



乐舱物流股份有限公司 LC Logistics, Inc.

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2490

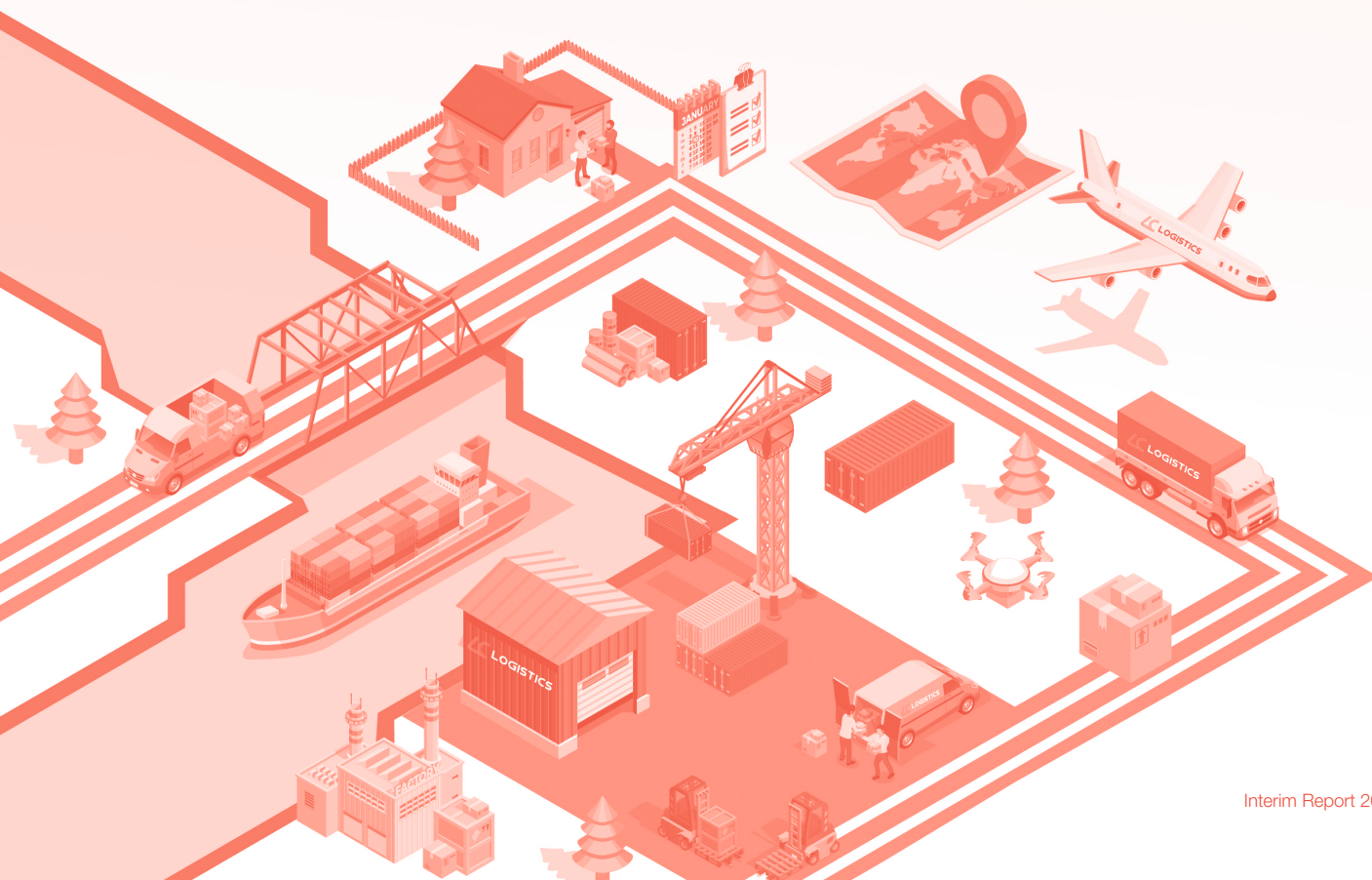


2025 INTERIM REPORT



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Corporate Information

Board of Directors

Executive Directors

Mr. XU Xin
Ms. LI Yan
Ms. ZHU Jiali
Mr. YU Zhenrong

Independent Non-executive Directors

Dr. GU Lin
Mr. QI Yinliang
Dr. YANG Kequan (Appointed on 20 June 2025)
Mr. DU Haibo (Resigned on 20 June 2025)

Board Committees

Audit Committee

Dr. YANG Kequan (Appointed on 20 June 2025)
(Chairman)
Dr. GU Lin
Mr. QI Yinliang
Mr. DU Haibo (Resigned on 20 June 2025)

Remuneration Committee

Mr. QI Yinliang *(Chairman)*
Mr. XU Xin
Dr. GU Lin

Nomination Committee

Dr. GU Lin (Appointed as Chairman on 20 June 2025)
(Chairman)
Mr. QI Yinliang
Ms. ZHU Jiali (Appointed on 20 June 2025)
Mr. XU Xin (Ceased on 20 June 2025)

Authorized Representatives

Mr. XU Xin
Ms. NG Sau Mei

Joint Company Secretaries

Ms. DING Sujun
Ms. NG Sau Mei

Registered Office

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters and Principal Place of Business in the PRC

9/F, China Stone Building
37 Hong Kong Middle Road, Shinan District
Qingdao, Shandong Province
PRC

Principal Place of Business in Hong Kong

31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

Principal Share Registrar in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Auditor

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

Legal Advisers as to Hong Kong Law

Sidley Austin
39/F, Two International Finance Centre
8 Finance Street
Central, Hong Kong

Principal Banks

The Bank of East Asia (China) Limited,
Qingdao Branch

Bank of China Limited,
Dalian Lu Sub-Branch

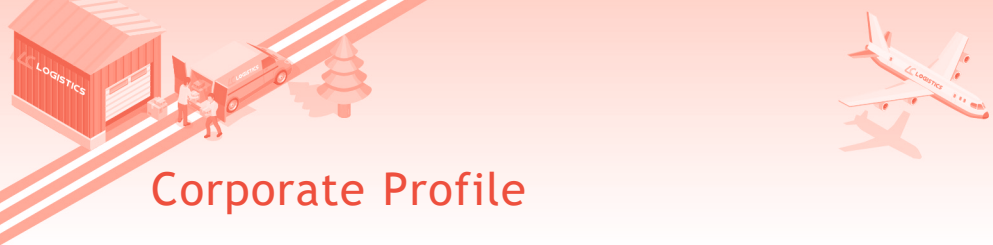
Hong Kong and Shanghai Banking Corporation Limited

Website

www.lcang.com

Stock Code

2490



Corporate Profile

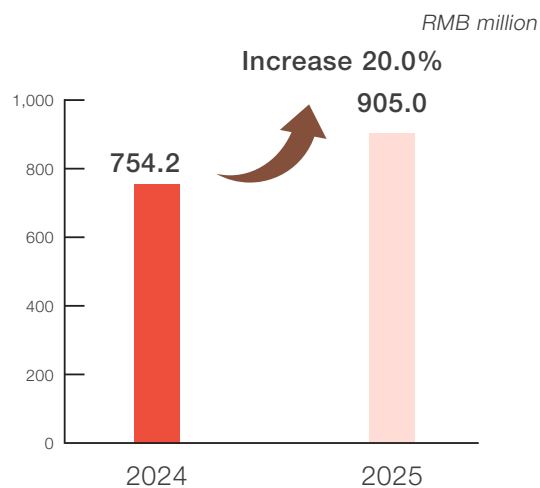
LC Logistics, Inc. provides integrated cross-border seaborne logistics services in China covering cargo pick-up and sorting, customs clearance, cross-border seaborne transportation, warehouse transit and last-mile delivery. The Group focuses on cross-border logistics services as its primary business line, and has accumulated vessel operation-related resources and capabilities through its time charter operation to strengthen its ability to provide cross-border logistics services.

Founded in 2004, the Group had grown from a freight forwarding company to an integrated cross-border logistics service provider in China, and had set footprints in key ports in China and established branches in cities on the east coast to carry out its cross-border logistics service business. On September 25, 2023, the Shares was listed on the Stock Exchange, which marked a new chapter of the Company.

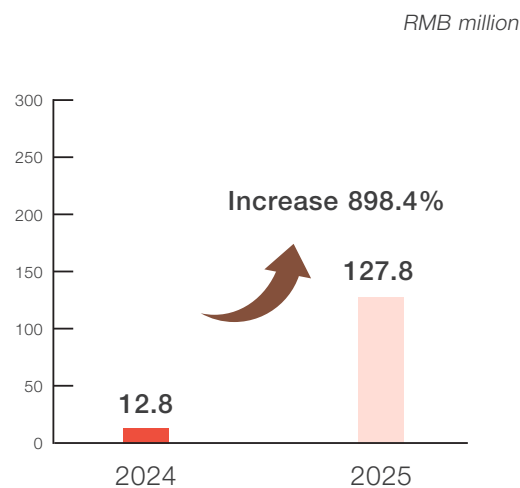


Financial and Operating Highlights

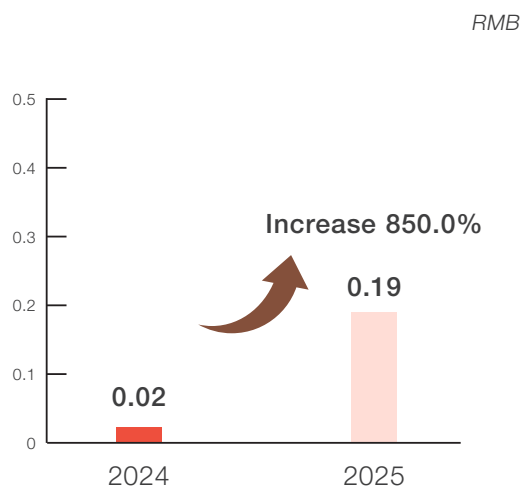
**Revenue for the
six months ended 30 June**



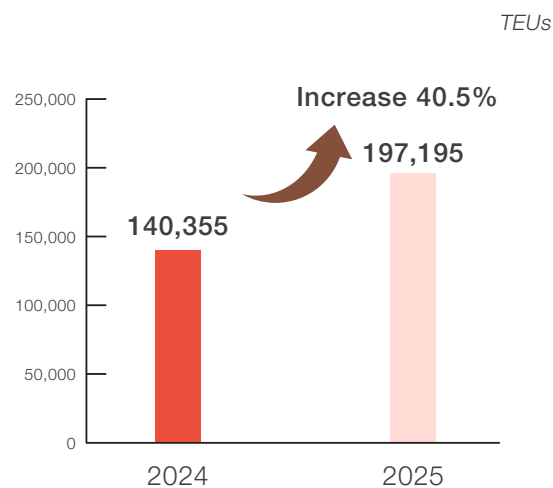
**Profit for the
six months ended 30 June**



**Earnings per share attributable
to ordinary equity holders of
the parent for the six
months ended 30 June**



**Container shipping volume
of cross-border logistics
services for the six
months ended 30 June**





Management Discussion and Analysis

BUSINESS REVIEW

During the Period, the Group principally operated two business lines, namely cross-border logistics services and time charter services.

Cross-border logistics services

With the experience and industry knowledge of the Group's management team, the Group is able to promptly adapt its service offering strategy and adjust its business focus to flexibly allocate its shipping resources between the two business lines of cross-border logistics services and time charter services from time to time. During the Period, self-operated cross-border logistics services contributed approximately 4.7% of revenue from cross-border logistics services. The Company's self-operated cross-border logistics services was break bulk cargo transportation services. The break bulk cargo shipping route was between China and Africa. The Group's service volume of self-operated cross-border seaborne transportation was 50,733 revenue tons in the six months ended 30 June 2025. The Group's average price per revenue ton of self-operated cross-border seaborne transportation was RMB836.5 in the six months ended 30 June 2025.

During the Period, the Group provided mainly cross-border logistics services through third party shipping carriers covering destinations across the globe. The Group's service volume of cross-border seaborne transportation provided by third parties was 197,195 TEUs during the Period, which was higher than the 138,335 TEUs in the same period in 2024, primarily due to the Company's business expansion during the Period. The Group's average price per TEU of cross-border seaborne transportation provided by third parties decreased from approximately RMB4,129.8 in the six months ended 30 June 2024 to approximately RMB3,774.9 during the Period, primarily due to an decrease in market freight rates.

In order to further expand its capacity in respect of cargo pick-up and sorting, customs clearance, warehouse transit and last-mile delivery, the Group provided overseas warehousing services during the Period.

Time charter services

The Group has flexible business plans to utilize its shipping capacity in time charter services with reference to market conditions and charter rates. During the Period, the Group chartered out three vessels and generated revenue of RMB43.8 million. The average daily charter rate was approximately RMB101,262.7 during the Period, which was higher than that of approximately RMB81,865.7 in the same period in 2024, primarily due to the disposal of two vessels with lower daily charter rate in 2024. The time charter rate charged by the Group is affected by the overall market rate and demand at the time when the Group contracted with the customers and will therefore often fluctuate.



Management Discussion and Analysis

Business Outlook

Amid the slowdown in global economic growth and the continuous restructuring of supply chains, the Company, in the second half of 2025, will continue to leverage on its strengths in cross-border logistics and time charter and achieve steady development through the following strategic initiatives:

In terms of market expansion, we will focus on capturing three major opportunities: firstly, to deepen our presence in the infrastructure projects in the countries along the “Belt and Road” with a focus on developing the engineering logistics market in Africa; secondly, to expand our cross-border e-commerce business with an aim of establishing a full-chain cross-border e-commerce logistics ecosystem featuring “seaborne transportation + warehousing + delivery”; thirdly, to accelerate our deployment of overseas warehouses in order to enhance our regional service capabilities.

In terms of operation upgrade, we will devote our efforts in promoting two key initiatives: firstly, to optimize the operating efficiency of our self-owned fleet of feeder vessels so as to provide industrial customers with more competitive logistics solutions; secondly, to implement refined management and control in costs and continuously improve our asset utilization rate.

Based on the above strategic layout, in the second half of 2025, we expect to maintain a steady revenue growth by relying on the expansion of cross-border e-commerce business, the strengthening of engineering logistics business and the development of overseas warehouse business; and in terms of profitability, we expect to sustain our comparatively industry-leading profit level through differentiated operation and efficiency optimization.

Looking forward, the Company will continue to innovate its business model, in an effort to consolidate its industry position in a complex and volatile economic environment and create long-term stable investment returns for the Shareholders.

FINANCIAL REVIEW

Revenue

During the Period, the Group derived its revenue from (i) cross-border logistics services; (ii) time charter services; and (iii) others, being the trading of imported goods under the Group’s supply chain solution services commenced in February 2023. The following table sets forth a breakdown of the Group’s revenue by business line for the periods indicated:

	For the six months ended 30 June		Change in percentage
	2025	2024	
	RMB'000	RMB'000	
Revenue			
Cross border logistics services ¹	861,156	689,020	25.0%
Time charter services	43,828	40,343	8.6%
Others	—	24,875	-100.0%
Total	904,984	754,238	20.0%

Note¹: including the overseas warehousing business commenced during the Period.



Management Discussion and Analysis

Revenue of the Group increased by approximately 20.0% from RMB754.2 million for the six months ended 30 June 2024 to RMB905.0 million during the Period. This increase was mainly attributable to an increase in revenue generated from cross border logistics services from RMB689.0 million for the six months ended 30 June 2024 to RMB861.2 million during the Period, due to (a) an increase in service volume from 140,355 TEUs for the six months ended 30 June 2024 to 197,195 TEUs during the Period; and (b) the increase of the overseas warehousing business. The Company suspended the trading of imported goods under the Group's supply chain solution services in 2025 in view of the changes in the external market and its own strategies.

Cost of sales

Cost of sales increased by approximately 19.9% from RMB686.1 million for the six months ended 30 June 2024 to RMB822.6 million during the Period. This increase was primarily due to the increase in costs in relation to the Group's cross border logistics services, including freight fees, port charges etc.

Gross profit and gross profit margin

Gross profit represents revenue less cost of sales. As a result of the foregoing, gross profit increased by approximately 21.0% from RMB68.1 million for the six months ended 30 June 2024 to RMB82.4 million during the Period.

Gross profit margin remained relatively stable at 9.0% and 9.1% for the six months ended 30 June 2024 and 2025, respectively.

Other income and gains

Other income and gains primarily include gains on the disposal of vessels, interest income and government grants. Other income and gains increased by approximately 1,722.0% from RMB5.0 million for the six months ended 30 June 2024 to RMB91.1 million during the Period, primarily due to the Group's asset optimisation, including the optimisation of the Group's investment strategy for vessel assets resulting in non-recurring gains of approximately RMB62.6 million.

Selling and distribution expenses

Selling and distribution expenses primarily include salaries and welfare of the Group's sales and marketing team and travel expenses. Selling and distribution expenses increased by approximately 33.0% from RMB9.1 million for the six months ended 30 June 2024 to RMB12.1 million during the Period, primarily due to the increase in salaries and welfare expenses.

Administrative expenses

Administrative expenses primarily include (i) salaries and welfare of the Group's administrative staff; (ii) consulting fees; (iii) depreciation and amortization; and (iv) office expenses and travel expenses. Administrative expenses decreased by approximately 21.9% from RMB45.7 million for the six months ended 30 June 2024 to RMB35.7 million during the Period, primarily due to the decrease in consulting fees.

Other expenses

Other expenses primarily represent miscellaneous expenses. Other expenses decreased by approximately 84.9% from RMB5.3 million for the six months ended 30 June 2024 to RMB0.8 million during the Period, primarily due to the decrease in losses on disposal of non-current assets in relation to the disposal of containers of the Group.



Management Discussion and Analysis

Finance costs

Finance costs include interest expense on bank and other borrowings and interest expense on lease liabilities. Finance costs increased from RMB4.2 million for the six months ended 30 June 2024 to RMB5.2 million during the Period, primarily due to the increase in monthly average borrowing balance during the Period.

Reversal of impairment losses on financial assets, net

Reversal of impairment losses on financial assets primarily consist of reversal of impairment losses on trade receivables and other receivables. The Group recorded reversal of impairment losses on financial assets of RMB4.2 million for the six months ended 30 June 2024 and reversal of impairment losses of RMB8.6 million during the Period, primarily due to the recovery of long outstanding trade receivables during the Period.

Share of losses of associates

Share of loss of associates are related to Lecang International Logistics (Wuxi) Co., Ltd, in which the Group held an approximately 40.0% equity interest, and Lcang (Shanghai) Investment Management Co., Ltd, in which the Group held an approximately 40.0% equity interest. The Group recorded share of losses of associates of RMB0.2 million during the Period.

Profit before tax

As a result of the foregoing, profit before tax increased by approximately 885.4% from RMB13.0 million for the six months ended 30 June 2024 to RMB128.1 million during the Period.

Income tax expense

Income tax expense primarily consists of PRC corporate income tax and Hong Kong profits tax. The Group recorded income tax expense of RMB0.2 million for the six months ended 30 June 2024 and income tax expense of RMB0.2 million during the Period.

Profit for the Period

As a result of the foregoing, the Group's profit for the period increased by approximately 898.4% from RMB12.8 million for the six months ended 30 June 2024 to RMB127.8 million during the Period.

Liquidity, Financial and Capital Resources

The Group met and expects to continue meeting its operating capital, capital expenditure and other capital needs with the Net Proceeds and cash generated from operations. The Group plans to obtain additional bank borrowings and other borrowings for working capital purposes and will continue to evaluate potential financing opportunities based on its need for capital resources and market conditions.

Net current assets

As at 30 June 2025, the Group's net current assets amounted to RMB576.7 million (31 December 2024: RMB713.6 million). Specifically, the Group's total current assets decreased by approximately 3.7% from RMB1,006.7 million as at 31 December 2024 to RMB969.8 million as at 30 June 2025. The Group's total current liabilities increased by approximately 34.1% from RMB293.1 million as at 31 December 2024 to RMB393.1 million as at 30 June 2025.



Management Discussion and Analysis

Cash position

As at 30 June 2025, the Group had cash and bank balances of RMB572.0 million (31 December 2024: RMB779.6 million). The following table sets forth the currencies in which the Group's cash and bank balances were denominated as at 30 June 2025:

	As at 30 June 2025 RMB'000
Denominated in RMB	50,152
Denominated in United States dollars	502,630
Denominated in Malagasy ariaries	8,581
Denominated in Hong Kong dollars	10,610
Denominated in Euro	6
Denominated in Singapore Dollars	26
Total cash and bank balances	572,005

Borrowings

As at 30 June 2025, the Group had borrowings of RMB68.1 million (31 December 2024: RMB84.7 million), which comprised interest-bearing bank and other borrowings.

The following table sets forth the maturity profiles of the Group's interest-bearing bank and other borrowings as at the dates indicated:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Bank loans and overdraft repayable:		
– Within one year	32,952	41,595
Other borrowings repayable:		
– On demand or within a period not exceeding one year	15,481	15,856
– Within a period of more than one year but not exceeding two years	15,734	15,545
– Within a period of more than two years but not exceeding five years	3,906	11,659
Subtotal	35,121	43,060
Total	68,073	84,655



Management Discussion and Analysis

As at 30 June 2025, except for the borrowings in the amounts of RMB35.1 million denominated in USD (31 December 2024: RMB43.1 million), the remaining borrowings of the Group were denominated in RMB. All of the Group's bank and other borrowings bear interest at fixed interest rates ranging from 2.85% to 7.16% as at 30 June 2025 (31 December 2024: 2.85% to 9.62%).

Borrowing costs

The Group's interest on bank and other borrowings increased from RMB1.5 million for the six months ended 30 June 2024 to RMB2.9 million during the Period, primarily due to the increase in monthly average borrowing balance.

Pledge of assets

As at 30 June 2025, the Group had mortgaged the container vessels with carrying amounts of RMB53.5 million (31 December 2024: RMB56.1 million) to secure bank and other borrowings amounting to RMB35.1 million (31 December 2024: RMB43.1 million).

As at 30 June 2025, the Group had pledged deposits of RMB11.2 million (31 December 2024: RMB11.2 million) as security for the bank's payment guarantee.

Financial risks

The Group's principal financial instruments mainly include financial assets included in trade and notes receivables, the amounts due from related parties, prepayments and other receivables, cash and cash equivalents, financial liabilities included in other payables and accruals, which arise directly from its operations. The Group has other financial assets and liabilities such as interest-bearing other borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. To keep the Group's exposure to these risks at a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes.

Interest rate risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's other borrowings. The Group does not use derivative financial instruments to hedge interest rate risk. The Group manages its interest cost using a fixed rate.

Foreign currency risk

The Group has minimal transactional currency exposure as most of the Group's sales and purchases by operating units are denominated in the functional currencies of the relevant operating units. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.



Management Discussion and Analysis

Credit risk

The Group is exposed to credit risk in relation to its trade and notes receivables, financial assets included in prepayments and other receivables, amounts due from related parties, and cash and cash equivalents.

The Group expects that there is no significant credit risk associated with cash and cash equivalents since they are deposited at state-owned banks and other medium or large-sized listed banks. For trade receivables from third parties, the Group has a large number of customers and there was no concentration of credit risk as the customer base of the Group's trade receivables is widely dispersed. In addition, the receivable balances are monitored on an ongoing basis. The Group expected there is no significant credit risk associated with financial assets included in prepayments and other receivables since they have low historical default risk. The Group expected the credit risk associated with non-trade-related amounts due from related parties to be low, since they have a strong capacity to meet the contractual cash flow obligation in the near term.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing other borrowings. Cash flows are closely monitored on an ongoing basis.

Key Financial Ratios

As at 30 June 2025, the current ratio of the Group, being the current assets divided by the current liabilities, was 2.5 times (31 December 2024: 3.4 times).

The Group monitors its capital using a gearing ratio, which is sum of interest-bearing borrowings and due to a related party divided by total equity. The Group's policy is to maintain a healthy gearing ratio. As at 30 June 2025, the gearing ratio of the Group was 6.1% (31 December 2024: 5.5%). The increase of the Group's gearing ratio was mainly attributable to the increase of the balance due to a related party during the Period.

Contingent Liabilities

As at 30 June 2025, the Group had no significant contingent liabilities.

Commitments

As at 30 June 2025, the Group had capital commitments of RMB1,554.8 million (31 December 2024: RMB1,721.2 million). The amount as at 30 June 2025 was related to the purchase of container vessels.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Period, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

The Group did not have any significant investments held during the Period.

Management Discussion and Analysis



FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group intends to utilize the Net Proceeds in accordance with the section headed “Future Plans and Use of Proceeds” in the Prospectus. Save as disclosed, the Company did not have any other future plans for material investments or capital assets as of 30 June 2025.

USE OF PROCEEDS FROM THE LISTING

The Net Proceeds, after deducting related underwriting fees and other expenses in connection with the Listing, were approximately HK\$95.1 million. The Net Proceeds will be utilized for the purposes as set out in the Prospectus. The following table sets forth the status of the use of the Net Proceeds as at 30 June 2025:

Use	Percentage of the Net Proceeds as stated in the Prospectus	Unutilized Net Proceeds as at 1 January 2025 <i>HK\$ million</i>	Actual use of the Net Proceeds from		Expected timeframe of full utilization of the Net Proceeds
			1 January 2025 and up to 30 June 2025 <i>HK\$ million</i>	Unutilized Net Proceeds as at 30 June 2025 <i>HK\$ million</i>	
Setting up logistics facilities, including warehouses and container yards, purchasing trucks and investing in software systems for warehouse, order and transportation management	52.0%	9.7	4.1	5.6	2025
Expanding the business coverage and global network	4.0%	–	–	–	–
Adopting digital technologies and upgrading internet service systems in providing integrated cross-border logistics services	7.0%	5.2	1.2	4.0	2025
Strategic investments and/or acquisitions in businesses or assets that complement the Group’s business	20.0%	3.5	–	3.5	2025
Establishing a trucking service matching platform	7.0%	6.7	–	6.7	2025
General corporate purposes and working capital needs	10.0%	–	–	–	–
Total	100.0%	25.1	5.3	19.8	

The unutilised Net Proceeds were deposited with licensed financial institution in Hong Kong and mainland China. The Company will continue to evaluate and adopt a prudent and flexible approach for utilising the Net Proceeds effectively and efficiently for the long-term benefit and development of the Group. The expected timeline for the unutilised Net Proceeds is based on the Directors’ best estimation barring unforeseen circumstances, and would be subject to change based on the future development of the Group’s business and the market conditions.



Management Discussion and Analysis

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 367 full-time employees. During the Period, the staff cost relating to the Group's own employees recognized as expenses amounted to RMB34.6 million.

The Group offers its own employees remuneration packages that include a fixed salary, allowances and a performance-based bonus. In general, the Group determines an employee's salary based on each employee's qualifications, experience and capability as well as the prevailing market remuneration rate. The Group is required to make contributions to mandatory social insurance funds for its employees to provide retirement, medical, work-related injury, maternity and unemployment benefits, as well as housing provident funds, under the applicable PRC laws and regulations. During the Period, there was no labour union established by the Group's employees and the Group had not experienced any significant disputes with its employees or any disruption to its operations due to labour disputes nor had we experienced any difficulties in the recruitment and retention of experienced staff or skilled personnel.

The Group provides orientation training to its newly recruited employees to help them understand the corporate culture of the Company. The Group also organizes a mentorship program where its more experienced employees would help its newly recruited employees to enhance their skills and knowledge in relation to the daily operation. From time to time, the Group also holds training meetings to enhance the skills of its employees.

SUBSEQUENT EVENTS

Share subdivision

The Company implemented the share subdivision on the basis that each existing share of par value of USD0.0001 each in the share capital of the Company was subdivided into two (2) subdivided shares of par value of USD0.00005 each. The share subdivision became effective on 28 July 2025.

Change in board lot size

The board lot size for trading on the Stock Exchange has been changed from 200 existing shares to 300 subdivided shares, effective from 28 July 2025.

Further details of the above are set out in the Company's announcement dated 4 July 2025 and the Company's circular dated 8 July 2025.

Saved as disclosed above, there has been no other material events affecting the Company since 30 June 2025 and up to the date of this report.



Corporate Governance and Other Information

Corporate Governance

The Group is committed to achieving high standards of corporate governance practices to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company had adopted the Corporate Governance Code as its own code on corporate governance.

Under code provision C.2.1 of the Corporate Governance Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. The role of chairman of the Board and chief executive officer of the Company are both performed by Mr. Xu Xin. The Board believes that vesting the roles of both the chairman of the Board and the chief executive officer of the Company in Mr. Xu would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr. Xu's extensive industrial experience and significant role in the historical development of the Group, the Board believes that it is beneficial to the business prospects of the Group that Mr. Xu continues to act as both the chairman of the Board and chief executive officer after Listing, and the balance of power and authority is sufficiently maintained by the operation of the Board, comprising the executive Directors and independent non-executive Directors.

Save as disclosed above, the Board considered that the Company has complied with all applicable code provisions set out in the Corporate Governance Code during the Period.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as the guidelines for the Directors' dealings in the securities of the Company. After making specific enquiries to all the Directors and relevant employees of the Company, each of them has confirmed that they have complied with the required standards set out in the Model Code during the Period.

Share Incentive Scheme

Since the adoption of the Post-IPO Share Scheme and up to the date of this report, no option was granted or agreed to be granted, exercised, lapsed or cancelled by the Company pursuant to the Post-IPO Share Scheme. There was no outstanding share option under the Post-IPO Share Scheme as at the date of this report. As at 1 January 2025 and 30 June 2025, the number of options available for grant under the Post-IPO Share Scheme are 28,393,315.

For further details of the Post-IPO Share Scheme, please refer to the section headed "Statutory and general information – D. Post-IPO Share Scheme" in Appendix IV to the Prospectus.



Corporate Governance and Other Information

Directors' and Chief Executives' Interests and Short Positions in Shares, underlying Shares

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred therein, or which were notified to the Company and the Stock Exchange, pursuant to the Model Code, are set out below.

Name of Director	Nature of Interest	Number of Shares or underlying Shares ^(Note 1)	Approximate percentage of shareholding ^(Note 1)
Mr. Xu Xin	Interest in controlled corporations	158,553,294 (L)	55.39%
Ms. Li Yan	Interest in controlled corporations	158,553,294 (L)	55.39%

Note:

- (1) As at 30 June 2025, the Company issued 286,269,156 Shares. The letter (L) denotes the entity's long position in the relevant Shares.

Save as disclosed above, as of 30 June 2025, none of the Directors and chief executives of the Company had any interests or short positions in any Shares, underlying Shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.



Corporate Governance and Other Information

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

So far as is known to the Company, as at 30 June 2025, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

Name of Shareholder	Nature of Interest	Number of Shares or underlying Shares ^(Note 1)	Approximate percentage of shareholding ^(Note 1)
Grand Sailing Limited ^(Notes 2, 3)	Interest in controlled corporation	75,896,322 (L)	26.51%
Lecang Altitude Limited ^(Notes 2, 3)	Beneficial owner	75,896,322 (L)	26.51%
Peace Seaworld Limited ^(Notes 2, 4)	Interest in controlled corporation	19,616,322 (L)	6.85%
Lecang Shining Limited ^(Notes 2, 4)	Beneficial owner	19,616,322 (L)	6.85%
Ms. Liu Quanxiang ^(Notes 2, 5)	Interest in controlled corporation	158,553,294 (L)	55.39%
Spring Wealth Limited ^(Notes 2, 5)	Interest in controlled corporation	24,292,260 (L)	8.49%
Lecang Flourishing Limited ^(Notes 2, 5)	Beneficial owner	24,292,260 (L)	8.49%
Glorious Sailing Limited ^(Note 6)	Beneficial owner	30,252,600 (L)	10.57%

Notes:

- (1) As at 30 June 2025, the Company issued 286,269,156 Shares. The letter (L) denotes the entity's long position in the relevant Shares.
- (2) Pursuant to the Acting In Concert Deed, each of Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang had agreed and confirmed that from the date they became the registered owners and/or beneficial owners of the equity interests in the Group to the date when any of them ceases to be the controlling shareholder of the Company: (a) they had been and would continue to be parties acting in concert and they had agreed to consult with each other and reach a unanimous consensus among themselves before the decision, implementation and agreement on all material management affairs, voting and/or commercial decisions, including but not limited to financial and operational matters, of any member of the Group; (b) they had casted and would continue to cast their votes as directors and/or shareholders (as the case may be) unanimously for or against all resolutions in all board and shareholders' meetings and discussions of any member of the Group; and (c) they had cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management of the Group. By virtue of the SFO, each of the ultimate controlling shareholders of the Company together with investment holding companies held or controlled by them (being Lecang Boundless Limited, Lecang Fantasy Limited, Grand Sailing Limited, Lecang Altitude Limited, Peace Seaworld Limited, Lecang Shining Limited, Spring Wealth Limited, Lecang Flourishing Limited and Glorious Sailing Limited) are all deemed to be interested in the total Shares directly held by Lecang Fantasy Limited, Lecang Altitude Limited, Lecang Shining Limited, Lecang Flourishing Limited and Glorious Sailing Limited.

Lecang Fantasy Limited is wholly owned by Lecang Boundless Limited, which is in turn wholly owned by Mr. Xu Xin. By virtue of the SFO, each of Mr. Xu Xin and Lecang Boundless Limited is deemed to be interested in the 8,495,790 Shares held by Lecang Fantasy Limited.



Corporate Governance and Other Information

- (3) Lecang Altitude Limited is wholly owned by Grand Sailing Limited, which is in turn wholly owned by Mr. Xu Xin. Accordingly, each of Mr. Xu Xin and Grand Sailing Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Altitude Limited.
- (4) Lecang Shining Limited is wholly owned by Peace Seaworld Limited, which is in turn wholly owned by Ms. Li Yan. Accordingly, each of Ms. Li Yan and Peace Seaworld Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Shining Limited.
- (5) Lecang Flourishing Limited is wholly owned by Spring Wealth Limited, which is in turn wholly owned by Ms. Liu Quanxiang. Accordingly, each of Ms. Liu Quanxiang and Spring Wealth Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Flourishing Limited.
- (6) Glorious Sailing Limited is owned as to approximately 79.53% by Mr. Xu Xin (a controlling Shareholder and executive Director), 4.96% by Ms. Zhu Jiali (朱佳麗) (an executive Director), 3.97% by Mr. Zhang Feng (張峰) (a senior management member), 0.50% by Ms. Ding Sujun (丁素君) (the joint company secretary) and 11.04% by other 10 existing employees of the Group, each of whom is an independent third party save for being an employee of the Group. By virtue of the SFO, Mr. Xu Xin is deemed to be interested in the Shares held by Glorious Sailing Limited.

Save as disclosed above and so far as is known to the Directors, as at 30 June 2025, no other interests or short positions in the Shares or underlying Shares which were required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company under section 336 of the SFO.

Interim Dividend

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

Purchase, Sale or Redemption of listed Securities of the Company

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company (including sale of treasury shares) during the Period. As at 30 June 2025, the Company did not hold any treasury shares.

Review of the Interim Results by the Audit Committee

As at the date of this report, the Audit Committee comprised three independent non-executive Directors, namely Dr. Yang Kequan (chairman), Dr. Gu Lin and Mr. Qi Yinliang. The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2025. The Audit Committee and the Company's management have also reviewed the accounting principles and practices adopted by the Group. The Audit Committee has agreed with the management of the Company on the unaudited interim results of the Group for the six months ended 30 June 2025.



Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
REVENUE	4	904,984	754,238
Cost of sales		(822,587)	(686,134)
GROSS PROFIT		82,397	68,104
Other income and gains	4	91,126	5,021
Selling and distribution expenses		(12,092)	(9,127)
Administrative expenses		(35,747)	(45,730)
Other expenses		(824)	(5,270)
Finance costs	6	(5,203)	(4,198)
Reversal of impairment losses on financial assets, net		8,628	4,205
Share of losses of associates		(234)	–
PROFIT BEFORE TAX	5	128,051	13,005
Income tax expense	7	(238)	(199)
PROFIT FOR THE PERIOD		127,813	12,806
Attributable to:			
Owners of the parent		111,300	9,393
Non-controlling interests		16,513	3,413
		127,813	12,806
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			(Restated)
Basic and diluted			
For profit for the period		RMB0.19	RMB0.02



Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	127,813	12,806
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	(5,258)	8,808
	(5,258)	8,808
Net other comprehensive (losses)/income that may be reclassified to profit or loss in subsequent periods	(5,258)	8,808
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	(42)	628
	(42)	628
Net other comprehensive (losses)/income that will not be reclassified to profit or loss in subsequent periods	(42)	628
OTHER COMPREHENSIVE (LOSSES)/INCOME FOR PERIOD, NET OF TAX	(5,300)	9,436
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	122,513	22,242
Attributable to:		
Owners of the parent	105,984	16,239
Non-controlling interests	16,529	6,003
	122,513	22,242



Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT ASSETS			
Prepayments and other receivables		522,300	426,593
Property, plant and equipment	10	411,829	402,973
Right-of-use assets		63,655	74,258
Goodwill		8,572	8,572
Intangible assets		1,454	1,670
Investment in an associate		29,043	626
Equity investments designated at fair value through other comprehensive income		1,726	1,768
Deferred tax assets		838	429
Total non-current assets		1,039,417	916,889
CURRENT ASSETS			
Inventories		5,868	6,327
Trade receivables	11	143,096	107,605
Due from related parties	16	10,501	19
Prepayments and other receivables		176,675	53,778
Income tax recoverable		–	938
Financial assets at fair value through profit or loss		61,669	58,371
Cash and bank balances		572,005	779,637
Total current assets		969,814	1,006,675
CURRENT LIABILITIES			
Trade payables	12	110,918	135,438
Other payables and accruals		174,037	69,187
Due to a related party	16	27,000	–
Interest-bearing bank and other borrowings		48,433	57,451
Tax payable		284	796
Lease liabilities		32,429	30,211
Total current liabilities		393,101	293,083
NET CURRENT ASSETS		576,713	713,592
TOTAL ASSETS LESS CURRENT LIABILITIES		1,616,130	1,630,481



Interim Condensed Consolidated Statement of Financial Position

30 June 2025

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Notes		
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		19,640	27,204
Lease liabilities		38,154	51,600
Deferred tax liabilities		439	42
Total non-current liabilities		58,233	78,846
Net assets		1,557,897	1,551,635
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	205	205
Reserves		1,493,236	1,503,550
		1,493,441	1,503,755
Non-controlling interests		64,456	47,880
Total equity		1,557,897	1,551,635



Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to ordinary equity holders of the parent									Total equity RMB'000
	Share capital RMB'000 Note 13	Share premium account RMB'000	Capital reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Statutory surplus reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	
At 1 January 2025 (Audited)	205	143,323	(26,967)	(723)	2,222*	97,165	1,288,530	1,503,755	47,880	1,551,635
Profit for the period	-	-	-	-	-	-	111,300	111,300	16,513	127,813
Other comprehensive income for the period										
Changes in fair value of equity investments at fair value through other comprehensive losses	-	-	-	(42)	-	-	-	(42)	-	(42)
Exchange differences on translation of foreign operations	-	-	-	-	-	(5,274)	-	(5,274)	16	(5,258)
Total comprehensive income for the period	-	-	-	(42)	-	(5,274)	111,300	105,984	16,529	122,513
Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	47	47
Year end 2025 dividend	-	-	-	-	-	-	(116,298)	(116,298)	-	(116,298)
As at 30 June 2025 (unaudited)	205	143,323	(26,967)	(765)	2,222	91,891	1,283,532	1,493,441	64,456	1,557,897

	Attributable to ordinary equity holders of the parent									Total equity RMB'000
	Share capital RMB'000 Note 13	Share premium account RMB'000	Capital reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Statutory surplus reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Retained profits* RMB'000	Total RMB'000	Non-controlling interests RMB'000	
At 1 January 2024 (Audited)	205	143,323	(26,967)	(197)	2,154	80,673	935,700	1,134,891	29,512	1,164,403
Profit for the period	-	-	-	-	-	-	9,393	9,393	3,413	12,806
Other comprehensive income for the period										
Changes in fair value of equity investments at fair value through other comprehensive income	-	-	-	621	-	-	-	621	7	628
Exchange differences on translation of foreign operations	-	-	-	-	-	6,225	-	6,225	2,583	8,808
Total comprehensive income for the period	-	-	-	621	-	6,225	9,393	16,239	6,003	22,242
Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	1,743	1,743
As at 30 June 2024 (unaudited)	205	143,323	(26,967)	424	2,154	86,898	945,093	1,151,130	37,258	1,188,388

* As at 30 June 2025, these other reserve accounts comprised the total consolidated reserves of RMB1,408,712,000 (30 June 2024: RMB1,150,925,000) in the interim condensed consolidated statement of financial position.



Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
	Notes		
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		128,051	13,005
Adjustments for:			
Finance costs	6	5,203	4,198
Interest income	4,5	(13,635)	(3,295)
Share of loss of an associate		234	–
Gains on disposal of property, plant and equipment	5	(61,483)	5,115
Exchange loss		2,704	834
Fair value (gains)/losses on financial assets at fair value through profit or loss	4	(4,196)	34
Depreciation of property, plant and equipment	5	29,639	22,906
Depreciation of right-of-use assets	5	15,776	15,085
Amortisation of intangible assets	5	216	200
Impairment of prepayments and other receivables	5	(10,998)	–
Impairment of trade receivables	5	2,370	(4,205)
		93,881	53,877
Decrease/(Increase) in inventories		459	(8,655)
Increase in trade receivables		(37,861)	(62,133)
(Increase)/decrease in prepayments and other receivables		(12,036)	(42,786)
(Increase)/decrease in trade payables		(24,544)	22,818
Increase in amounts due from related parties		–	(782)
Decrease in restricted cash		1,929	–
(Increase)/decrease in other payables and accruals		(10,588)	26,049
Cash generated from operations		11,240	(11,612)
Interest received		13,635	3,295
Tax paid		176	224
Net cash flows from operating activities		25,051	(8,093)



Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of items of property, plant and equipment	(182,699)	(26,494)
Purchase of intangible assets	–	(51)
Disposal of items of property, plant and equipment	8,801	32,182
Advances of loans to related parties	(10,482)	–
Purchases of financial assets at fair value through profit or loss	(41,476)	(1,500)
Disposals of financial assets at fair value through profit or loss	39,670	1,500
Investments in associate	(28,651)	–
Net cash flows used in investing activities	(214,837)	5,637
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from interest-bearing bank and other borrowings	5,577	3,000
Repayment of interest-bearing bank and other borrowings	(25,088)	(29,974)
Interest paid	(1,553)	(4,198)
Principal portion of lease payments	(18,644)	(21,845)
Decrease in pledged deposits	–	1,576
Advances of loans from related parties	27,000	–
Capital contribution from non-controlling shareholders of subsidiaries	47	1,743
Net cash flows used in financing activities	(12,661)	(49,698)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(202,447)	(52,154)
Cash and cash equivalents at beginning of period	766,105	203,673
Effect of foreign exchange rate changes, net	(3,234)	27,653
CASH AND CASH EQUIVALENTS AT END OF PERIOD	560,424	179,172
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	572,005	181,810
Less: Restricted cash	419	2,638
Pledged deposits	11,162	–
CASH AND CASH EQUIVALENTS AS STATED IN THE STATEMENT OF CASH FLOWS	560,424	179,172



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

1. Corporate Information

The Company is an exempted company incorporated in the Cayman Islands. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 25 September 2023. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. During the period, the Company's subsidiaries were principally engaged in the provision of integrated cross-border logistics services.

In the opinion of the directors, the ultimate controlling shareholders are Mr. Xu, Ms. Li and Ms. Liu by virtue of the acting in concert deed.

2.1 Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and impact of the amended IFRSs are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

Notes to Interim Condensed Consolidated Financial Information

30 June 2025



3. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and only has one reportable operating segment. Management monitors the results of the Group's operating segments as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Mainland China	746,820	697,642
Others	158,164	56,596
Total	904,984	754,238

The revenue information above is based on the outbound cargoes of each geographical territory.

(a) Non-current assets

The vessels and containers (included in property, plant and equipment) are primarily utilised across geographical markets for shipment of cargoes around the world. Accordingly, it is impractical to present the locations of the vessels and containers by geographical areas. Therefore, the vessels, containers are presented as unallocated non-current assets.

Information about a major customer

No revenue from a major customer accounted for 10% or more of the Group's revenue during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

4. Revenue, Other Income and Gains

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers	861,156	713,895
Revenue from other sources		
Time charter income	43,828	40,343
Total	904,984	754,238



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

4. Revenue, Other Income and Gains (continued)

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Types of goods or services		
Cross-border logistics services	786,826	675,633
Sale of goods	–	24,875
Overseas warehousing	74,330	13,387
Total	861,156	713,895
Timing of revenue recognition		
Services transferred over time	861,156	689,020
Goods transferred at a point in time	–	24,875
Total	861,156	713,895
Geographical markets		
Greater China	746,820	677,647
Others	114,336	36,248
Total	861,156	713,895

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Other income and gains		
Government grants	110	21
Interest income	13,635	3,295
Fair value gains/(losses) on financial assets at fair value through profit or loss	4,196	(34)
Foreign exchange gains	2,934	1,173
Gains on disposal of assets	61,483	–
Others	8,768	566
Total	91,126	5,021



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

5. Profit Before Tax

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

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of service provided	783,924	641,769
Cost of inventories sold	–	24,726
Depreciation of property, plant and equipment	29,639	22,906
Depreciation of right-of-use assets	15,776	15,085
Amortisation of intangible assets	216	200
Impairment loss of financial assets, net		
– Trade receivables	2,370	(4,205)
– Other receivables	(10,998)	–
Foreign exchange gain, net	(2,934)	(1,173)
Interest income	(13,635)	(3,295)
(Gains)/losses on disposal of property, plant and equipment	(61,483)	5,115

6. Finance Costs

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on bank and other borrowings	2,929	1,509
Interest expense on lease liabilities	2,274	2,689
Total	5,203	4,198



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

7. Income Tax Expense

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in this jurisdiction.

The Group's subsidiary incorporated in Hong Kong was subject to Hong Kong profits tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong for the period.

Except for certain subsidiaries of the Group which were entitled to a preferential income tax rate of 20% for small and micro enterprises during the period with the first RMB1,000,000 of annual taxable income eligible for a 75% reduction, the provision for Chinese Mainland current income tax is based on the statutory rate of 25% of the assessable profits of the subsidiaries in Chinese Mainland as determined in accordance with the Corporate Income Tax Law.

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax:		
Chinese Mainland	226	87
Deferred tax	12	112
Total tax charge for the period	238	199

8. Dividends

The board of directors has resolved not to pay an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

9. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 572,538,312 (six months ended 30 June 2024: (Restated) 572,538,312) outstanding in issue during the period, as adjusted to reflect the rights issue during the period.

On 28 July 2025, the Company conducted a 1 to 2 share split and each existing share was split into 2 shares. The calculation of basic and diluted earnings per share for all periods presented was retrospectively adjusted.

The Group had no potentially dilutive ordinary shares in issue during the period ended 30 June 2025 and 2024.

The calculation of the basic earnings per share is based on:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	111,300	9,393
	Number of shares	
	2025	2024 (Restated)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	572,538,312	572,538,312

The Company implemented the share subdivision on the basis that each existing share of par value of USD0.0001 each in the share capital of the Company be subdivided into two subdivided shares of par value of USD0.00005 each. The share subdivision became effective on 28 July 2025.



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

10. Property, Plant and Equipment

During the six months ended 30 June 2025, the Group acquired assets at cost of RMB86,980,000 (30 June 2024: RMB26,494,000).

Assets with net book value of RMB48,006,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB28,694,000).

During the six months ended 30 June 2025, there was no impairment recognised for property, plant and equipment (30 June 2024: Nil).

11. Trade Receivables

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	67,719	62,696
1 to 3 months	55,371	31,657
3 to 6 months	13,262	7,887
6 to 12 months	6,744	5,365
Total	143,096	107,605

12. Trade Payables

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	95,107	123,969
Over 1 year	15,811	11,469
Total	110,918	135,438

The trade payables are non-interest-bearing and are normally settled on the terms of 30 to 60 days.



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

13. Share Capital

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid: 286,269,156 (2024: 286,269,156) ordinary shares of USD0.0001 (2024: USD0.0001)	205	205

The Company implemented the share subdivision on the basis that each existing share of par value of USD0.0001 each in the share capital of the Company be subdivided into two (2) subdivided shares of par value of USD0.00005 each. The share subdivision became effective on 28 July 2025.

14. Contingent Liabilities

During the six months ended 30 June 2025, there are no contingent liabilities in the financial statements (30 June 2024: Nil).

15. Commitments

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted but not provided for Container vessels	1,554,848	1,721,163
Total	1,554,848	1,721,163



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

16. Related Party Transactions

(a) The Group had the following transactions with related parties during the period:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Advances from a related party		
Lecang (Shanghai) Investment Management Co., Ltd.	27,000	–
Advances to a related party		
BAL SHIPBROKING PTE. LTD.	10,253	–
Income from Lecang International Logistics (Wuxi) Co., Ltd.		
	308	881

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

(b) Outstanding balances with related parties:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Due from related parties:		
Trade-related		
BAL SHIPBROKING PTE. LTD.	10,253	–
Lecang International Logistics (Wuxi) Co., Ltd.	248	19
Total	10,501	19
Due to a related party:		
Lecang (Shanghai) Investment Management Co., Ltd.	27,000	–

Notes to Interim Condensed Consolidated Financial Information

30 June 2025

16. Related Party Transactions (continued)

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

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	3,692	2,688
Performance-related bonuses	–	–
Pension scheme contributions and social welfare	351	247
Total compensation paid to key management personnel	4,043	2,935

17. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	61,669	58,371	61,669	58,371
Equity investments designated at fair value through other comprehensive income	1,726	1,768	1,726	1,768
Total	63,395	60,139	63,395	60,139

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments and other receivables, deposits, financial liabilities included in other payables and accruals, interest-bearing other borrowings, and amounts due from/to related parties approximate to their carrying amounts largely due to the short-term maturities of these instruments.



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

17. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of unlisted equity investments classified as financial assets at fair value through profit or loss have been estimated by using asset-based approach, the significant unobservable inputs of which is adjusted carrying amount of net assets. A significant increase in adjusted carrying amount of net assets would result in a significant increase in the fair value of the financial assets at fair value through profit or loss. If the fair value of the equity investments classified as financial assets at fair value through profit or loss held by the group had been 10% higher/lower, the profits for the six months ended 30 June 2025 would have been approximately RMB968,000 lower/higher (31 December 2024: RMB898,000). The fair values of other unlisted investments are based on quoted market prices.

The fair value of the unlisted equity investment designated at fair value through other comprehensive income has been estimated by using the market approach, using the ratio of price to book value ("**PB ratio**") of certain comparable companies in the same industry, in arriving at an indicated value of the unlisted equity interest. The valuation takes account of a discount for lack of marketability on this investment. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of each of the period.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2025:

Description	Unobservable inputs	Range of inputs	
		30 June 2025	Relationship of unobservable inputs to fair value
Equity investments designated at fair value through other comprehensive income	Discount for lack of marketability (" DLOM ")	27.09% (31 December 2024: 27.09%)	The higher the DLOM, the lower the fair value

The DLOM represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments.

If the fair value of the equity investments designated at a fair value through other comprehensive income held by the group had been 10% higher/lower, the total comprehensive income for the six months ended 30 June 2025 would have been approximately RMB173,000 higher/lower (31 December 2024: RMB177,000).



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

17. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

30 June 2025

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through profit and loss	50,992	–	71,349	60,672
Equity investments designated at fair value through other comprehensive income	–	–	1,726	1,726
Total	50,992	–	11,406	62,398

31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through profit or loss	49,391	–	8,980	58,371
Equity investments designated at fair value through other comprehensive income	–	–	1,768	1,768
Total	49,391	–	10,748	60,139



Notes to Interim Condensed Consolidated Financial Information

30 June 2025

17. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no other transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: there were no transfers of fair value measurements between Level 1 and Level 2 and no other transfers into or out of Level 3 for both financial assets and financial liabilities).

The movements in fair value measurements within Level 3 during the periods are as follows:

	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Equity investments at FVTPL and FVOCI:		
At the beginning of the period	10,749	12,269
Total gains recognised in profit	699	(34)
Total gains recognised in other comprehensive income	(42)	628
At the end of the period	11,406	12,863

18. Events Subsequent to the Reporting Periods

There is no significant subsequent event undertaken by the Company after 30 June 2025.

19. Approval of the Unaudited Interim Condensed Consolidated Financial Information

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 20 August 2025.

In this report, unless the context otherwise requires, the following terms have the meanings below:

“Acting in Concert Deed”	the acting in concert deed dated 15 October 2022 and executed by the Group’s ultimate controlling shareholders (being Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang)
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Company”	LC Logistics, Inc. (乐舱物流股份有限公司), an exempted company incorporated in the Cayman Islands with limited liability
“Corporate Governance Code”	the corporate governance code set out in Part 2 to Appendix C1 of the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers
“Net Proceeds”	the aggregate net proceeds from the Listing and the partial exercise of the Over-allotment Option
“Over-allotment Option”	the over-allotment option granted by the Company to allot and issue additional Shares under the Global Offering
“Period”	the six months ended 30 June 2025
“Post-IPO Share Scheme”	the share scheme adopted by the Company on 23 August 2023
“Prospectus”	the prospectus of the Company dated 13 September 2023
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Share(s)



Definitions

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEU”	twenty-foot equivalent unit
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent.