泛遠國際控股
FAR INTERNATIONAL HOLDINGS

FAR International Holdings Group Company Limited
泛 遠 國 際 控 股 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2516)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Director(s)**") of FAR International Holdings Group Company Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	Six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	*3*	**1,476,637**	808,208
Cost of sales		**(1,395,099)**	(734,515)
Gross profit		**81,538**	73,693
Other income, gains and losses, net	*5*	**(1,509)**	(5,205)
Share of results of associates		**—**	846
Selling expenses		**(9,120)**	(8,307)
Administrative and other expenses		**(43,200)**	(33,589)
Impairment loss on trade and other receivables		**(6,914)**	(14,423)
Impairment loss on goodwill		**—**	(18,099)
Finance costs		**(14,439)**	(9,718)
Profit (loss) before tax		**6,356**	(14,802)
Income tax (expenses) credit	*6*	**(621)**	313
Profit (loss) for the period	*7*	**5,735**	(14,489)
Other comprehensive (expense) income for the period：			
Item that will not be reclassified subsequently to profit or loss			
Fair value changes on financial assets at fair value through other comprehensive income		**1,700**	—
Income tax relating to items that will not be reclassified subsequently to profit or loss		**(425)**	—
		1,275	—
Item that may be reclassified subsequently to profit or loss			
Exchange difference arising on translating foreign operations		**(7,883)**	(657)
Total comprehensive expense for the period		**(873)**	(15,146)

	Notes	Six months ended 30 June **2026** ***RMB'000*** **(unaudited)**	 2025 *RMB'000* (unaudited)
Profit (loss) attributable to:			
— Owners of the Company		**4,922**	(14,350)
— Non-controlling interests		**813**	(139)
		5,735	(14,489)
Total comprehensive (expense) income attributable to:			
— Owners of the Company		**(1,411)**	(15,018)
— Non-controlling interests		**538**	(128)
		(873)	(15,146)
Earnings (loss) per share			
Basic and diluted *(RMB cents)*	*9*	**0.53**	(1.85)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		**38,547**	21,243
Right-of-use assets		**337,086**	35,948
Goodwill		**175,869**	126,581
Intangible assets		**46,738**	—
Contingent receivables	*14*	**5,462**	—
Financial assets at fair value through other comprehensive income ("**FVTOCI**")	*14*	**2,800**	—
Deferred tax assets		**16,650**	11,769
Deposits		**74,892**	56,287
		698,044	251,828
Current assets			
Trade and bills receivables	*10*	**756,432**	557,189
Deposits, prepayments and other receivables		**137,570**	139,057
Financial assets at fair value through profit or loss ("**FVTPL**")	*14*	**56,370**	3,617
Contingent receivables	*14*	**1,791**	—
Tax recoverable		**163**	—
Time deposits		**76,863**	61,405
Bank balances and cash		**570,325**	551,157
		1,599,514	1,312,425

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Current liabilities			
Trade payables	*11*	**217,973**	92,770
Accruals and other payables		**56,607**	39,326
Contract liabilities		**18,949**	19,390
Income tax payables		**3,092**	5,752
Lease liabilities		**40,564**	10,846
Provision on litigation		**500**	2,500
Borrowings		**780,527**	592,482
		1,118,212	763,066
Net current assets		**481,302**	549,359
Total assets less current liabilities		**1,179,346**	801,187
Non-current liabilities			
Deferred tax liabilities		**18,537**	10
Lease liabilities		**326,583**	26,649
		345,120	26,659
Net assets		**834,226**	774,528
Capital and reserves			
Share capital	*12*	**8,496**	8,496
Reserves		**766,784**	768,195
		775,280	776,691
Non-controlling interests		**58,946**	(2,163)
Total equity		**834,226**	774,528

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. BASIS OF PREPARATION

FAR International Holdings Group Company Limited (the "**Company**") was incorporated in the Cayman Islands under the Companies Act (as revised) of the Cayman Islands as an exempted company with limited liability on 24 November 2022 and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 22 December 2023. Its immediate and ultimate holding company is Zi Yue Holdings Limited ("**Zi Yue**"), a company with limited liability incorporated in the British Virgin Islands. Zi Yue is wholly and directly owned by Mr. Wang Quan, who is also a director of the Company.

The Company is an investment holding company and has not carried on any business since the date of its incorporation. The Company and its subsidiaries (together referred to as the "**Group**") are principally engaged in the provision of end-to-end cross-border delivery service, freight forwarding service and other logistics service.

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

Changes in functional currency of the Company

Prior to 1 January 2026, the Renminbi ("**RMB**") was regarded as the Company's functional currency and was also the presentation currency of the consolidated financial statements. Following the implementation of the Company's business expansion plan to operate globally, including the passing of a memorandum to acquire subsidiaries in the United States in January 2026, and given that the Hong Kong dollar ("**HK$**") has become the principal currency used in the Company's international operations, the directors of the Company consider that the primary economic environment in which the Company operates has changed. Accordingly, the Company changed its functional currency from RMB to HK$ with effect from 1 January 2026. In accordance with HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, the change in functional currency was applied prospectively from the date of change, being 1 January 2026.

All assets, liabilities, and entity items were translated into HK$ at the exchange rate providing on 1 January 2026 comparative amounts have not been restated.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values at the end of each reporting period.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements, except for the adoption of the new accounting policies resulting from the business combination and the acquisition of financial assets during the current reporting period, as detailed below:

Intangible assets

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognised on a straight-line basis over their estimated useful lives.

Financial Assets at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

Financial assets at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. Upon derecognition, the cumulative gain or loss is not subsequently reclassified to profit or loss, but is transferred directly to retained earnings.

3. REVENUE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of HKFRS 15 "Revenue from Contracts with Customers"		
Disaggregated by major services lines		
— End-to-end cross-border delivery service	**573,489**	501,831
— Freight forwarding service	**497,097**	46,617
— Other logistics service	**406,051**	259,760
	1,476,637	808,208

Disaggregation of revenue from contracts with customers by timing of recognition

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Timing of revenue recognition		
Overtime	**573,489**	501,831
At point in time	**903,148**	306,377
	1,476,637	808,208

Transaction price allocated to the remaining performance obligations

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

4. SEGMENT INFORMATION

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

Geographical information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of revenue from external customers is based on the location of the orders placed as follows:

Revenue from external customers:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Chinese Mainland	**1,034,131**	715,830
Hong Kong	**256,212**	69,518
The United States	**57,671**	8,728
Singapore	**105,210**	12,427
Other countries and regions	**23,413**	1,705
	1,476,637	808,208

Non-current assets:

	30 June 2026 *RMB'000*	31 December 2025 *RMB'000*
Chinese Mainland	**163,006**	156,793
United States	**434,154**	25,138
Hong Kong	**1,080**	1,841
	598,240	183,772

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

Information about major customers

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Customer A[1]	**549,653**	243,654

1 Revenue from end-to-end cross-border delivery service, freight forwarding service and other logistics service rendered.

5. OTHER INCOME, GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Bank interest income	**2,481**	3,623
Government grants *(note (i))*	**368**	954
Loss arising from change in fair value of financial assets at FVTPL	**(153)**	(55)
Gain on disposal of a subsidiary	**3,738**	—
Transaction costs on acquisition and disposal of investments	**(102)**	—
Net gain/(loss) on disposal of property, plant and equipment	**27**	(153)
Net gain on early termination of leases	**32**	—
Exchange difference	**(8,663)**	(6,299)
Written off of prepayment	**—**	(3,654)
Sundry income	**763**	379
	(1,509)	(5,205)

Note:

(i) The government grants were mainly incentives provided by local government authorities in the PRC for various forms of government financial incentives to reward the Group's support and contribution for the development of local economies. As of 30 June 2026 and 30 June 2025, there were no unfulfilled conditions or contingencies relating to these government grants.

6. INCOME TAX EXPENSES (CREDIT)

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current income tax:		
— US Profits Tax	**544**	—
— Hong Kong Profits Tax	**364**	254
— PRC Corporate Income Tax	**3,108**	4,003
Deferred taxation	**(3,395)**	(4,570)
	621	(313)

7. PROFIT (LOSS) FOR THE PERIOD

Profit (loss) for the period has been arrived at after charging:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Directors' emoluments	**1,896**	1,612
Salaries, allowances and other benefits (excluding directors' emoluments)	**37,024**	37,469
Contributions to retirement benefits scheme (excluding directors' emoluments)	**5,252**	5,191
Total staff costs	**44,172**	44,272
Research and development costs *(note)*	**322**	973
Impairment loss on goodwill	**—**	18,099
Amortisation of intangible assets	**1,060**	—
Impairment loss (reversal of impairment loss) on:		
— trade receivables	**5,961**	14,498
— other receivables	**953**	(75)
	6,914	14,423
Depreciation of property, plant and equipment	**2,644**	2,270
Depreciation of right-of-use assets	**17,437**	4,447

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

8. DIVIDENDS

No dividend has been paid, proposed or declared during the period ended 30 June 2026, nor has any dividend been proposed since the end of the reporting period (30 June 2025: Nil).

9. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Earnings/(loss)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	**4,922**	(14,350)
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	**920,020**	777,212

For the period ended 30 June 2025 and 2026, the calculation of weighted average number of ordinary shares had been adjusted for the effect of the repurchase of shares of share award scheme.

The diluted earnings/(loss) per share is equivalent to the basic earnings/(loss) per share as there were no dilutive potential ordinary shares outstanding for both periods.

10. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Trade receivables	**813,671**	608,647
Bills receivables	**380**	200
Less: allowance for impairment loss of trade receivables	**(57,619)**	(51,658)
	756,432	557,189

The following is an ageing analysis of trade receivables, net of allowance for impairment loss of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Within 3 months	**592,060**	438,037
4–12 months	**154,925**	117,479
1–2 years	**9,447**	1,673
	756,432	557,189

The Group allows credit period of 0 to 90 days to its trade customers depending on the creditability of the customers. The Group does not hold any collateral over its trade receivables.

11. TRADE PAYABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade payables	**217,973**	92,770

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

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within 3 months	**181,508**	84,949
4–12 months	**27,044**	4,646
Over 1–2 years	**6,502**	1,165
Over 2–3 years	**2,919**	2,010
	217,973	92,770

The average credit period is up to 90 days. The Group has financial risk management policies or plans for its payables with respect to the credit timeframe.

12. SHARE CAPITAL

Ordinary shares, issued and fully paid:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Issued and fully paid	**8,496**	8,496

A summary of movements in the Company's share capital is as follows:

	Number of shares	**Amount** *HK$*	**Amount** *RMB*	**Shown in consolidated financial statements** *RMB'000*
Issued and fully paid ordinary shares at HK$0.01 per share:				
At 1 January 2025	780,000,000	7,800,000	7,075,214	7,075
Issue with placement of the offering	156,000,000	1,560,000	1,420,599	1,421
At 31 December 2025, 1 January 2026 and 30 June 2026	936,000,000	9,360,000	8,495,813	8,496

On 20 November 2025, the Company placed a total of 156,000,000 shares to place at a price of HK$0.455 per share, raising total net proceeds of HK$69,620,000 or approximately RMB63,668,000, of which approximately RMB1,421,000 was credited to share capital and approximately RMB62,247,000 was credited to share premium.

All issued shares of the Company rank pari passu in all respects with each other.

13. MATERIAL CHANGES IN SUBSIDIARIES

ACQUISITION OF SUBSIDIARIES

On 20 January 2026, the Company entered into an agreement with Mr. Qingguo Zheng, Ms. Wen An and the Zhenith Family Trust (collectively as the "**Sellers**") whom are third parties independent of the Group, pursuant to which the Company has conditionally agreed to acquire all shares in Colink First HK Limited ("**COPE Holding**") from the Zhenith Family Trust and subscribe for 690 new common shares in COPE Services Incorporated ("**COPE**") and acquire all shares in Hyperlining Holdings HK Limited ("**Hyperlining Holding**") from Ms. Wen An. The net consideration paid by the Group was US$15,698,009 (equivalent to approximately RMB107,732,000) and was settled in cash. Of this amount, US$2,000,000 was contributed to the US Targets as subscription of the 690 new common shares in COPE. The acquisition had been accounted for using the acquisition method.

Upon completion of the transaction on 28 April 2026 (the "**Acquisition Date**"), the Group have become the sole shareholder of COPE Holding and Hyperlining Holding. COPE Holding and Hyperlining Holding are holding companies which in turn, holds a combined interest of 47.62% and 51% in COPE and Hyperlining LLC ("**Hyperlining**") respectively. Through the acquisition of 100% interests in COPE Holding and Hyperlining Holding and together with the subscription of 690 new common shares in COPE, the Group effectively holds 51% interests in COPE and Hyperlining (collectively, the "**US Targets**").

The US Targets are principally engaged in last-mile delivery, trucking and warehousing services in the United States. The acquisition was undertaken to expand the business in the Group's major market, operating capacity and customer base in the United States.

The Group has elected to measure the non-controlling interest in US Targets at the non-controlling interest proportionate share of US Target's identifiable net assets.

The fair values of the identifiable assets and liabilities of US Targets as at Acquisition Date were as follows:

	Fair value recognised on Acquisition Date
	RMB'000
Property, plant and equipment	13,823
Right-of-use assets	344,110
Intangible asset	37,745
Trade receivables	95,337
Deposits, prepayment and other receivables	42,036
Tax recoverable	71
Cash and cash equivalents	27,554
Trade payables	(53,026)
Accruals and other payables	(13,332)
Contract liabilities	(5,654)
Deferred tax liabilities	(14,529)
Lease liabilities	(371,572)
Total identifiable net assets	102,563
Non-controlling interests @49%	50,256
Fair value of net assets acquired	52,307
Consideration paid, satisfied in cash	107,732
Less: Contingent profit guarantee receivable on acquisition	(7,817)
Less: Fair value of net assets acquired	(52,307)
Goodwill *(note a)*	47,608

Note:

(a) Goodwill arose in the acquisition of US Targets because of the expected synergies on integration of services and marketing of the Group and US Targets, revenue growth, future market development and the assembled workforce of US Targets. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of goodwill arising on the acquisition is expected to be deductible for tax purposes.

During the year ended 30 June 2026, US Targets contributed RMB149,543,000 and RMB3,316,000 to the Group's revenue and profit, respectively.

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 — Fair value measurements are those derived from quoted (unadjusted) market prices in active markets for identical assets or liabilities;

- Level 2 — Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3 — Fair value measurements are those derived from valuation techniques that included inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of all financial assets and financial liabilities is determined in accordance with generally accepted pricing model based on discounted cash flow analysis.

The following table provides an analysis of financial instrument that are measured at fair value at the end of each reporting period for recurring measurement, grouped into Level 3 in accordance to the Group's accounting policy.

	30 June 2026	
	Level 3	**Total**
	RMB'000	***RMB'000***
	(unaudited)	**(unaudited)**
Financial assets at FVTOCI		
Unlisted equity investment	**2,800**	**2,800**
Financial assets at FVTPL		
Contingent receivables (current portion)	**1,791**	**1,791**
Contingent receivables (non-current portion)	**5,462**	**5,462**
Unlisted investment funds	**56,370**	**56,370**

There were no transfers into or out of Level 2 or Level 3 of fair value hierarchy during the period/year.

	31 December 2025	
	Level 3	Total
	RMB'000	*RMB'000*
	(audited)	(audited)
Financial assets at FVTPL		
Unlisted equity investment	3,617	3,617

Financial instrument	Fair value hierarchy	30 June 2026 *RMB'000* (unaudited)	31 December 2025 *RMB'000* (audited)	Valuation technique and key inputs
Unlisted equity investments	Level 3	2,800	3,617	Market approach *(note 1)*
Contingent receivables	Level 3	7,253	—	Monte Carlo Simulation Model *(note 2)*
Unlisted investment funds	Level 3	56,370	—	Quoted price from financial institutions *(note 3)*

Note 1:

The fair value of the unlisted equity investment was determined using a market approach, with reference to the sales-to-value multiples of listed comparable companies, adjusted to reflect differences in size, risk profile and marketability. There were three key unobservable inputs, including sales/value multiple of comparable listed companies, size premium adjustment and discount for lack of marketability.

Fair value is positively correlated with the sales-to-value multiples of comparable listed companies and negatively correlated with the size premium and any discount for lack of marketability. Increases in the sales multiple would increase the fair value, while increases in the size premium or marketability discount would decrease the fair value.

Note 2:

Fair value of the contingent profit guarantee receivable on acquisition was determined using the Monte Carlo Simulation Model based on the profit guarantee amount, standardised standard deviation of pre-tax income, discount rate and time to settlement date.

Fair value is positively correlated with standardised standard deviation of pre-tax income and negatively correlated with discount rate and time to settlement date. Increases in the standardised standard deviation of pre-tax income would increase the fair value, while increases in the discount rate and time to settlement date would decrease the fair value.

Note 3:

The fair value of these funds is recorded based on valuations provided by the fund managers, which is an unobservable input. The fund managers estimated the fair value of underlying investments based on direct market quote for level 1 financial instruments. For other investments, the fund managers apply appropriate valuation techniques.

Except for the financial assets listed above, the management of the Group considers that the carrying amounts of other financial assets and financial liabilities recorded at amortised costs in the condensed consolidated financial statements approximate to their fair values.

15. EVENTS AFTER THE REPORTING PERIOD

Grant of share awards

Subsequent to 30 June 2026, on 2 July 2026, the Company granted share awards involving a total of 2,647,000 award shares to certain eligible employees, including two executive directors, pursuant to the share award scheme adopted by the Company on 9 April 2025. The award shares represent approximately 0.28% of the total issued shares of the Company as at the date of grant. The awards were granted at nil consideration and are subject to a vesting period of 12 months, with vesting scheduled on 2 July 2027. The award shares will be satisfied by shares purchased through the trustee in the secondary market in accordance with the terms of the share award scheme and no new share will be issued. For details of the grant, please refer to the Company's announcement dated 2 July 2026.

Material lease agreement

On 21 April 2026, prior to the completion of the Group's acquisition of COPE on 28 April 2026, COPE entered into a warehouse lease agreement in California, the United States.

Subsequent to the reporting period, the lease will commence on 1 September 2026 for a term of 79 months. The total contractual undiscounted lease payments under the lease amount to approximately US$41.1 million (equivalent to approximately RMB295.9 million).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Market Overview

Based on the data from the General Administration of Customs of the People's Republic of China (the "**PRC**"), the total import and export trade volume in the PRC reached approximately RMB25.47 trillion in the first half of 2026, representing a year-on-year growth of 16.9% and continuing to maintain its position as the world's largest trading nation in goods. Of this, total exports amounted to approximately RMB14.73 trillion, representing a year-on-year growth of 13.4%, marking the 11th consecutive quarter of growth. While global economic uncertainties, geopolitical tensions and evolving trade regulations posed certain challenges, resulting in adverse impact on the PRC's foreign trade industry to a certain extent, the PRC's foreign trade achieved growth under pressure in the first half of 2026 with numerous highlights. This fully demonstrates its resilience and vitality, while also making significant contributions to global economic and trade development. Overall, foreign trade in the PRC maintained a sound operating momentum in the first half of 2026, with notable achievements in stabilizing scale and optimizing structure.

Cross-border e-commerce is the digital bridge between manufacturers and consumers across countries and an important trend of international trade, which gradually becomes an indispensable part of people's daily lives. While the complex and changing external environment in the first half of the year impacted the cross-border e-commerce to a certain extent, it did not change the inherent advantages of cross-border e-commerce or the overall trend of development towards digitalization of international trade. As the primary driver of foreign trade transformation and upgrading, cross-border e-commerce has made remarkable contributions to the robust growth of foreign trade in the PRC. In the first half of 2026, cross-border e-commerce export overseas warehouses grew by 3.3 times. There is no doubt that cross-border e-commerce has become the new driving force for the growth of foreign trade in the PRC. Meanwhile, cross-border e-commerce logistics, which forms the core component of cross-border e-commerce imports and exports, has also created more opportunities for development.

Performance Overview

As a renowned cross-border e-commerce logistics service provider in the PRC, the Group operates more than 50 service outlets domestically and internationally and a network of over 1,100 suppliers with a service coverage spanning more than 220 countries and regions worldwide, allowing it to provide a variety of flexible and reliable cross-border delivery options to its customers.

In the first half of 2026, in the face of global macroeconomic volatility and geopolitical uncertainties, the Group firmly advanced its “One Core, Two Wings” strategy, accelerating its transformation from a traditional logistics service provider into a cross-border supply chain service platform based on the integration of logistics and trade. During the Reporting Period, the Group achieved steady performance growth and continuous optimization of its business structure by deepening its self-operated fulfillment capabilities in the North American market and vigorously expanding into emerging markets such as South America.

The Group’s total revenue amounted to approximately RMB1.5 billion in the first half of 2026, while the revenue for the corresponding period in 2025 amounted to approximately RMB0.8 billion, representing a year-on-year increase of approximately 82.7% as compared to the first half of 2025. Profit attributable to owners of the Company amounted to approximately RMB4.92 million in the first half of 2026, while loss attributable to owners of the Company amounted to approximately RMB14.4 million in the corresponding period in 2025, marking a successful turnaround from loss to profit.

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

Through coordinating its network of suppliers, the Group is capable of providing a variety of flexible and reliable delivery options to its customers based on their selection of express, standard or economy delivery options. Operating revenue from end-to-end cross-border delivery services amounted to approximately RMB573.5 million in the first half of 2026, accounting for approximately 38.8% of the Group’s total revenue, representing a year-on-year increase of approximately 14.3%.

The Group offers freight forwarding services for the delivery of parcels from the port of the origin to the port of the final destination through various delivery methods, such as airborne, seaborne and land transportation. Operating revenue from freight forwarding services amounted to approximately RMB497.1 million in the first half of 2026, accounting for approximately 33.7% of the Group’s total revenue, representing a year-on-year increase of approximately 966.3%.

Building on the Group’s service outlets and supplier network, the Group offers value-added supply chain solutions that integrate its service offerings and fulfill the specific needs of its customers across various industry verticals. Operating revenue from other logistics services amounted to approximately RMB406.1 million in the first half of 2026, accounting for approximately 27.5% of the Group’s total revenue, representing a year-on-year increase of 56.3%.

In the first half of 2026, the global cross-border trade landscape underwent in-depth adjustments, with the restructuring of industrial and supply chains continuing to advance, presenting both opportunities and challenges for the industry. The Group remained firmly committed to the strategic consensus of "if you don't go abroad, you are out of the game", upheld its core values of "customer first, trust, simplicity, and continuous meritorious service", adhered to innovation-driven high-quality development, and deepened its digital and intelligent transformation and global strategic deployment. While deepening its presence in the mature North American market and strengthening its fundamental business, the Company has enhanced its regional service capabilities through strategic external M&A, accelerated its penetration and breakthroughs in emerging markets such as South America, and built diversified growth engines. Concurrently, the Company has deepened service quality through technological iteration, strengthened its development foundation through organizational development, and fostered team consensus through cultural cohesion, thereby continuously reinforcing its core competitive advantages in global cross-border supply chain services and achieving simultaneous improvements in operational quality and efficiency and industry influence.

1. Deepening Global Deployment and Continuous Expansion of Growth Engines

The Group remains committed to its core deployment direction of staying close to consumer markets, guided by the principles of "proactive deployment and be close to customers". Through a dual-engine approach of "organic deepening + external M&A", the Group continues to enhance its global network coverage, optimize its market structure, and steadily advance the systematic development of its overseas fulfillment capabilities.

On 28 April 2026, the Company announced the completion of the acquisition of 51% equity interest in COPE Services Incorporated ("**COPE**") and Hyperlining LLC ("**Hyperlining**"). COPE and Hyperlining have become subsidiaries of the Group, and their financial results, assets and liabilities have been consolidated into the Group's consolidated financial statements. Currently, the acquisition and integration of COPE and Hyperlining are progressing in a comprehensive and orderly manner. Through this strategic merger and acquisition, the Group will improve its logistics infrastructure in North America, enhance synergistic capabilities across the entire chain including first-mile services, warehouse management, last-mile delivery, and supply chain finance, thereby further strengthening its core competitiveness. During the integration process, the Group has simultaneously advanced the alignment of business processes, the integration of digital and intelligent systems, and the convergence of organizational cultures, ensuring continuity of customer experience through unified service standards and maximizing the synergistic value of M&A.

Meanwhile, leveraging its keen insight into the global trade landscape, the Group has precisely identified the immense potential of the South American market as an emerging growth pole and decisively established it as a key long-term expansion region, representing an important practice of following customers' industrial deployment under the "Customer First" philosophy. Using the Miami aviation hub as its core air transit node, and leveraging its locally owned customs clearance teams established in Argentina and Ecuador, the Group has successfully established customs transit, clearance, and last-mile delivery routes covering multiple countries, building a stable and controllable business closed-loop of "air transit, customs clearance and last-mile delivery". Through its localized teams' in-depth understanding of local regulations and responding to customer needs, the Group has effectively captured the development dividends of the region, further optimizing its global market portfolio and building diversified business growth engines.

2. *Deepening the Implementation of Digital and Intelligent Strategy, Driving Efficiency Upgrades with AI Technology*

The Group has adhered to its "One Core, Two Wings" core strategy with AI-driven digital fulfillment services as the core and has positioned innovation-driven development as its core growth driver. The Group has continued to increase investment in proprietary technology, promoted the application of artificial intelligence and big data across the entire cross-border logistics process, and advanced its transformation from a traditional logistics service provider into a digital and intelligent cross-border supply chain service platform based on the integration of logistics and trade.

During the Reporting Period, the Group continued to expand the scope of AI application scenarios, utilizing intelligent algorithms to achieve dynamic optimization of transportation routes and intelligent allocation of cargo space and shipment volumes. Leveraging data models, the Group strengthened anomaly alerts and customs clearance risk forecasting to reduce operational uncertainties. The Group also promoted the automation of document recognition and automated order sorting processes, reducing manual intervention, improving operational efficiency, and optimizing labor cost structures. Furthermore, the Group continued to integrate data from domestic and overseas business nodes, achieving full-chain visible tracking of cargo movements and enabling customers to monitor logistics dynamics in real time. Meanwhile, the Group accelerated the system integration with COPE and Hyperlining, driving the integrated synergy of North American operations through digital interconnection.

In the next phase, the Group will continue to advance the iterative upgrade of its digital and intelligent systems, deepen the application of artificial intelligence technologies across the entire cross-border supply chain, and build long-term competitive barriers through technological innovation.

3. Advancing Ecosystem Collaboration and Brand Building in Parallel, Achieving Notable Results in Sustainable Development

During the Reporting Period, the Group achieved dual improvements in both its business ecosystem deployment and brand value. In April 2026, the Group's U.S. overseas warehouse services were officially launched on the TEMU platform, becoming an officially partnered fulfillment warehouse for TEMU, marking the transition of the partnership from listing services to a new phase of fulfillment ecosystem.

The Group was also awarded the "Carbon Neutrality Pioneer Award 2026" in the first half of 2026 and became a member of the Greater Bay Area Carbon Neutrality Association ("**GBACNA**"), signifying that the Group's long-term efforts in low-carbon transformation and sustainable development have received high recognition from the industry. This further consolidates the Group's industry position as a pioneer in green logistics and provides customers with logistics service options that offer greater social responsibility value.

In addition, in April 2026, the Group was recognized as a "Cross-border E-commerce Logistics Comprehensive Strength Enterprise" in the 2026 Xiaosheng Rankings, by virtue of its solid comprehensive capabilities. Being included in this authoritative ranking represents a high recognition by the industry of the Group's comprehensive strength, service quality and development potential, further reinforcing the Group's leading position in the cross-border e-commerce logistics sector.

4. Continuously Strengthening Organizational Capabilities and Enhancing the Talent Pipeline System

The Group has always regarded organizational capability building and corporate culture implementation as the endogenous support for high-quality development, adhering to the principles of fostering team consensus through culture and strengthening the development foundation through talent, thereby driving the simultaneous advancement of organizational vitality and business scale.

In terms of talent pipeline development, the Group has established a dual-track career development system of "management + professional", adopted a dual approach of "internal cultivation and external recruitment" to strengthen core senior positions, and simultaneously advanced the recruitment and development of localized overseas talent, continuously optimizing its talent structure and reinforcing the depth of its talent pipeline, providing solid talent support for market expansion, technological breakthroughs and service upgrades.

At the corporate culture level, the Group has deeply integrated its core values of "customer first, trust, simplicity, and continuous meritorious service" into its operational management and daily team activities, translating cultural concepts from abstract consensus into concrete business actions. The Group has closely followed the pace of going global to build a localized customs clearance and last-mile delivery network in South America, launched the officially partnered fulfillment warehouse for TEMU, and implemented full-chain cargo visibility services, driving continuous service optimization based on genuine customer needs. The Group advocates a direct and efficient working philosophy, focusing cross-regional key projects such as M&A integration and system integration directly on their objectives, placing full trust in the professional judgment of frontline teams, streamlining redundant processes, and empowering local operations teams with autonomous decision-making authority. The Group embraces openness and inclusiveness in M&A integration to rapidly build synergy. Adhering to doing what is right in the long term, the Group has strengthened its North American logistics infrastructure through strategic M&A, built a full-chain fulfillment closed loop in South America, and continued to advance green and low-carbon operations, achieving efficient internal operations and external symbiotic win-win outcomes, and continuously transforming cultural soft power into the core driving force for its long-term and steady development.

FUTURE OUTLOOK AND PROSPECT

Market Outlook

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

Although the executive orders of the U.S. government to impose various tariffs have exerted certain pressure on the growth rate of cross-border e-commerce and logistics market in the PRC in the short term, the solid long-term fundamentals of the industry remain unchanged. Based on the information from the General Administration of Customs of the PRC and the prediction from Frost & Sullivan, the market size is expected to climb to RMB5.7 trillion by 2029, with a compound annual growth rate of 7.3% projected from 2024 to 2029, demonstrating strong development resilience.

Development Strategy

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

1. Further deepen the strategic cooperation with major platforms. The Group will mainly focus on strengthening in-depth cooperation with leading cross-border e-commerce platforms, while maintaining the sustainable development of the existing platform, and strengthen the development of the marketing system to further extend its reach to small and medium direct corporate customers.

2. Expand the business scale and service capabilities. The Group will expand or upgrade its existing service outlets as required to raise its service carrying capacity.

3. Expand the overseas business layout. The Group will actively explore investment and M&A opportunities. On the basis of its existing business, the Group will extend the foreign logistics network through investments and M&A, improve the cross-border delivery and the performance ability of overseas localization ancillary services, facilitate the construction and launch of overseas logistics infrastructure and team recruitment, and establish an international logistics supply chain network.

4. Increasing investment in AI technology. Through upgrading the information technology system and deepening the integration with AI technology, the Group is able to raise its level of digitalization and empower its corporate development. In this regard, the Group will continue to be AI-driven to fully facilitate corporate digital upgrades, such as further expanding the depth of AI applications in core scenarios including warehouse intelligent scheduling, demand forecasting and dynamic pricing, as well as focusing on the deployment of AI-native application directions and advancing intelligent upgrades across the entire customer operation process.

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 June 2026 amounted to RMB1.5 billion, representing an increase of approximately 82.7% compared with RMB0.8 billion for the corresponding period ended 30 June 2025. This increase was primarily attributable to the acquisition of subsidiaries in the United States ("**USA**") and higher business volumes generated from the Group's major customer.

Revenue from the Group's end-to-end cross-border delivery services increased by 14.3%, from approximately RMB501.8 million to RMB573.5 million. The growth was mainly driven by higher revenue from standard delivery services and express delivery services, resulting from increased billed weight due to higher business volumes. This was partially offset by lower revenue from economic delivery services, which resulted from a reduction in billed weight for seaborne logistics services.

Revenue from the Group's freight forwarding services increased by 966.3%, from approximately RMB46.6 million to RMB497.1 million. The substantial increase was attributable to higher revenue from airborne freight forwarding services, driven by increased business volumes from the Group's major customer.

Revenue from the Group's other logistics services increased by 56.3%, from approximately RMB259.8 million to RMB406.1 million. The increase was mainly attributable to the acquisition of subsidiaries in USA, whose principal services include last-mile delivery and warehousing services in the USA.

Cost of sales

The Group's cost of sales increased from approximately RMB0.7 billion for the six months ended 30 June 2025 to approximately RMB1.4 billion for the six months ended 30 June 2026, representing an increase of approximately RMB660.6 million or 90.0%. The increase was mainly attributable to the overall increase in logistic costs associated with the increase in revenue during the period as discussed above.

Gross profit

The Group's gross profit for the six months ended 30 June 2026 was approximately RMB81.5 million, representing an increase of approximately RMB7.8 million or 10.6%, compared to approximately RMB73.7 million for the six months ended 30 June 2025. The increase was mainly attributable to the increase in total revenue for the reasons described above.

The Group's gross profit margin deteriorated from approximately 9.1% for the six months ended 30 June 2025 to approximately 5.5% for the six months ended 30 June 2026. This deterioration was primarily attributable to the increased proportion of revenue from freight forwarding services, which yielded a relatively low gross profit margin.

The gross profit margin for the end-to-end cross-border delivery services decreased from 7.3% for the six months ended 30 June 2025 to 5.3% for the six months ended 30 June 2026. The decline in gross profit margin was mainly attributable to reduction in revenue from seaborn logistics services under economic logistic service, which yielded a relatively high gross profit margin among the Group's end-to-end cross-border delivery services.

The gross profit margin for freight forwarding services decreased from 4.1% for the six months ended 30 June 2025 to 2.2% for the six months ended 30 June 2026. The decline in gross profit margin was mainly attributable to the increased proportion of revenue from airborne freight forwarding services.

The gross profit margin for other logistics services decreased from 13.6% for the six months ended 30 June 2025 to 9.9% for the six months ended 30 June 2026. The decline in gross profit margin was mainly attributable to the increased proportion of revenue from last-mile delivery services following the acquisition of subsidiaries in USA.

Other income, gains and losses — net

The Group recorded net losses of approximately RMB1.5 million from other income, gains and losses for the six months ended 30 June 2026, representing an improvement from net losses of approximately RMB5.2 million for the six months ended 30 June 2025. This improvement was primarily attributable to the recognition of a gain on disposal of a loss-making subsidiary of approximately RMB3.7 million and the absence of written off of prepayments of approximately RMB3.6 million during the six months ended 30 June 2026.

Impairment loss on trade and other receivables

The Group recorded an impairment loss on trade and other receivables of approximately RMB6.9 million for the six months ended 30 June 2026, compared to an impairment loss of approximately RMB32.5 million for the six months ended 30 June 2025. This decrease was mainly attributable to a lower expected credit loss rate applied as a result of improved repayment performance by customers, as well as the absence of an impairment loss on goodwill during the six months ended 30 June 2026.

Finance costs

The Group's finance costs increased by approximately RMB4.7 million, or 48.6%, from approximately RMB9.7 million for the six months ended 30 June 2025 to approximately RMB14.4 million for the six months ended 30 June 2026. The increase in finance costs was mainly attributable to the increase in bank borrowings during the period.

Income tax expense/(credit)

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

The Group's income tax expense for the six months ended 30 June 2026 was approximately RMB0.6 million, compared to an income tax credit of approximately RMB0.3 million for the six months ended 30 June 2025. The change in income tax expense was primarily attributable to the Group's loss-making position for the six months ended 30 June 2025 and a decrease in deferred tax credit resulting from the lower impairment of expected credit losses on trade receivables.

Profit/(Loss) for the Period

As a result of the foregoing, the Group recorded a profit of approximately RMB5.7 million for the six months ended 30 June 2026, representing a turnaround from a loss of approximately RMB14.5 million for the corresponding period in 2025. The change was mainly attributable to (i) an increase in gross profit of approximately RMB7.8 million; (ii) a decrease in impairment losses of approximately RMB25.6 million; and (iii) an improvement in other losses of approximately RMB3.7 million, partially offset by (iv) an increase in finance costs of approximately RMB4.7 million; and (v) an increase in selling expenses and administrative and other expenses of approximately RMB10.4 million, primarily attributable to the inclusion of the acquired subsidiaries' expenses in the Group's consolidated financial statements following the acquisition.

Trade receivables

As at 30 June 2026, the Group's trade receivables amounted to approximately RMB756.4 million, representing an increase of 35.8% compared to approximately RMB557.2 million as at 31 December 2025. The increase was primarily attributable to the acquisition of subsidiaries and an increase in average monthly revenue.

Trade payables

As at 30 June 2026, the Group's trade payables amounted to approximately RMB218.0 million, representing an increase of 135.0% compared to approximately RMB92.8 million as at 31 December 2025. The increase was primarily attributable to the acquisition of subsidiaries and an increase in the average monthly cost of revenue.

Liquidity, Financial Resources and Capital Structure

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

As at 30 June 2026, the Group's net current assets were approximately RMB481.3 million (31 December 2025: approximately RMB549.4 million). The Group's bank balances and cash as at 30 June 2026 were approximately RMB570.3 million (31 December 2025: approximately RMB551.2 million).

As at 30 June 2026, there were bank borrowings of approximately RMB481.3 million carried fixed interest rate from 0.76% to 4.05% per annum (31 December 2025: approximately RMB592.5 million carried fixed interest rate from 0.66% to 4.30% per annum).

As at 30 June 2026, the Group had unutilized bank facilities of approximately 20.9 million (31 December 2025: approximately RMB7.9 million).

As at 30 June 2026, the Group has lease liabilities of approximately RMB367.1 million (31 December 2025: RMB37.5 million), of which approximately RMB40.6 million (31 December 2025: RMB10.8 million) is analyzed as current position, and approximately RMB326.5 million (31 December 2025: RMB26.7 million) is analyzed as non-current position.

Gearing ratio

As at 30 June 2026, the gearing ratio of the Group, based on the total debt (including interest-bearing borrowing and lease liabilities) to total equity of the Company was approximately 137.6% (31 December 2025: 81.3%). The increase in the gearing ratio was primarily attributable to increase in bank borrowings and an increase in lease liabilities. The significant increase in lease liabilities was primarily attributable to the acquisition of a subsidiary, one of whose principal businesses is warehouse operations.

Exchange rate fluctuation risk

The Group's principal subsidiaries have functional currencies including RMB, USD and HKD. The Group is exposed to foreign exchange risk arising from transactions denominated in currencies other than the respective functional currencies of Group entities and from the translation of foreign operations into the Group's presentation currency for consolidation purposes. The Group closely monitors its exposure to exchange rate fluctuations and will take appropriate measures, including hedging arrangements where considered necessary, to manage such risks. The Group has not experienced any material difficulty or liquidity problems resulting from foreign exchange fluctuations during the period ended 30 June 2026.

Contingent liabilities

As at 30 June 2026, the Group had no material contingent liabilities.

Pledge of assets

As at 30 June 2026, the Group had pledged trade receivables with carry amounts of approximately RMB66.9 million and ownership interest in buildings with carrying amounts of approximately RMB2.1 million and time deposits with carrying amounts of approximately RMB70.0 million as collateral for secured bank borrowings granted to the Group.

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

USE OF PROCEEDS FROM INITIAL GLOBAL PUBLIC OFFERING

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

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

As at 30 June 2026, the Group had utilised the Net Proceeds in the manners as set out in the table below:

Planned use of Net Proceeds	Percentage of total Net Proceeds	Original estimated amount available for utilisation	Adjusted amount available for utilisation	Net Proceeds utilised up to 31 March 2025	Unutilised Net Proceeds as at 31 March 2025	Adjusted use of the Unutilised Net Proceeds	Net Proceeds utilised from 1 April 2025 to 31 December 2025	Unutilised amount as at 31 December 2025	Net Proceeds utilised from 1 January 2026 to 30 June 2026	Unutilised amount as at 30 June 2026
		RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
Achieving greater scale and further the Group's reach	81.9%	65.5	48.15	8.34	39.81	—	—	—	—	—
— Setting up new service outlets in the PRC	47.0%	37.6	27.63	0.51	27.12	—	—	—	—	—
— Expanding and upgrading the Group's existing service outlets in the PRC	34.9%	27.9	20.52	7.83	12.69	—	—	—	—	—
Enhancing overseas logistics capabilities	—	—	—	—	—	19.81	4.67	15.14	15.14	—
Construction of a global intelligent operations command base	—	—	—	—	—	16.00	16.00	—	—	—
Investing in and upgrading the Group's information technology systems	18.0%	14.4	10.58	5.77	4.81	4.81	2.21	2.60	2.60	—
Working capital and general corporate purposes	0.1%	0.1	0.06	0.06	—	4.00	4.00	—	—	—
Total	100%	80.0	58.79	14.17	44.62	44.62	26.88	17.74	17.74	

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

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

On 20 November 2025, the Company completed the Placing to allot and issue the Placing Shares at HK$0.455 each in accordance with the terms and conditions of the Placing Agreement. The net proceeds from the Placing were approximately RMB63.7 million. The utilisation of the proceeds from the Placing as at 30 June 2026 was as follows:

Planned use of net proceeds from the Placing	**Net proceeds to be applied**	**Utilised net proceeds as of 31 December 2025**	**Unutilised net proceeds as of 31 December 2025**	**Utilised net proceeds as of 30 June 2026**	**Unutilised net proceeds as of 30 June 2026**
Strengthening the development of existing logistic business (including but not limited to expanding warehouses)	54.7	0.4	54.3	54.7	—
General working capital	9.0	9.0	—	9.0	—
Total	63.7	9.4	54.3	63.7	—

For further details of the Placing, please refer to the Company's announcements dated 12 November 2025 and 20 November 2025.

OTHER INFORMATION

HUMAN RESOURCES AND REMUNERATION POLICY

The number of full-time employees of the Group was 532 as at 30 June 2026 (30 June 2025: 465). The total staff costs for the six months ended 30 June 2026 were approximately RMB44.2 million as compared to approximately RMB44.3 million for the six months ended 30 June 2025.

To maintain the quality, knowledge and skill levels of the workforce, the Group provides regular in-house and external training to employees. In addition, the Group provides orientation training and mentorship program to newly recruited employees to help them understand the Group's culture and enhance their skills and knowledge in relation to the daily operation. The Group's remuneration policy is determined by employees' qualifications, experience and capability as well as the prevailing market remuneration rate. The remuneration policy will be reviewed by the Board from time to time. The Group also makes contributions to mandatory social security funds for the benefit of the PRC employees that provide for retirement, medical, work-related injury, maternity and unemployment benefits, as well as housing provident funds, under the applicable PRC laws and regulations.

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

SHARE AWARD SCHEME

The Company adopted a share award scheme (the "**Share Award Scheme**") on 9 April 2025 (the "**Adoption Date**"). The Share Award Scheme is funded solely by existing shares pursuant to Rule 17.01(1)(b) of the Listing Rules and does not constitute a scheme involving the issue of new shares. Therefore, Shareholders' approval is not required for the adoption of the Share Award Scheme. The following is a summary of the principal terms of the Share Award Scheme. For details of the Share Award Scheme, please refer to the announcement of the Company dated 9 April 2025.

(i) Purpose

The purpose of the Share Award Scheme is, through an award of shares, to:

(a) recognise and reward the contribution of certain eligible participants to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and

(b) to attract suitable personnel for further development of the Group.

(ii) Eligible Participants

The eligible participants shall comprise one or more of (i) director(s) and employee(s) (whether full-time or part-time) of the Company or any of its subsidiaries (including persons who are granted awards under Share Award Scheme as an inducement to enter into employment contracts with such companies); and (ii) director(s) and employee(s) (whether full-time or part-time) of any entity which is a holding company, fellow subsidiary or associated company of the Company.

(iii) Duration

Subject to any early termination as may be determined by the Board pursuant to the rules of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of ten years commencing on the adoption date, after which no further awards will be granted. Accordingly, the remaining life of the Share Award Scheme is approximately eight years and seven months as at the date of this results announcement.

(iv) Administration

The Share Award Scheme shall be subject to the administration of the Board or the committee and the trustee in accordance with the scheme rules and the trust management agreement. The decision of the Board with respect to any matters arising of the Share Award Scheme or its interpretation or effect shall be final, conclusive and binding.

The Company has appointed the trustee. The trustee shall hold and manage the trust fund and administer the Share Award Scheme in accordance with the terms of the trust management agreement and the scheme rules.

The awards may be satisfied by the shares acquired by the trustee on the Stock Exchange or off the market from time to time.

(v) Scheme Limit

The maximum number of shares that may be awarded under the Share Award Scheme shall not exceed 78,000,000 Shares, representing 10% of the issued share capital of the Company as at the Adoption Date. The maximum number of awarded shares that may be granted to a selected participant under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time during any 12-month period.

(vi) Granting And Vesting

The Board or the duly authorised committee delegated by the Board with the power and authority to administer the Share Award Scheme may, from time to time, at its absolute discretion select Eligible Participants to participate in the Share Award Scheme, and determine the number of scheme shares to be awarded to the selected participants, the vesting dates of awarded shares and the vesting conditions in respect of awarded shares.

On 2 July 2026 (the "**Date of Grant**"), the Company granted awards involving a total of 2,647,000 award shares to the Directors and employees in accordance with the terms of the Share Award Scheme. Among the grantees, Mr. Wang Tiantian, executive Director and chief executive officer of the Company, and Mr. Shi Dite, executive Director and chief financial officer of the Company, were granted 936,000 award shares respectively. The total vesting period for the award shares to all the grantees is 12 months. All the award shares shall vest in the grantees on 2 July 2027 in one tranche. The closing price of the award shares on the Date of Grant is HK$1.05 per share. There is no performance target attached to the award shares. No consideration is required to be paid in respect of the grant. For further details in respect of the grant, please refer to the Company's announcement dated 2 July 2026.

Save as disclosed above, as at the date of this results announcement, the Company has not granted any other share awards under the Share Award Scheme, and the number of shares available for future grant under the Share Award Scheme mandate is 75,353,000.

As the Share Award Scheme is funded by existing shares only, the number of shares that may be issued in respect of the awards granted under the Share Award Scheme divided by the weighted average number of Shares in issue is not applicable.

Other than the Share Award Scheme, the Company does not have any other share option and share award scheme as at the date of this results announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of conduct regarding the Directors' securities transactions. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code for the six months ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this results announcement, there is no material subsequent event undertaken by the Group after 30 June 2026 and up to the date of this results announcement.

CORPORATE GOVERNANCE

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

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

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Other than the disclosure in the Prospectus and this results announcement, the Company had no other future plans for material investments and capital assets as of 30 June 2026.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

Completion of the Transactions took place on 28 April 2026. Since then, the Company has become the sole shareholder of COPE Holding and Hyperlining Holding, holding 44.55% of COPE through COPE Holding and Hyperlining Holding, and FAR Luxembourg Holdings Sarl, a wholly-owned subsidiary of the Company holding 6.45% of COPE directly. In aggregate, the Company holds 51% of COPE and 51% of Hyperlining through Hyperlining Holding. COPE and Hyperlining (collectively, the "**US Targets**") have become subsidiaries of the Company, and the financial results of the US Targets have consolidated into the Company's consolidated financial statements.

For details of the Transactions, please refer to the announcements of the Company dated 20 January 2026 and 28 April 2026, and the circular of the Company dated 2 April 2026. As at the date of this results announcement, the Transactions have been completed.

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

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the Reporting Period.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

There was at no time during the six months ended 30 June 2026 the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements that would enable the Directors or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the shares in, or debt securities (including debentures) of, the Company or any other body corporate or had exercised any such right.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has reviewed the Group's unaudited interim results for the six months ended 30 June 2026 and discussed with the management of the Company on the accounting principles and practices adopted by the Group. The Audit Committee was of the view that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

The Group's unaudited interim results for the six months ended 30 June 2026 have been reviewed by the Company's auditor, SHINEWING (HK) CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the HKICPA, whose review report will be included in the interim report of the Company which will be dispatched to its shareholders.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as required under the Listing Rules during the Reporting Period.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement will be published on the website of the Stock Exchange at **www.hkexnews.hk** and the website of the Company at **www.far800.com**. The interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules will be dispatched to its shareholders and published on the above websites in due course.

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

Hong Kong, 26 August 2026

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