

THIS AGREEMENT (this Agreement) is made on the 31th day of July 2024

BETWEEN:

- (1) **Kerry Logistics Network Limited** (company number 28390), a company incorporated in the British Virgin Islands and continued into Bermuda as an exempted company with limited liability and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622) with business registration number 31147970, having its registered office at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code 636) (**KLN**); and
- (2) **Shenzhen S.F. Taisen Holding (Group) Co., Ltd.** (company number 91440300678554111W), a company incorporated in the PRC with limited liability, having its registered office at 4301, 43/F, SF HQ Building, No. 3076 Xinghai Avenue, Nanshan Sub-district, Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Shenzhen, the PRC (**SFTS**).

WHEREAS:

- (A) SFTS is a wholly-owned subsidiary of S.F. Holding Co., Ltd. (listed on the Shenzhen Stock Exchange, stock code 002352.SZ). SFTS Group operates a fleet of freight aircrafts and carries on the business of carriage of cargo by air flight operations including air charter services. KLN Group provides supply chain solutions including integrated logistics, international freight forwarding (IFF), industrial project logistics, and is engaged in cross-border e-commerce and infrastructure investment.
- (B) The parties entered into the framework agreement dated 28 June 2022 (as amended and supplemented by the supplemental agreement dated 28 October 2022) (the **2022 SF Logistics Services Framework Agreement**) to govern the terms for the provision of SF Logistics Services (as hereinafter defined) by SFTS Group to KLN Group. The parties acknowledge that the term of the 2022 SF Logistics Services Framework Agreement is due to expire on 31 December 2024, and are desirous to enter into this Agreement to continue and extend the term for a further term of three years commencing from 1 January 2025.

IT IS AGREED as follows:

1 Definitions and interpretation

Definitions

- 1.1 In this Agreement (including the recitals) unless the context requires otherwise:

Annual Caps means the maximum aggregate amount of fees payable by KLN Group to SFTS Group under the Transactions for the three financial years ending 31 December 2027, as announced by KLN on or around the date of this Agreement (or such other amount(s) as amended from time to time and announced by KLN)

Definitive Agreement(s) means the air waybill(s), invoice(s), receipt(s) or other definitive agreement(s) entered into or to be entered into from time to time between relevant member(s) of SFTS Group and of KLN Group with respect to the Transactions

Hong Kong means the Hong Kong Special Administrative Region of the PRC

independent third party(ies) means, in relation to a party, an entity or person who is independent of that party and its connected persons (as defined in the Listing Rules)

KLN Group means KLN and its subsidiaries

Listing Rules means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

Macau means the Macao Special Administrative Region of the PRC

Mainland means the PRC and, for the purpose of this Agreement, excludes Hong Kong, Macau and Taiwan

Person means any individual, entity, corporation, company, association, joint venture, joint stock company, partnership, or individual receiver or liquidator

PRC means the People's Republic of China

Related Undertakings means, with respect to any Person, (i) a Person directly or indirectly controlling, controlled by or under common control with, such Person, and (ii) any Person who is a shareholder of such Person or of any Person described in clause (i) above. As used herein, "control" means the possession, direct or indirect, of the power to direct or cause the direction of the board of directors or the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Representatives means any directors, officers, employees, consultants, advisers and/or agents

SF Logistics Services means:

- (i) the carriage of cargoes by air flight operations (comprising scheduled flights and charter flights) and various ancillary services;
- (ii) freight forwarding services, including co-loading of cargoes;
- (iii) express services of (i) collecting and obtaining customs clearance of cargoes and parcels at designated international arrival ports for, and (ii) sorting, distribution and delivery of such cargoes and parcels to, customers of KLN Group and/or their designated consignees; and
- (iv) integrated logistics services, including storage, inventory management and other value-added services, trucking and distribution, returns management and various ancillary services, within the Mainland, Hong Kong and Macau

SFTS Group means SFTS and its subsidiaries

subsidiary has the meaning ascribed to it in the Listing Rules

Transaction(s) means the transactions contemplated under the SF Logistics Services rendered and to be rendered during the term of this Agreement

% means per cent.

Interpretation

1.2 In this Agreement, unless the context requires otherwise:

- (a) the background and the headings are inserted for convenience only and do not affect the interpretation of this Agreement;

- (b) references to clauses are to clauses of this Agreement;
- (c) references to this Agreement or any document are to that document as from time to time amended, restated or replaced;
- (d) references to a party include the party's successors and permitted assigns;
- (e) references importing the plural include the singular and vice versa;
- (f) references to a person include an individual, partnership, company, corporation or unincorporated body of persons and any government entity; and
- (g) the words and phrases **other, including and in particular** shall not limit the generality of any preceding word or be construed as being limited to the same class as the preceding words where a wider construction is possible.

2 Framework agreement

- 2.1 The parties agree that SFTS Group shall provide the SF Logistics Services to KLN Group on normal commercial terms or better and on an arm's length basis, or on terms no less favourable than those made available by SFTS Group or to KLN Group to or from their respective independent third parties.
- 2.2 The parties agree and confirm that Definitive Agreement(s) have been or will be entered into with respect to each Transaction, and the terms of all such Definitive Agreement(s) contain and shall only contain provisions which are in all material respects consistent with the terms of this Agreement. If there is any conflict, ambiguity or discrepancy between the provisions of this Agreement and the Definitive Agreement(s), the provisions of this Agreement shall prevail.
- 2.3 SFTS undertakes that, upon prior written request of KLN, it will give auditors (and other Representatives) of KLN sufficient access to its financial and other records and information relating to the Transactions on a need-to-know basis, provided that (a) to the fullest extent permitted by applicable laws, regulations, listing rules (including the rules of The Stock Exchange of Hong Kong Limited and the Shenzhen Stock Exchange) and requirement(s) of any competent regulatory agency or stock exchange and (b) such auditors (and other Representatives) of KLN shall be fully informed about the confidentiality nature of such records and information and are under the same confidentiality obligations as imposed by this Agreement, so as to facilitate the auditors to provide a confirmation to the board of directors of KLN in accordance with Rule 14A.56 of the Listing Rules.

3 Condition Precedent

- 3.1 This Agreement shall be conditional upon the passing by the independent shareholders of KLN of an ordinary resolution to approve this Agreement and the transactions contemplated herein at its special general meeting as may be required pursuant to Chapter 14A of the Listing Rules.

4 Pricing policy

For each Transaction, KLN Group shall pay a service fee to SFTS Group (as more particularly set forth in the Definitive Agreement(s)) determined with reference to various factors (as applicable) including but not limited to:

- (a) the cargo freight tariff applicable to the relevant flight route as pre-determined by the parties on a quarterly basis with reference to prevailing freight rates charged by independent third party carriers for similar services;
- (b) weight, volume, value and type of cargo/parcel;
- (c) type and availability of cargo/parcel/storage space required;
- (d) prevailing fees chargeable by independent third party local handling agents or service providers for similar services;
- (e) (in relation to charter flight service) billable flight time; and/or
- (f) quotations obtained by KLN Group from at least two independent third parties.

5 Annual Caps

- 5.1 The aggregate amount payable by KLN Group to SFTS Group for the Transactions for each financial year during the term of this Agreement shall not exceed the Annual Cap applicable to that year (as may be revised from time to time in compliance with the Listing Rules requirements).
- 5.2 The parties acknowledge that the Annual Caps have been determined with reference to:
- (a) the historical transaction amounts incurred by the parties;
 - (b) prevailing market rates and forecasted rates that may be charged by independent third parties for similar services;
 - (c) maximum available cargo/parcel/storage capacity;
 - (d) (in relation to sale of cargo space) existing flight routes and schedules; and
 - (e) inflation and expected growth of KLN Group's demand for the SF Logistics Services.
- 5.3 Subject to compliance with the Listing Rules requirements by KLN, no party shall enter into any Definitive Agreement if and to the extent that it will result in the aggregate cumulative consideration paid or payable by KLN Group for the financial year to be in excess of the Annual Cap applicable to that year.

6 Term and termination

- 6.1 This Agreement shall commence on 1 January 2025 and expire on 31 December 2027, unless earlier terminated pursuant to clause 6.3.
- 6.2 Each party may extend the term of this Agreement for a further term of three years at any time within three months prior to the expiry of the current term, subject to consent of the other party and compliance by both parties with applicable laws, regulations and listing rules requirements.
- 6.3 Each party shall be entitled to immediately terminate this Agreement by giving written notice to the other if:
- (a) that other party commits any material breach of this Agreement and, in the case of a breach capable of remedy, fails to take any action to remedy the same within 30 days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied; or

- (b) that other party has a receiver or an administrator appointed over all or any of its assets or goes into liquidation (except for the purposes of amalgamation or reconstruction) or commits any act of bankruptcy or makes any arrangement with its creditors, or anything analogous thereto occurs in respect of that party,

without prejudice to any other right or remedy of the first party in respect of the breach concerned or any other breach.

- 6.4 Any waiver by a party of a breach of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other provision of this Agreement. Any of such waiver shall not be effective unless it is in writing and is duly executed by each party. The failure of any party to assert any of its rights hereunder shall not constitute a waiver by such party of any such rights.
- 6.5 For the avoidance of doubt, expiry of the term of this Agreement pursuant to clause 6.1 above shall not prejudice and/or affect the Transactions that have already been duly completed pursuant to this Agreement prior to the expiry of its term.
- 6.6 The termination of this Agreement pursuant to clause 6.3 above shall not prejudice and/or affect (a) any rights or obligations which have accrued or become due prior to the date of termination; (b) the rights or remedies which any party may have in respect of any breach of this Agreement prior to date of termination; (c) the Transactions that have already been duly completed pursuant to this Agreement prior to the date of termination; and (d) the continued existence and validity of the rights and obligations of the parties under clauses 6 (Term and termination), 7 (Announcement and confidentiality), 8 (General), 9 (Notice) and 10 (Governing law and dispute resolution).

7 Announcement and confidentiality

- 7.1 Subject to clause 7.2, no announcement, circular or communication (each an **Announcement**) concerning the existence or content of this Agreement, Definitive Agreement(s) or the Transactions shall be made by either party without the prior written consent of the other party (such approval not to be unreasonably withheld or delayed).
- 7.2 Clause 7.1 does not apply to any Announcement to the extent that, it is required to be made by the rules of any stock exchange or any governmental, regulatory or supervisory body or court of competent jurisdiction (**Relevant Authority**) to which the party making the Announcement is subject, whether or not any of the same has the force of law, provided that any Announcement shall, so far as is practicable, be made after consultation with the other party and after taking into account its reasonable requirements regarding the content, timing and manner of despatch of the Announcement in question.
- 7.3 Subject to clause 7.4, each party shall treat as strictly confidential all information received or obtained as a result of entering into or performing this Agreement and Definitive Agreement(s) which relates to:
 - (a) the subject matter and provisions of this Agreement and Definitive Agreement(s);
 - (b) the negotiations relating to this Agreement and Definitive Agreement(s); and/or
 - (c) the other party and/or its subsidiaries and affiliates.
- 7.4 A party may disclose information which would otherwise be confidential to the extent:
 - (a) required by the law of any relevant jurisdiction, including the rules of any stock exchange;
 - (b) required by any Relevant Authority to which the party making the disclosure is subject, whether or not such requirement has the force of law;

- (c) required to vest the full benefit of this Agreement in either party;
- (d) disclosure is made to its Related Undertakings and/or Representatives, provided that any such Related Undertaking or Representative is first informed of the confidential nature of the information and such Related Undertaking or Representative acts in accordance with the provisions of clause 7.3 as if it were a party hereto;
- (e) the information has come into the public domain through no fault of that party; or
- (f) the other party has, given its prior written approval to the disclosure,

provided that prior to any disclosure pursuant to clause 7.4 (a) or (b), the party concerned shall, where not prohibited by law and so far as is reasonably practicable, consult with the other party.

7.5 In case a party to this Agreement is to provide personal information of its customers or employees to the other party for the performance of this Agreement, both parties agree and acknowledge:

- (a) Each party shall ensure to have a lawful basis that complies with applicable laws and regulations when it processes and provides personal data to the other party, and that it has established effective personal data protection policies and internal management procedures;
- (b) To process the personal data provided by the other party only for the purpose of the execution or fulfilment of this Agreement, and shall not use such data for any other purposes;
- (c) To take appropriate administrative, technical and organisational measures, strictly in compliance with applicable laws and regulations, to protect the personal data provided by the other party;
- (d) To cooperate with, and provide reasonable and necessary assistance to the other party, to enable it to comply with and fulfil its obligations under applicable data protection laws, including: execute any necessary data protection agreements, conduct data protection impact assessment or security assessment, etc., in comply with applicable data protections laws;
- (e) To return or delete such personal data as agreed or upon request by the other party, unless otherwise provided by laws and regulations;
- (f) To inform the other party as soon as being aware of any data breach or security incident that involves such personal data, and to take appropriate measures to handle it; and
- (g) Each party shall comply with applicable data protection laws, including but not limited to GDPR (EU General Data Protection Regulation), Personal Information Protection Law of the People's Republic of China, and any other laws or regulations relating to the protection of personal data.

8 General

- 8.1 Each party shall procure its subsidiaries to comply with the terms of this Agreement as if they were a party to this Agreement.
- 8.2 Each party shall, and shall use its best endeavours to procure that any third party shall, sign and deliver to the other party all such instruments and documents, and take all such actions as necessary, for it to execute, prove, confirm, supplement or amend any provision of this Agreement.

- 8.3 No purported alteration of this Agreement shall be effective unless it is in writing, refers specifically to this Agreement and is duly executed by each party.
- 8.4 This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns approved by the other party.
- 8.5 Neither this Agreement nor any right or obligation under it may be assigned, transferred, or delegated to any other person by either party or by operation of law without the prior written consent of the other party or save as otherwise provided in this Agreement.
- 8.6 Nothing in this Agreement shall create, or be deemed to create, a partnership or the relationship of employer and employee between the parties.
- 8.7 This Agreement contains the entire agreement between the parties with respect to the subject matter of this Agreement, supersedes all previous agreements and undertakings between the parties (save for any Definitive Agreement(s)), and may not be amended or modified unless it is agreed in writing and signed by the duly authorised representative of the parties.
- 8.8 If any provision of this Agreement is held to be invalid or unenforceable for any reason whatsoever, the remaining provisions of this Agreement shall not be affected by such invalidity or unenforceability and shall remain valid in all respects.
- 8.9 Each party shall bear its own taxes, legal and professional fees, costs and expenses incurred in the negotiation, preparation and execution of this Agreement.
- 8.10 This Agreement may be executed in one or more counterparts, each of which shall constitute an original hereof and together shall constitute one and the same instrument.

9 Notice

Any notice or written communication made by a party to the other may be given by hand or sent by post or email, transmitted or addressed to the other party. All notices and communications shall be sent to the appropriate address set forth below, until the same is changed by the relevant party by notice given in writing to the other.

To KLN

Address : 16/F, Kerry Cargo Centre, 55 Wing Kei Road, Kwai Chung, New Territories, Hong Kong

Email : prudence.lee@kln.com

Attention : The Company Secretary

To SFTS

Address : 25/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen, Guangdong Province, China

Email : liuqin6@sf-express.com

Attention : Head of Compliance Team

10 Governing law and dispute resolution

- 10.1 This Agreement is governed by and shall be construed in all respects in accordance with the laws of Hong Kong.
- 10.2 Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The place of arbitration shall be in Hong Kong at HKIAC. There shall be three arbitrators with KLN appointing one arbitrator and SFTS appointing one arbitrator, and the two appointed arbitrators appointing the third arbitrator. The language to be used in the arbitral proceedings shall be English.

(Signature page follows)

IN WITNESS WHEREOF this Agreement has been executed on the date written above.

SIGNED by
for and on behalf of
Kerry Logistics Network Limited


Name: Cheung Ping Chuen Vicky
Title: Director

IN WITNESS WHEREOF this Agreement has been executed on the date written above.

SIGNED by

for and on behalf of

Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (Seal)

