loans by us to finance

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our PRC subsidiaries. If we fail to receive relevant registrations, our ability to use the [REDACTED] and to capitalise our PRC operations would be negatively affected which would adversely and materially affect our liquidity and our ability to expand our business.

Our current corporate structure and business operations may be affected by the Foreign Investment Law.

On 15 March 2019, the National People’s Congress promulgated the Foreign Investment Law (the “**FIL**”), which became effective on 1 January 2020 and replaced the outgoing laws regulating foreign investment in China, namely, the PRC Equity Joint Venture Law, the PRC Cooperative Joint Venture Law and the Wholly Foreign-owned Enterprise Law, as well their implementation rules and ancillary regulations, or the Outgoing FIE Laws.

Meanwhile, the Implementation Rules to the PRC Foreign Investment Law came into effect on 1 January 2020, which clarified and elaborated the relevant provisions of the Foreign Investment Law. However, uncertainties still exist in relation to interpretation and implementation of the FIL, especially in regard to, including, among other things, the nature of consolidated affiliated entity contractual arrangements and specific rules regulating the organization form of foreign-invested enterprises within the five-year transition period. While FIL does not define contractual arrangements as a form of foreign investment explicitly, it has a catch-all provision under definition of “foreign investment” that includes investments made by foreign investors in the PRC through other means as provided by laws, administrative regulations or the State Council, we cannot assure you that future laws and regulations will not provide for contractual arrangements as a form of foreign investment. Therefore, there can be no assurance that our control over our consolidated affiliated entities through contractual arrangements will not be deemed as foreign investment in the future. In the event that any possible implementing regulations of the FIL, any other future laws, administrative regulations or provisions deem contractual arrangements as a way of foreign investment, or if any of our operations through contractual arrangements is classified in the “restricted” or “prohibited” industry in the future “negative list” under the FIL, our contractual arrangements may be deemed as invalid and illegal, and we may be required to unwind the contractual arrangements and/or dispose of any affected business. Also, if future laws, administrative regulations or provisions mandate further actions to be taken with respect to existing contractual arrangements, we may face substantial uncertainties as to whether we can complete such actions in a timely manner, or at all. Furthermore, under the FIL, foreign investors or the foreign investment enterprise should be imposed legal liabilities for failing to report investment information in accordance with the requirements. In addition, the FIL provides that foreign invested enterprises established according to the existing laws regulating foreign investment may maintain their structure and corporate governance within a five-year transition period, which means that we may be required to adjust the structure and corporate governance of certain of our PRC subsidiaries in such transition period. Failure to take timely and appropriate

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measures to cope with any of these or similar regulatory compliance challenges could materially and adversely affect our current corporate structure, corporate governance, financial condition and business operations.

RISKS RELATING TO THE [REDACTED]

There has been no public market for our Shares prior to the [REDACTED], and you may not be able to resell our Shares at or above the price you pay, or at all.

Prior to the completion of the [REDACTED], there has been no public market for our Shares. There can be no guarantee that an active trading market for our Shares will develop or be sustained after completion of the [REDACTED]. The [REDACTED] is the result of negotiations between the Company, the [REDACTED], which may not be indicative of the price at which our Shares will be traded following completion of the [REDACTED]. The market price of our Shares may drop below the [REDACTED] at any time after completion of the [REDACTED].

There has been no prior public market for the Shares, and the liquidity, market price and trading volume of our Shares may be volatile.

Upon [REDACTED], the trading volume and market price of the Shares may be affected or influenced by a number of factors from time to time, including but not limited to, the revenues, earnings and cash flows of our Group and announcements of new services and/or investments of our Group, strategic alliances and/or acquisitions, fluctuations in market prices for our Group’s services or fluctuations in market prices of comparable companies, changes of senior management of our Group, and general economic conditions.

Any such developments may result in large and sudden changes in volume and price on the Shares. There is no assurance that such developments will not occur and it is difficult to evaluate the impact on our Group and on the trading volume and market price of the Shares. In addition, shares of other companies listed on the Main Board have experienced substantial price volatility in the past. It is likely that from time to time, the Shares will be subject to changes in price that may not be directly related to our Group’s financial or business performance.

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The approval of or filing with the CSRC or other governmental authorities may be required in connection with the [REDACTED], and, if required, we cannot assure you that we will be able to obtain such approval or complete such filing.

On 17 February 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and the relevant supporting guidelines (collectively, the “**Listing Trial Measures**”) which will come into effect on 31 March 2023. The Listing Trial Measures is formulated to regulate overseas securities offering and listing activities by domestic companies, either in direct or indirect form (hereinafter referred to as “**overseas offering and listing**”). The Listing Trial Measures not only list out the circumstances where overseas offering and listing is forbidden, but also set out the conditions for determining the overseas offering and listing in indirect form. Any domestic company that is deemed to conduct overseas offering and listing activities shall file with the CSRC in accordance with the Listing Trial Measures.

Pursuant to the Announcement relating to the Arrangement of Filing Management of Overseas Offering and Listing by Domestic Companies (《關於境內企業境外發行上市備案管理安排的通知》) issued on 17 February 2023 by the CSRC, domestic companies that have submitted valid applications for overseas listing and have not obtained the consent of the overseas regulatory authorities or the overseas stock exchange as at the date of implementation of the Listing Trial Measures, can reasonably arrange the timing of filing procedure as stipulated in the Listing Trial Measures, and should complete such filing procedure before the date of overseas issuance and listing. As at the Latest Practicable Date, the Listing Trial Measures are yet to take effect.

If the Listing Trial Measures become effective in their current form before the [REDACTED] is completed, our PRC Legal Adviser is of the view that we are required to complete the filing procedures with the CSRC. We will comply with applicable filing requirements as appropriate. If the Listing Trial Measures are amended in such a way that the [REDACTED] is subject to any approval, filing, or other authorisation or requirement of CSRC or other governmental authorities, we cannot assure you that we could obtain such approval in a timely manner or at all. Failure to obtain necessary approval or complete required filings in a timely manner may lead to failure to complete the [REDACTED], or subject us to fines, penalties or other sanctions, which may have material adverse effect on our financial condition as well as the [REDACTED].

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The actual or perceived sale or availability for sale of substantial amounts of our Shares, especially by our Directors, executive officers and substantial shareholders, could adversely affect the market price of our Shares.

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and substantial shareholders, or the perception or anticipation of such sales, could negatively impact the market price of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate.

The Shares held by our substantial shareholders are subject to certain lock-up periods beginning on the date on which trading in our Shares commences on the Stock Exchange. While we currently are not aware of any intention of such persons to dispose of significant amounts of their Shares after the expiry of the lock-up periods, we cannot assure you that they will not dispose of any Shares they may own now or in the future. In addition, certain existing shareholders of our Shares are not subject to lock-up agreements. Market sale of Shares by such shareholders and the availability of these Shares for future sale may have negative impact on the market price of our Shares. Please refer to the section headed “History, development and reorganisation — [REDACTED]” in this document for more details of the existing shareholders not subject to lock-up agreements.

Investors in the [REDACTED] may experience dilution if we issue additional Shares in the future, which may decrease our Share price.

To expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of our Shares may experience further dilution in the net tangible assets per Share if we issue additional Shares in the future at a price lower than the net tangible assets per Share.

Any issuance of equity securities after this [REDACTED] may dilute the interests of the existing Shareholders and may substantially decrease the Share price. We may issue equity securities in the future for a number of reasons, including to finance our operations and business strategies (including in connection with acquisitions and other transactions), to adjust our debt-to-equity ratio, to satisfy our obligations upon the exercise of outstanding warrants or options or for other reasons.

There is a time lag between pricing and commencement of trading of the Shares, and the price of our Shares may fall before trading begins.

The [REDACTED] will be determined on the [REDACTED]. However, the trading of Shares on the Main Board will not commence until the [REDACTED], which is expected to be several Business Days after the [REDACTED]. During this period, investors may not be

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able to sell or otherwise deal in the Shares. Accordingly, holders of the Shares are subject to the risk that the Shares’ price could fall before trading begins, resulted from adverse market conditions or other adverse developments that could occur between the said period of time.

We cannot assure you that we will declare and distribute any amount of dividends in the future and you may have to rely on price appreciation of our Shares for return on your investment.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we have not yet adopted a dividend policy with respect to future dividends. Therefore, you should not rely on an investment in our Shares as a source for any future dividend income.

Our Board of Directors has discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law and our Articles, namely that our Company may only pay dividends either out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts at they fall due in the ordinary course of business. Even if our Board of Directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares will appreciate in value or even maintain the price at which you purchased the Shares. You may not realize a return on your investment in our Shares and you may even lose your entire investment in our Shares.

The laws of the Cayman Islands relating to the protection of the interests of minority shareholders may differ from those in Hong Kong

The corporate affairs are governed by the Articles of Association and by the Companies Act and common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders may differ in some respects from those established under statutes or judicial precedent in existence in Hong Kong. This may mean that the remedies available to our Company’s minority shareholders may be different from those they would have under the laws of other jurisdictions. A summary of the Cayman Islands Company law is set out in the section headed “Summary of the constitution of our Company and Cayman Islands Company law” in Appendix III to this document.

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Our Controlling Shareholders have significant influence over our Company and their interests may not be aligned with the interests of our other Shareholders.

Our Controlling Shareholders have substantial influence over our business and operations, including matters relating to management and policies, decisions in relation to acquisitions, expansion plans, business consolidation, the sale of all or substantially all of our assets, nomination of directors, dividends or other distributions, as well as other significant corporate actions. Immediately following the completion of the [REDACTED], our Controlling Shareholders will collectively beneficially own approximately [REDACTED] of the voting power of our outstanding share capital, assuming that the [REDACTED] is not exercised. The concentration of voting power and the substantial influence of our Controlling Shareholders over our Company may discourage, delay or prevent a change in control of our Company, which could deprive other shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company and reduce the price of our Shares. In addition, the interests of our Controlling Shareholders may differ from the interests of our other Shareholders. Subject to the Listing Rules, our Articles of Association and other applicable laws and regulations, our Controlling Shareholders will continue to have the ability to exercise their substantial influence over us and to cause us to enter into transactions or take, or fail to take, actions or make decisions which conflict with the best interests of our other shareholders.

RISKS RELATING TO THE STATEMENTS MADE IN THIS DOCUMENT

There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various government publications, market data providers and other independent third-party sources, including the industry expert reports, contained in this document.

This document, particularly the section headed “Industry overview,” contains information and statistics relating to the delivery service market. Such information and statistics have been derived from third-party reports, either commissioned by us or publicly accessible and other publicly available sources. We believe that the sources of the information are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. However, we cannot guarantee the quality or reliability of such source materials. The information has not been independently verified by us, the Sole Sponsor, [REDACTED] or any other party involved in the [REDACTED], and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or

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compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on such information or statistics.

Forward-looking statements contained in this document may differ materially from our Group’s future results.

This document contains certain statements that are “forward-looking” and uses forward looking terminology such as “will”, “expect”, “anticipate”, “estimate”, “believe”, “going forward”, “ought to”, “may”, “seek”, “should”, “intend”, “plan”, “projection”, “could”, “vision”, “goals”, “aim”, “aspire”, “objective”, “target”, “schedule”, “potential”, “predict”, “would” and “outlook”. Those statements include, amongst other things, the discussion of our growth strategy and the expectations of our future operation, liquidity and capital resources.

Prospective investors should be cautioned that reliance on any forward-looking statement involves risks and uncertainties and that, any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could be incorrect. The uncertainties in this regard include those identified in the risk factors discussed above. In light of these and other uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. We do not intend to update these forward-looking statements in addition to our on-going disclosure obligations pursuant to the Listing Rules or other requirements of the Stock Exchange. Prospective investors should not place undue reliance on such forward-looking information. For more details, please refer to the section headed “Forward-looking statements” in this document.

Investors should read the entire document and should not rely on any information contained in press articles or other media coverage regarding us and the [REDACTED].

We caution our investors not to rely on any information contained in press articles or other media regarding our Group and the [REDACTED]. Prior to the publication of this document, there may be press and media coverage regarding the [REDACTED] and our Group, including certain information not found in this document. We have not authorised the disclosure of any such information in the press or media and do not accept any responsibility for any such press, media coverage on their accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and our investors should not rely on such information.