



S.F. HOLDING CO., LTD.
ANNUAL REPORT

Stock Abbr: **SF Holding**
Stock Code: **002352**

| **2021**

Build a Digitized Logistic Ecosystem for Global Customers Achieve Common Prosperity and Live a Better Life

We strive to build a smart supply chain ecology in the digital era, become the infrastructure to reform global business supply chain and production cycles, and help enterprises all across the globe achieve excellence!

We provide consumers with convenient, reliable and considerate services as a carrier of joyful lifestyle!



Important Information

The Company's Board of Directors, Supervisory Committee, directors, supervisors, and senior management hereby guarantee that the contents of the Annual Report are true, accurate, and complete, and that there are no misrepresentations, misleading statements, or material omissions, and shall assume individual and joint legal liabilities.

Wang Wei, the Company's legal representative, Ho Chit, Chief Financial Officer, and Hu Xiaofei, the accounting director, hereby declare and warrant that the financial report within the Annual Report is true, accurate, and complete.

All directors have attended the Board meeting approving the Annual Report.

Forward-looking statements such as future development plans in this report do not constitute the Company's promise to investors. Investors are advised to invest rationally and to take into account possible investment risks.

The Company is required to comply with the disclosure requirements about express delivery service industries presented in the *Self-Regulatory Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 3 – Industrial Information Disclosure*.

In this Annual Report, the Company details the risk factors and countermeasures that may occur in the future. For more information, refer to "Risk and Responses" in "Section XIII. Prospects of the Company," found in "Chapter 3. Management Discussion and Analysis". Investors shall refer to this information.

The profit distribution proposal reviewed and approved by the Company's Board of Directors is as follows: on the basis of the total share capital at the registration date on which the 2021 annual profit distribution plan is to be implemented less the special shares repurchased by the Company, a cash dividend of RMB1.80 (including tax) will be distributed for every 10 shares held. There will be no bonus shares or conversion of equity reserve into share capital of the Company.

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List of Documents Available for Inspection

- (1) Financial statements signed and sealed by the legal representative, Chief Financial Officer and the accounting director of the Company.
- (2) The original copy of audit report containing the seal of the accounting firm and the signature and seal of the certified public accountant.
- (3) The original copies of all documents and announcements of the Company which have been publicly disclosed in newspapers designated by the China Securities Regulatory Commission during the reporting period.
- (4) The original text of the 2021 annual report signed by the chairman of the Board of Directors.
- (5) The place where the above documents are maintained: the office of the Company's Board of Directors.

Definitions

Term	Description
Reporting period	January 1, 2021 to December 31, 2021
The same period of previous year	January 1, 2020 to December 31, 2020
The Company, The listed Company, SF Holding, SF	S.F. Holding Co., Ltd.
RMB	Renminbi yuan
Dingtai New Materials	Maanshan Dingtai Rare Earth and New Materials Co., Ltd., the predecessor of S.F. Holding Co., Ltd., was renamed to S.F. Holding Co., Ltd. in February 2017.
Taisen Holding	Shenzhen S.F. Taisen Holding (Group) Co., Ltd., a wholly-owned subsidiary of S.F. Holding Co., Ltd..
Major asset restructuring	In December 2016, all assets and liabilities (exchange-out assets) of the Company's predecessor, Dingtai New Materials, were replaced with the equivalent 100% equity (exchange-in assets) of Taisen Holding held by all shareholders of Taisen Holding as of December 31, 2015, the valuation benchmark date. The difference between the exchange-in assets and the exchange-out assets was purchased by Dingtai New Materials, the Company's predecessor, from all shareholders of Taisen Holding, in the form of issuing shares.
Mingde Holding	Shenzhen Mingde Holding Development Co., Ltd., the controlling shareholder of S.F. Holding Co., Ltd..
Kerry Logistics	Kerry Logistics Network Limited, a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (00636.HK), is a holding subsidiary of S.F. Holdings Co., Ltd..
SF INTRA-CITY, Intra-city Industrial	Hangzhou SF Intra-city Industrial Co., Ltd., a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (9699.HK), is a holding subsidiary of S.F. Holdings Co., Ltd..
SF REIT	SF Real Estate Investment Trust, listed on the Main Board of the Stock Exchange of Hong Kong Limited (2191.HK), is an associate of S.F. Holding Co., Ltd..
CSRC	China Securities Regulatory Commission
SZSE	Shenzhen Stock Exchange
HK Stock Exchange	The Stock Exchange of Hong Kong Limited
HK SFC	The Securities and Futures Commission of Hong Kong

I. Company Information

Company Information

Stock Abbreviation	SF Holding	Stock Code	002352
Listed Stock Exchange	Shenzhen Stock Exchange		
Chinese Name of the Company	顺丰控股股份有限公司		
Chinese Name Abbreviation of the Company	顺丰控股		
English Name of the Company (If Any)	S.F. Holding Co., Ltd.		
English Name Abbreviation of the Company (If Any)	SF Holding		
Legal Representative of the Company	Wang Wei		
Registered address	Room 801, Floor 8, Wanfu Building, No. 303, Fuyong Avenue, Bao'an District, Shenzhen		
Zip Code of Registered Address	518103		
Historical Changes of the Registered Address of the Company	In January 2018, the registered address of the Company was changed from "Dangtu Industrial Park, Maanshan City, Anhui Province" to "Room 801, Floor 8, Wanfu Building, No. 303, Fuyong Avenue, Bao'an District, Shenzhen"		
Office Address	Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen, Guangdong Province, China		
Zip Code of Office Address	518057		
Company Website	www.sf-express.com		
Email	sfir@sf-express.com		

Contacts and Contact Methods

	Board Secretary	Securities Affairs Representative
Name	Ling Gan	Jing Zeng
Address	Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen, Guangdong Province, China	Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen, Guangdong Province, China
Tel No.	0755-36395338	0755-36395338
Fax	0755-36646688	0755-36646688
Email	sfir@sf-express.com	sfir@sf-express.com

Information Disclosure and Location of Annual Report

Stock Exchange Website for the Annual Report Disclosed by the Company	Shenzhen Stock Exchange
Media name and Website for the Annual Report Disclosed by the Company	Securities Times, Shanghai Securities News, China Securities Journal, Securities Daily and Cninfo (www.cninfo.com.cn)
Place Where the Annual Report is Available for Inspection	Office of the Board

Registration Changes

Organization Code	91340500150660397M
Changes in Main Business Since the Company's Listing (If Any)	There was no change during the reporting period.
Change of Previous Controlling Shareholders (If Any)	There was no change during the reporting period.

Other Relevant Information

Accounting firm engaged by the Company

Accounting Firm Name	PricewaterhouseCoopers Zhong Tian LLP
Office Address of the Accounting Firm	Floor 11, PricewaterhouseCoopers Center, Tower 2 of Link Reit Corporate Plaza, No. 202, Hubin Road, Huangpu District, Shanghai, China
Signing Accountants' Names	Chen Anqiang, Liu Jingping

Sponsor institution engaged by the Company to perform continuous supervision duties during the reporting period

Name of Sponsor Institution	Office Address of Sponsor Institution	Name of Sponsor Representative	Continuous Supervision Period
Huatai United Securities Co., Ltd.	Floor 27 and Floor 28, Fund Building, No. 5999, Yitian Road, Futian District, Shenzhen	Long Wei, Ning Xiaobo	November 19, 2021 to December 31, 2022
China International Capital Corporation Limited	Floor 27 and Floor 28, China World Tower 2, No. 1, Jianguomenwai Avenue, Beijing	Tian Dan, Long Hai	November 19, 2021 to December 31, 2022

Financial adviser engaged by the Company to perform continuous supervision duties during the reporting period

Applicable Not applicable

II. Key Operating and Financial Data

Results Overview for 2021

Total parcel volume¹

10.55 billion ↑29.7%

Revenue

RMB **207.2** billion ↑34.5%

Gross profit

RMB **25.6** billion ↑1.8%

Net profit attributable to the parent company²

RMB **4.27** billion ↓41.7%

Net profit attributable to the parent company after deducting non-recurring profit or loss³

RMB **1.83** billion ↓70.1%

Basic earnings per share

RMB **0.93** /share ↓43.3%

Total assets

RMB **209.9** billion ↑88.8%

Net assets attributable to the parent company⁴

RMB **82.9** billion ↑47.0%

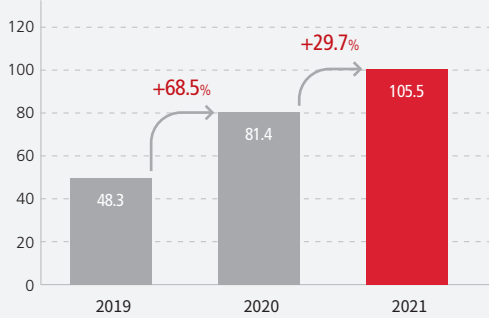
Notes:

1. The total parcel volume does not include the express delivery volume of Kerry Logistics in foreign countries
2. Net profit attributable to the parent refers to the net profit attributable to the shareholders of the listed company
3. Net profit attributable to the parent company after deducting non-recurring profit or loss refers to the net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss
4. The net assets attributable to the parent refers to the net assets attributable to the shareholders of the listed company



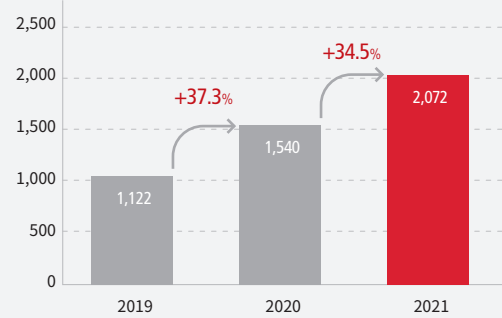
Volume

Units: 100 million parcels



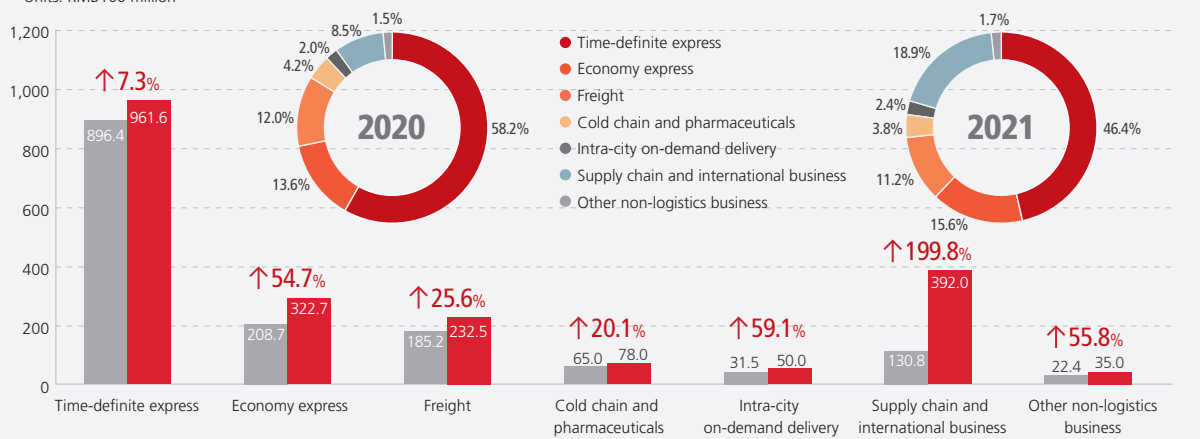
Revenue

Units: RMB100 million



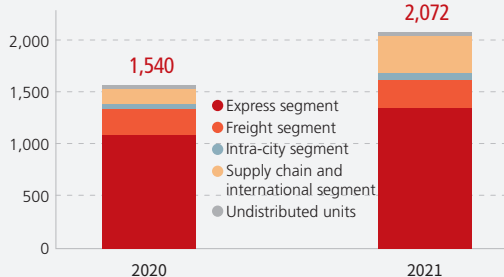
Revenue Breakdown

Units: RMB100 million



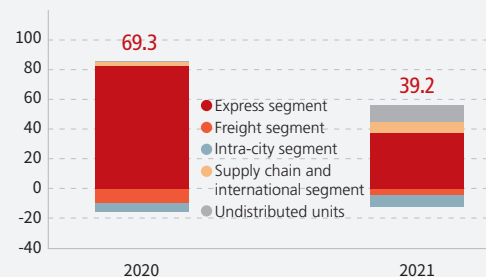
Segment revenue

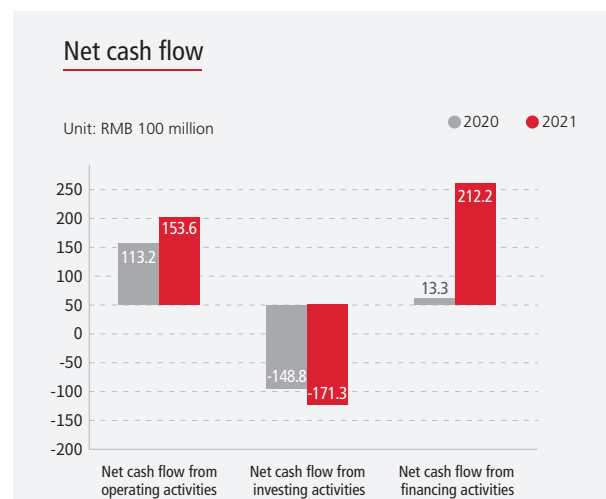
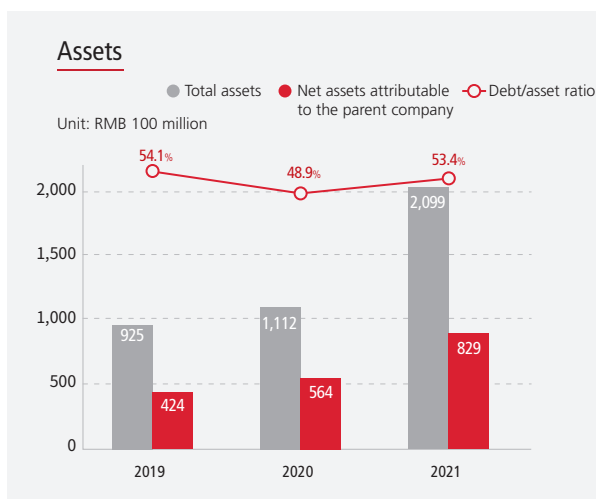
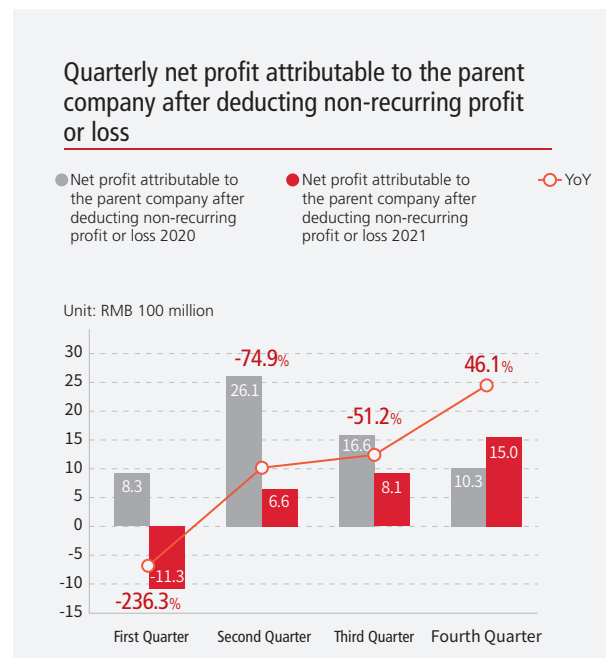
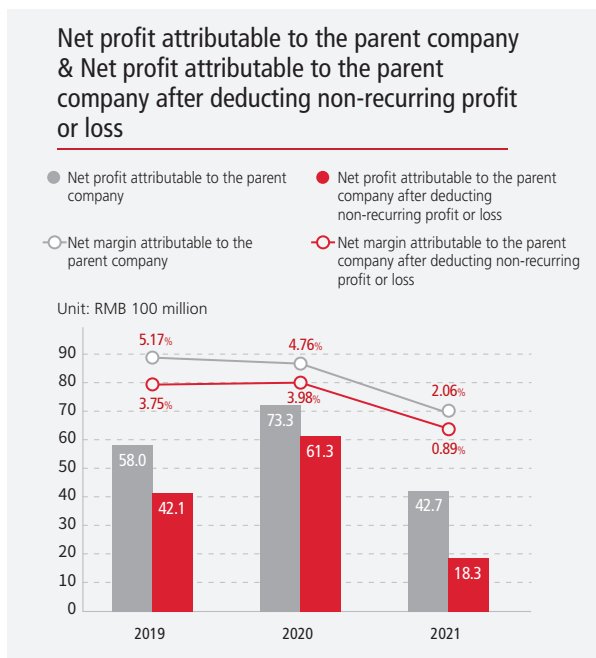
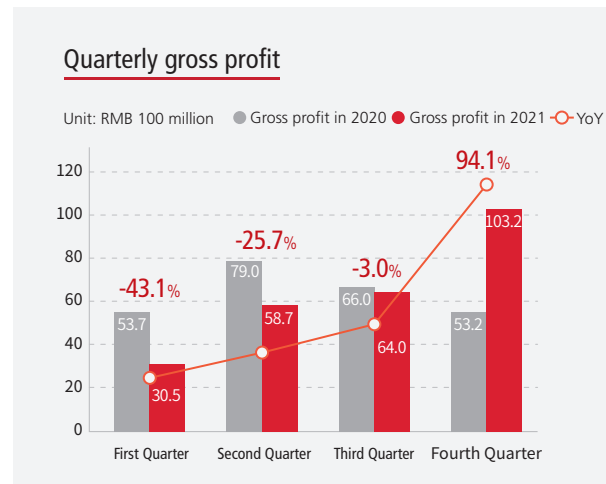
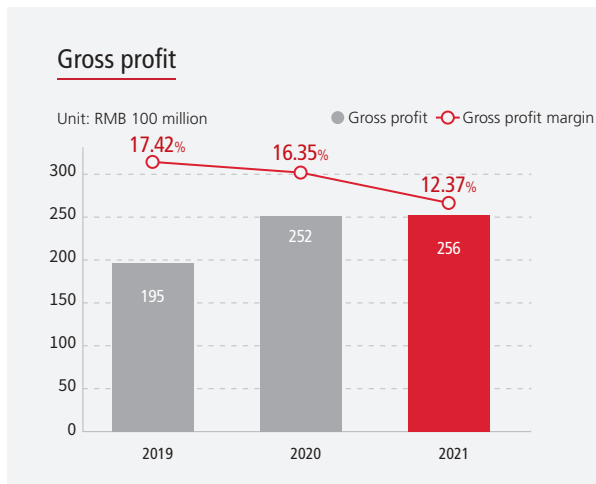
Units: RMB100 million



Segment net profit

Units: RMB100 million





Financial summary

Major accounting data and financial indicators

(RMB' 000)	2021	2020	Changes in this year over the previous year	2019
Revenue	207,186,647	153,986,870	34.55%	112,193,396
Cost of revenue	181,548,507	128,810,033	40.94%	92,649,616
Gross profit	25,638,140	25,176,837	1.83%	19,543,780
Net profit attributable to shareholders of the parent company	4,269,098	7,326,079	-41.73%	5,796,506
Net profit attributable to shareholders of the parent company after deducting non-recurring profit or loss	1,834,199	6,132,337	-70.09%	4,207,764
Net cash flow generated from operating activities	15,357,605	11,323,919	35.62%	9,121,273

Note: The Company does not need to retrospectively adjust or restate the accounting data of previous years; the lowest annual net profit before and after the deduction of non-recurring profit or loss in the most recent three fiscal years is positive, and the audit report of the most recent year shows that there is no uncertainty as to the Company's ability to continue as a going concern.

(RMB' 000)	End of 2021	End of 2020	Changes at this year-end as compared with the end of the previous year	End of 2019
Total assets	209,899,982	111,160,042	88.83%	92,535,387
Total liabilities	111,984,735	54,400,343	105.85%	50,041,776
Net assets	97,915,247	56,759,699	72.51%	42,493,611
Net assets attributable to shareholders of the parent company	82,943,226	56,443,048	46.95%	42,419,714
Gearing ratio (%)	53.35%	48.94%	Up by 4.41 percentage points	54.08%

(RMB)	2021	2020	Changes in this year over the previous year	2019
Basic earnings per share	0.93	1.64	-43.29%	1.32
Diluted earnings per share	0.93	1.64	-43.29%	1.32
Weighted average return on net assets (%)	6.81%	15.20%	Down by 8.39 percentage points	14.86%

Major financial data by quarter

(RMB' 000)	First quarter	Second quarter	Third quarter	Fourth quarter
Revenue	42,620,064	45,723,866	47,516,609	71,326,108
Net profit attributable to shareholders of the parent company	-988,998	1,748,919	1,037,732	2,471,445
Net profit attributable to shareholders of the parent company after deducting non-recurring profit or loss	-1,133,854	656,765	810,012	1,501,276
Net cash flow generated from operating activities	-1,248,577	5,580,210	4,601,808	6,424,164

There is no difference between the above-mentioned financial indicators or their total amount and the relevant financial indicators in the quarterly and interim reports disclosed by the Company.

Major financial data of operating segments

External income

(RMB' 000)	2021	2020	Year-on-year change
Express segment	132,319,106	117,338,724	12.77%
Freight segment	28,356,404	19,336,603	46.65%
Intra-city segment	5,117,905	3,222,985	58.79%
Supply chain and international segment	39,979,632	13,416,404	197.99%
Undistributed units	1,413,600	672,154	110.31%
Total	207,186,647	153,986,870	34.55%

Net profit

(RMB' 000)	2021	2020	Year-on-year change
Express segment	3,832,187	8,496,121	-54.89%
Freight segment	-582,308	-908,151	35.88%
Intra-city segment	-898,851	-756,534	-18.81%
Supply chain and international segment	615,252	102,953	497.60%
Undistributed units	965,462	14,848	6,402.30%
Inter-segment elimination	-12,529	-17,203	27.17%
Total	3,919,213	6,932,034	-43.46%

Note:

- (1) As the Company carried out four-network coordination (please refer to 3. Network optimization, II. Business Development of the Company in Chapter 3 Management Discussion and Analysis), part of the large parcel (generally goods heavier than 20KG, with restricted flow direction and distance) business of time-definite express and economy express was included in the responsibility of the freight organization step by step. Therefore, in the segment data of 2021, the data on the "time-definite express – large parcel" and the "economy express – large parcel" business that had been operated by the freight organization was included in the freight segment. Accordingly, the freight segment data for 2021 included data from the above large parcel business but allocated to freight operations. As this internal operation adjustment did not occur in 2020, the data for the same period of 2020 is not restated here.
- (2) In 2021, the relationship between the above operating segments and the Company's main business segments was: the express segment included time-definite express and economy express businesses other than large parcel business mentioned in item (1), as well as cold shipping and pharmaceutical businesses; the freight segment included the above-mentioned large parcel business, and freight business; the intra-city segment was mainly intra-city on-demand delivery business; the supply chain and international segment included international express business, international freight and freight forwarding business, and supply chain business; the undistributed units mainly included segments of non-principal logistics and freight forwarding businesses, including investment, industrial parks and other functional segments of the headquarters.

Non-recurring profit or loss items and amounts

(RMB' 000)	2021	2020	2019	Description
Investment income from disposal of subsidiaries	1,808,638	443,625	848,211	For details, please refer to Note 5(1) of Chapter 10 Financial Statements.
Non-current asset disposal gains and losses (including the write-off part of the provision for impairment of assets)	105,502	-52,899	31,357	
Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the Company's normal business operations, and are in line with national policies and are continuously granted on a certain standard or quantitative basis)	857,458	1,032,230	545,508	It mainly represents government subsidies arising from fiscal appropriation, transportation capacity subsidies, tax refund and grants for employment stabilization, etc.
Gain arises when the investment cost of an enterprise to obtain subsidiaries, associates and joint ventures is less than the fair value of the investee's identifiable net assets when it obtains the investment	2,375	-	-	
In addition to the effective hedging business related to the Company's normal business operations, the profit or loss from fair value changes in holding held-for-trading financial assets and held-for-trading financial liabilities, as well as the investment income from the disposal of held-for-trading financial assets and held-for-trading financial liabilities	151,606	139,467	364,073	It mainly represents the gains arising from changes in fair value of other non-current financial assets.
Reversal of provisions for impairment of accounts receivable that have been separately tested for impairment	46,264	-	-	
Net profit and loss for the current period from the beginning of the period to the date of the merger resulting from a business combination under common control	-	-	-2,124	
Other non-operating income and expenses other than the above	-136,453	-153,227	-38,284	It mainly represents the loss on scrapping of assets.
Less: Income tax impact	381,549	196,455	159,283	
Impact on minority shareholders' equity (after tax)	18,942	18,999	716	
Total	2,434,899	1,193,742	1,588,742	

Note: The Company does not have other profit and loss items that meet the definition of non-recurring profit or loss; the Company does not define the non-recurring profit or loss listed in the Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public — Non-recurring Profit or Loss as recurring profit or loss.

Differences in accounting data under domestic and foreign accounting standards

1. During the reporting period, there was no difference in the net profit and net assets in the financial reports disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards.
2. During the reporting period, there was no difference in the net profit and net assets in the financial reports disclosed in accordance with overseas accounting standards and in accordance with the Chinese Accounting Standards.

I. Industry Review in 2021

1. Market size and industry growth

China achieved sound economic growth, and maintained strong momentum for growth in the consumer goods and foreign trade sectors. In 2021, China's GDP hit RMB114.37 trillion¹, up 8.1% from the previous year as calculated according to constant prices. With the two-year average growth rate of 5.1%, China is the only major economy worldwide that has achieved positive growth in 2020 and 2021. In particular, the total domestic consumer goods retail sales exceeded RMB44 trillion¹, up 12.5% year-on-year; the business climate in the foreign trade market beat expectations, and in 2021, the total value of imports and exports came in at RMB39.1 trillion¹, representing an increase of 21.4% year-on-year.

Buoyant consumer demand and vitality in trade fueled the sustainable growth of the logistics industry, and the logistics market expanded further. The logistics prosperity index was 53.4%² on average in 2021, up 1.7 percentage points year-on-year; total logistics expenses rose by 12.5% year-on-year to RMB16.7 trillion², accounting for 14.6% of the national GDP.

Specifically, the express delivery market thrived thanks to the rapid expansion of the online retail market. In 2021, online retail sales of physical commodities nationwide grew by 12% year-on-year to RMB10.8 trillion¹, accounting for 24.5% of the total retail sales of consumer goods; the value of imports and exports via cross-border e-commerce hit RMB1.98 trillion¹, up 15% year-on-year. Online shopping boosted the demand for parcel shipping and the fast development of the industry. **China's express delivery volume topped 100 billion pieces, ranking 1st in the world for eight consecutive years.** In 2021, 108.3 billion parcels³ were delivered, up 30% year-on-year; and the total sales revenue rose by 18% year-on-year to RMB1.04 trillion³.

2. Industry planning and policy directions

The Chinese government has rolled out a number of plans, policies and guidelines to promote the development of the express delivery and logistics industry giving priority to business "intelligentisation", internationalization and high quality growth. The principal directions are:

I) Build modern logistics, and support industry upgrading. The national 14th Five-Year Plan released on March 13, 2021 proposes that efforts should be made to deepen the implementation of the strategy of "establishing China as a manufacturing world power" adhering to the principle of autonomy, effective control, safety and efficiency, and push forward the development of advanced industry infrastructure

and a modern industry supply chain. On March 16, 13 national authorities including the National Development and Reform Commission jointly issued the "Opinions on Accelerating the Promotion of High-Quality Development of Manufacturing Service Industry", calling for efforts to build on specialized, private and comprehensive service capabilities oriented toward the manufacturing sector, leveraging the next-generation information technology including 5G, big data, cloud computing, artificial intelligence (AI), blockchain, and internet of things (IoT), vigorously develop intelligent manufacturing and modern logistics service systems, push forward the establishment of an intelligent supply chain system for key sectors, and achieve supply chain visualization in a stepwise fashion.

II) Build on international supply chain capacity, and help manufacturers "go abroad". According to the national 14th "Five-Year Plan" for High-Quality Development of Foreign Trade released on November 23, 2021, efforts should be made to strengthen international logistics security, build an international logistics system that matches the volume and development level of the foreign trade market, increase China's international air freight capacity through multiple channels, unblock international railway and road freight transportation channels, develop rail-water multi-modal container transportation to give enterprises more option of logistics services.

III) Profoundly push ahead with the "go to the countryside, go to factories, and go global" campaign amid "dual circulation"⁴. The government is actively promoting the development of express delivery services: (1) "go to the countryside", making express service available in all villages – collaborate with e-commerce businesses to "bring industrial goods to the countryside" and "bring farm produce to cities"; (2) "go to factories" – help manufacturing enterprises transform supply chains amid commercial channel flattening, leveraging the network resources and highly efficient operations of express delivery operators, thus lowering costs and improving efficiency; (3) "go global" – step up the establishment of a global delivery service system oriented to "buy global and sell global" to facilitate cross-border trade and circulation, and globalization of Chinese brands.

IV) Keep low-price competition in check, and safeguard delivery staff's rights and interests. In the year, many national ministries issued documents on market regulation, and several provincial governments explicitly banned courier business operators from providing the express service at a price lower than cost, and put a curb on low-price competition practices that harm the rights and interests of last-mile outlets and couriers, requiring courier companies to give priority to service quality. Several ministries including the Ministry of Transport jointly issued the Opinions on Guaranteeing the Legal Rights

¹ Source : National Bureau of Statistics of China

² Source : China Federation of Logistics & Purchasing

³ Source : State Post Bureau of The People's Republic of China

⁴ Refers to the "New development landscape with national circulation playing the leading role and national and international circulations mutually supporting each other" as proposed by the state.

and Interests of Deliverymen, requiring related entities to set up a reasonable profit distribution mechanism, ensure reasonable remuneration for couriers, and drive sustainable and healthy development of the express delivery market.

V) Promote green packaging and carbon emission reduction in the industry. The Measures for Managing Mail and Express Shipment Packaging took effect in March 2021. Focusing on the management of express shipment packaging, the Measures emphasize the importance of system design and multilateral coordination, specify responsibilities and obligations related to operations such as packaging material procurement, use and handling, and improve related regulation and governance measures. In 2021, the State Post Bureau pushed ahead with the special campaign against over-packaging and the use of packaging materials containing excessive heavy metals and specific substances. As a result, 6.3 million recyclable express boxes were consumed, 80.5% of e-commerce express items were not re-packed, and new packaging waste recovery facilities were installed in 36,000 service outlets¹.

3. Competitive landscape, competition and development

I) The improved competition landscape has favored the market leaders. (1) In terms of policymaking and regulation, the government tightened regulation of market competition to protect deliverymen's rights and interests. This move helped keep price war in check. In the second half of the year, with the decline in express shipping price decelerated, many companies in the sector announced delivery fee rise to protect the interests of last-mile outlets and couriers, which is expected to effectively address the phenomenon of "revenue flattening despite rises in shipment volume". (2) In terms of market demand, with the slow-down in consumer market growth and diversification of sales channels, corporate clients are paying increasing attention to consumers' service experience, and set higher requirements for the quality of express logistics service in order to optimize their own competitiveness. This will prompt express delivery companies to shift the focus from price wars toward service quality and demographic differentiation-based competition, and from "To B pricing" toward partial "To C pricing".

The improved competitive environment, the reduced scope for price competition, and clients' more demanding service quality requirements will primarily benefit leading express delivery and logistics companies that have established complete service networks, and set up effective barriers to entry based on economies of scale. **The concentration ratio¹ (CR8) of express and parcel shipping brands in 2021 was 80.5**, which was still relatively high. The "Matthew Effect" was also at play judging by the CR8 ratio – that is, leading players are getting stronger, and the underperformers are gradually lagging behind. The results of leading express delivery companies are expected to recover to a certain extent.

II) The market players have carried out frequent restructuring and equity financing, indicating enormous room for resource integration. In 2021, China Logistics Group Co., Ltd. was incorporated through integration at the national level. In the express segment, J&T Express made a holistic acquisition of the express service business of Best Inc., Yunda Holding became the second largest shareholder of Deppon Logistics, and the Company successfully acquired a 51.5% stake in Kerry Logistics. Each party gained in competitiveness through deep integration and mutual complementarities. As regards capital operation, JD Logistics, ANE Logistics and Full Truck Alliance and SF REIT and SF INTRA-CITY affiliated to the Company went public successively in pursuit of fast growth through financing on the capital market.

Except for the express delivery market that is relatively highly concentrated, China's RMB16.7 trillion logistics market, encompassing segments as less-than-truckload express, cold chain, integrated logistics and cross-border logistics, remains highly fragmented, with a lot of participants across the marketplace. In 2021, the combined revenue of the companies included in the list of top 50² Chinese logistics enterprises came in at RMB1.36 trillion, accounting for **less than 10% of the total volume of the logistics market, indicating great potential for business integration among logistics companies.** In the case of international express logistics giants, they also accomplished expansion through a series of merger and acquisition (M&A) deals. The sheer size of China's logistics market gives it enormous potential in fostering world-class logistics companies.

III) Logistics services kept upgrading in parallel with the industry, from transportation to integrated logistics, and then digital supply chain operations. In the era of "new retail" and digitalisation characterized by the creation of new business models and flattened channels, the end-to-end supply chain of operators needs to respond more quickly, accurately and flexibly, and large-volume and extensive scale production and supply operations need to be replaced by intensive small-scale operations. To this end, more and more operators have adopted the next-generation information technology to build a consumer-centric, more flexible and agile and highly responsive digital supply chain system.

As the express service industry is inherently internet-based and highly efficient, it has gradually become an important driving force for domestic and international trade and circulation, and supply chain revolution. Many players have spotted the new market opportunity, and branched out from express delivery into less-than-truckload, cold chain, warehousing and other businesses, in an attempt to bring an end to the price war and homogeneous competition and find a new growth curve. E-commerce platforms also leveraged their resource integration capacity and strengths in technology development to get involved in supply chain digitalisation. Participation in clients' supply chain transformation boosts their business growth, lower costs and improving efficiency at the same time, with win-win results achieved. Such partnerships have become a critical competitive advantage for the market players.

¹ Source : State Post Bureau of The People's Republic of China

² From China Federation of Logistics & Purchasing, the list is in the order of logistics business income of logistics enterprises in 2020

IV) Going forward, competition among the market players will focus on building a global network and creating an international supply chain. As mentioned above, Chinese companies are an active player in foreign trade and cross-border e-commerce. In 2021, the total value of Chinese exports was RMB21.7 trillion¹, up 21.2% year-on-year, marking the highest growth rate since 2010; cross-border e-commerce exports grew by 24.5% to RMB1.44 trillion¹. As the “Belt and Road Initiative” and the Regional Comprehensive Economic Partnership (RCEP) came into force, it is expected that the trade between China and the surrounding regions will see further robust growth. In the meantime, **the growing strength of the Chinese industrial chain and the improved competitiveness of Chinese brands, the expansion of overseas e-commerce platforms and stand-alone websites in the global consumer goods market have created a favorable environment and good opportunities for Chinese logistics companies to go global.**

Although international express service giants are still dominating the cross-border logistics market, Chinese logistics companies have started developing their global networks in various ways such as affiliation of leading players, overseas M&As, self-reliant operation and joint venture. They frequently take bold actions especially in Southeast Asia, South Asia, and Middle East, and seek breakthroughs in market competition with their unique efficient and value-for-money services.

4. SF's status and competitive edge in the industry

With its revenue topping RMB200 billion in 2021, SF Holding ranked as the No. 1 and No. 4 largest integrated logistics service provider in China and the world respectively. Long-term and visionary strategic planning enables the Company to accurately seize opportunities, continuously expand, and stand firm ahead of all other peer companies throughout the 29 years of development.

I) The Company is leading in several segments of the logistics market. SF started as a time-definite express service provider, and acquired absolute dominance in the domestic market; in addition, after four to five years of incubation and nurturing, we have established ourselves as the market leader in each new business segment. **SF Express has ranked No. 1 by revenue in China's less-than-truckload market for two consecutive years²; SF Cold Chain has taken the top spot on the List of China Top 100 Cold Chain Logistics Enterprises for three years in a row³; SF INTRA-CITY has grown into the largest independent third-party expedite distribution service platform in China⁴.**

II) The Company has acquired end-to-end supply chain service capabilities, and helped our clients build intelligent supply chains with technology. Through self-development and M&A-based external expansion, the Company has drawn up a complete blueprint for integrated logistics operations, with our services penetrating into clients' end-to-end supply chains. Moreover, drawing on our experience in applying advanced logistic technology, the Company is joining hand with many high-profile clients to reshape the digital and intelligent supply chain. **“Technology enablement + effective supply chain plan implementation” has become our distinctive competitive advantage that sets SF apart from other market players that only provide either logistics or technical services.**

III) The Company successfully partnered up with Kerry Logistics to grow its international footprint. The partial tender offer to acquire Kerry Logistics was successfully completed in late September 2021. The Company held 51.5% of the outstanding shares in Kerry Logistics on the closing date. Kerry Logistics is a leading logistics enterprise in the world, serving clients in 58 countries and regions, with exceptional strengths in international freight transport and integrated logistics as well as overseas resources. **It ranks 17th among the Top 50⁵ Global 3rd party Logistics (3PL) Providers, 8th for Shipping and 13th for Air transport among the Top 50⁶ Global Freight Forwarders,** and owns local express service companies in major countries in Southeast Asia, one of which is listed on the Thailand stock exchange. Boasting substantial business complementarities, the two companies will expand SF's global network, support the development of an international airfreight network, and seize opportunities in overseas markets – in Southeast Asia, in particular – to accelerate global business development.

To sum it up, given the massive size of China's logistics market, even if SF takes the leading position in all the segments, its share of the extensive logistics market is still limited. SF will have tremendous growth potential in the future, and SF is well on track to come out on top in the highly competitive marketplace and become a built-to-last company, thanks to our long-term strategic vision, forward-looking business planning and innovative product capability.

¹ Source: National Bureau of Statistics of China

² from “China Top 30 Less-than-truckload Enterprises” published by Tucmedia

³ from the list published by Cold Chain Logistics Committee of China Federation of Logistics & Purchasing

⁴ from iResearch's report

⁵ from Armstrong & Associates (A&A), in the order of revenue of logistics enterprise in 2020

⁶ from Armstrong & Associates (A&A) and Transport Topics

II. Business development of the Company

SF Holding, the largest integrated logistics service provider in China and the fourth largest in the world, has consistently built on its service capabilities, and has diversified into seven segments, namely time-definite express, economy express, freight, cold chain and pharmaceutical, intra-city on-demand delivery, supply chain and international business (including international express, international freight and freight forwarding, and supply chain), revolving around the establishment of a logistics ecosystem. Meanwhile, leveraging our leading technology research and development capabilities, we will strive to create a digital supply chain ecosystem, and become a front runner in the global smart supply chain.

Business Segments

 Time-definite Express	<p>Provide time-definite and high-quality door-to-door delivery service for consumers, enterprises, merchants, etc.</p> <ul style="list-style-type: none"> Options of same-day delivery, next morning/next day delivery, etc. dependent on shipping route and distance; Fastest delivery judging by collection-to-delivery time (express delivery time tested by State Post Bureau in 2021).
 Economy Express	<p>Provide cost-effective and quality-guaranteed delivery services mainly for e-commerce platforms and merchants;</p> <ul style="list-style-type: none"> "SF Express" operates a self-operated network to serve upscale customers with door-to-door delivery; "Fengwang Express" has a franchise network to serve lower-tier e-commerce markets with affordable pricing adopted; Integrated warehousing and distribution service to serve various types of warehousing needs with nationwide sub-warehouses, smart cloud-based warehouses etc.
 Freight	<p>Mainly for customers in manufacturing and commercial distribution sectors with demand for large parcel distribution and bulk transport</p> <ul style="list-style-type: none"> Large parcel by air: Provide customized large parcel air transportation services based on customized needs, with delivery within 8 to 16 hours at the fastest; Large parcel by road: B2C e-commerce large parcel, B2B store allocation/large-order less-than-truckload/truck-load transport; Extended services in large parcel warehousing and distribution, moving, store distribution, delivery and installation integration, and other scenarios; SF Freight operates a self-operated network to serve high-end customers while SX Freight franchise network is oriented to lower-tier e-commerce markets
 Cold Chain and Pharmaceutical	<p>Mainly for customers from three sectors: seasonal fresh food, frozen food and pharmaceutical</p> <ul style="list-style-type: none"> Fresh food speedy distribution: Distribute over 4,000 types of farm produce across the country from place of origin to consumers; Cold chain food transport: Provide high-standard end-to-end temperature-controlled cold chain services including multi-temperature section controlled storage, less-than-truckload/special truck transport, distribution to stores and consumers; Pharmaceutical logistics: Serve clients throughout the pharmaceutical industrial chain, capable of conducting multi-temperature section control transportation (from -80°C to 25°), and GSP certified pharmaceutical cold storage service.
 Intra-City On-demand Delivery	<p>Provide on-demand distribution service mainly for restaurants, retail/e-commerce merchants, individuals and enterprises</p> <ul style="list-style-type: none"> Provide exclusive, concessionary and value-added To B services, and To C product system integrating features of "Fetch for Me, Deliver for Me, Purchase for Me, Solve for Me", and city-wide on-demand delivery services within average 1 hour.
Supply Chain and International	
 International Express	<p>Provide domestic and foreign manufacturers, trading enterprises, cross-border e-commerce merchants and consumers with international express delivery, overseas local express, cross-border e-commerce parcel and overseas warehouse services</p> <ul style="list-style-type: none"> International express: High timeliness standard services that meet the needs of cross-border expedite delivery, including high-quality international standard express and economical international special products; International e-commerce: Cost-effective and economical services that meet the needs of cross-border e-commerce, including efficient international e-commerce express and high-quality international small parcels; Overseas local express: covering Thailand, Vietnam, Malaysia, Cambodia, Indonesia and other Southeast Asian countries.
 International Freight and Freight Forwarding	<p>Provide customers with air, sea, railway, road and multimodal freight transport solutions</p> <ul style="list-style-type: none"> Air transport: provide air transport services such as pick-up at departure point, multiple integration, customs clearance, delivery to end customer; Sea transport: provide sea transport services including various traditional freight, full container load and less than container load carriage; Road transport: provide innovative and economic road and railway transport services across Europe and Asia.
 Supply Chain	<p>Provide customers in various industries with domestic and international end-to-end supply chain solutions;</p> <ul style="list-style-type: none"> Empowering with technology, relying on SF's big data, AIoT technology and software and hardware system integration capabilities to help customers build a smart supply chain; SF Supply Chain and New HAVI to provide local supply chain service; while Kerry Logistics to provide global integrated logistics.

1. Account management¹

I) Credit account clients (corporate clients)

As of the end of 2021, the number of MAU reached 1.64 million², and total revenue increased by 25% year-on-year.

We further developed the account management system, adopted targeted marketing strategies for clients at different levels, and built differentiation-based service competitiveness to enhance client stickiness.

Based on selection criteria such as the breadth and depth of the Company's partnerships with credit account clients, and their respective contributions to annual sales revenue, we identified and defined strategic key accounts (SKA), key accounts (KA) and small and medium-sized enterprises (SME). For (1) SKAs and Kas, we further developed solution development capabilities, continuously expanded business scenarios for clients, provided differentiated services such as exclusive client services and peak-time resource guarantee, and implemented lean management to increase the number of clients at this level and their revenue contributions; for (2) SMEs, we set up highly efficient sales teams region by region to ensure our business share, and tapped our potential for business diversification, in a bid to help the SMEs to grow into high value prospective accounts.

By focusing on industries, deepening scenarios, and expanding business coverage and providing end-to-end solutions, we enhanced the stickiness of the toper-tier clients, bringing long-term value to the Company.

II) Retail clients (personal clients)

As of the end of 2021, the number of retail members reached 491 million, and the number of delivery orders rose by 23% year-on-year. By expanding multiple channels online and offline and creating new touchpoints with retail customers, we secured growth in retail sales.

(1) **Online channels:** The operation is based on SF app and via such channels as mini-programs on WeChat, Alipay and Baidu and quick apps developed by other mobile phone brands. The user stratification-based online operation strategy has been improved: (1) different promotion campaigns were developed for new users, mature users, seasonal users and silent users; (2) we built on online operation capabilities, and expanded the user base for certain application scenarios such as promoting non-load routes, generating income in highly specialized markets and e-commerce return shipment marketing. **As of the end of 2021, online active users³ reached 135 million, up 35% year-on-year.**

(2) **Offline channels:** (1) relying on big data analysis and the smart region management platform (in short "Smart Domain"), client profiles are pushed to frontline couriers to enable deliverymen to provide well-targeted services; (2) we fully tapped into new delivery scenarios to launch "family delivery, gift delivery, and benefit delivery", etc. and the delivery services intended for the general public "medical report/drug delivery, self-service shipping at airport, and tailored ski gear packaging materials"; (3) we further developed delivery service outlets in urban areas, and co-dispatch in rural areas, and pushed ahead with regional agent partnership and Hive Box lockers operations to increase the density of last-leg outlets, and **connected systems across three levels (county, town, and village) in rural areas. As of the end of 2021, the number of various types of cooperative "final leg" service outlets exceeded 168,000, with service coverage of the towns and townships increased by 4.15 percentage points since the end of last year.**

With the assistance of online digital management tools, and driven by increasing offline scenarios and network penetration, retail user activity has improved in all channels, boosting shipping frequency.

2. Business development

I) Time-definite express

In 2021, the Company registered tax-exclusive revenue of RMB96.16 billion from time-definite express business, representing a year-on-year increase of 7.3%. Thanks to our airfreight fleet, which is the largest in China, our rigorously controlled self-operation network, and high-quality last-leg services, SF provides highly-efficient, stable and hassle-free delivery for clients, and has acquired an absolutely dominant share of China's time-definite express market.

As our time-definite express business grew rapidly driven by a spike in demand for express delivery of epidemic prevention and control materials in 2020, our year-on-year revenue growth decelerated slightly due to the relatively high comparison base in 2021. The growth of time-definite express business is mainly driven by the demand for fast-response services related to the circulation of personal items/business documents, mid and high-end consumer goods, or the production and circulation activities. **Specifically, consumer goods accounted for more than 45% of the total shipment volume, the shipment of mother and baby products, cosmetics and beverage grew positively. In addition, demand from agricultural and industrial production and circulation has recovered to a certain extent, with shipping volume increasing 21%.**

¹ The statistical data in this section does not include any data of the customers of SF Supply Chain, New HAVI and Kerry Logistics acquired by the Company

² The number of MAU depends on the number of users who have entered into monthly settlement agreements and remained business cooperation with the Company as of the end of 2021.

³ MAU refers to the total of all users who have logged in to any online channel of the Company in the month.

With a view to further enhancing the competitiveness of our time-definite express business, the Company upgraded and optimized related products, making comprehensive use of key resources such as all-cargo aircraft, commercial flight and high-speed train; further developed operating models to consolidate our punctuality-based competitive advantage. **The average duration of time-definite express delivery was shortened by nearly two hours.** According to the findings of the 2021 express service satisfaction survey conducted by the State Post Bureau, **SF ranked first in the industry in terms of collection-to-delivery shipping time and 72-hour punctuality.**

The product upgrade and optimization also involve simultaneously upgrading the “standardisation transport by land” products formerly categorized as the economic express business to the “SF Standard Express” (顺丰标快) products under the express delivery business owing to its similarity to time-definite express delivery business in terms of timeliness, fee rates and operation standards. Furthermore, the Company has restated the revenue division of the express delivery business and the economic express delivery business in the same period of 2020 in accordance with the new statistical criteria to ensure comparability. More emphasis will be put on products under the economic express business to serve the e-commerce market.

II) Economy Express

In 2021, the Company registered tax-exclusive revenue of RMB32.27 billion from economy express business, representing a year-on-year increase of 54.7%. Economy express is primarily oriented toward e-commerce platforms and merchants, and is operated under the two brands of the directly operated network “SF Express” and the franchise network “Fengwang Express”, which respectively serve e-commerce clients pursue service quality and those prioritize cost effectiveness, catering to the needs of clients at different levels with different service and pricing preferences.

(1) Directly operated brand service: In 2021, the Company upgraded and optimized the e-commerce express products under the directly operated brand and focused on “e-commerce standard express”, which outperformed similar products offered by our competitors in terms of timeliness and last-leg home delivery. The service was mainly angled at major e-commerce platforms and brand owners. The Company **optimized the operating model to enhance the timeliness of e-commerce standard express services. As a result, the average duration per shipment was shortened by 4.5 hours.** The relatively high premium given to the product is justified by our excellent order fulfilment capabilities. **The income per shipment of e-commerce standard express increased month-on-month, with revenue per e-commerce standard express shipment RMB2-3 higher than the market average,** indicating substantial improvement in profitability month-on-month.

(2) Franchise brand service: “Fengwang Express” is a new brand established by the Company in 2020 that adopts the franchise model. It started to provide express service externally in September 2020. It mainly serves the budget e-commerce markets in lower-tier cities, with service operations positioned to produce strategic synergies and achieve business integration with SF Express. It is an important arrangement for SF Express to enter the budget e-commerce market. **Fengwang was in the initial stage of network building in 2021. It rolled out services at 884 franchise sites in 140 Chinese cities across 12 provinces, and put 10 distribution sites into operation on its own.** Fengwang Express made full use of SF Express’s directly operated network resources in distribution, trunk transportation and last-leg delivery operations, and controlled the pace of network construction to strike a balance between business scale and efficiency.

(3) Integrated warehousing and distribution services: In addition to distribution operations, SF also provides integrated warehousing and distribution services across China to help e-commerce clients fulfill orders throughout the chain. **Through self-construction and franchising, the Company operates more than 360 e-commerce warehouses in 100 cities nationwide, with a total gross floor area (GFA) of more than 5 million sqm,** including custom warehouses, standard warehouses and economy warehouses to accommodate the needs of clients at different levels in the e-commerce market. Meanwhile, with the assistance of digital technology, we helped clients conduct multi-warehouse coordination and automated warehouse allocations nationwide to ensure highly efficient fulfilment of orders. **During the “Singles’ Day” shopping season this year, the number of warehouse orders received on November 11 exceeded 24 million, and more than 93% of orders were accurately delivered within 24 hours during the peak period.**

III) Freight

In 2021, the Company registered tax-exclusive revenue of RMB23.25 billion from freight business, representing a year-on-year increase of 25.6%.

The size of China’s LTL freight market reached RMB1.5 trillion, and the CR10 ratio was merely 5.7%, indicating a high-volume and highly fragmented market pattern¹. As a result of the channel transformation and the upgrading of the manufacturing industry, the supply chain has become more flexible and is characterized by small volume, short cycle and high frequency, which generated demand for integrated internet-based LTL service, and accelerated the integration of internet-based LTL operators, and they could ultimately replace small-scale, low-efficiency and poorly digitalised regional and leased-line LTL businesses. The freight market offers enormous opportunities for the development, and we continued to optimize our services and networks to improve our competitiveness and retain the leading position:

¹ Source: CICC Research Report on “Less-than-Truck-Load: Accelerating Industry Consolidation, Breakthrough of Platform Model” released on 26 July 2021

(1) Improved product development capability: (i) **Overall acceleration: the number of departures on trunk lines increased by 32%, which further shortened the duration per shipment by more than three hours.** We have a clear lead in the industry in terms of delivery punctuality, and reset the timeliness benchmark for mid-to-high-end freight services; (ii) **service extension: we tapped further into scenarios such as 2B relocation and warehousing, 2C bulk warehousing and distribution and shipping and installation, and have built 36 warehouses for furniture and home appliances, and fulfilled more than 1.3 million delivery and installation orders through the year;** (iii) we continued to deepen partnerships with high-quality private logistics resources, and refined service solutions for scenario segments such as bulk allocation, truckload transportation and urban freight.

(2) Downward network expansion: (i) The directly operated network has expanded the market reach of its services to fourth – and fifth-tier cities while enhancing its competitiveness in core cities and industrial zones; (ii) The number of franchised outlets has increased to 14,000+, up 44% year-on-year, and the delivery fee has been optimized to enhance network stability and improve service coverage of townships.

(3) Network coordination: (i) we pushed forward the Group's four-network coordination project, pushed forward the integration of express distribution sites and the integration of trunk lines, and improved the efficiency of resource utilization; (ii) we gradually transferred the express parcels of more than 20KG to the freight distribution sites for large parcels to release the capacity of express distribution sites; (iii) **a total of 29 new distribution sites and more than 800 new trunk lines were built in the directly operated and franchise freight networks,** which further strengthened the operational infrastructure and improved efficiency.

(4) Technology application: (i) **we put into operation 19 automated distribution sites for large parcels. The hourly processing capacity of the facilities put into operation increased by more than three times, and the efficiency of distribution personnel improved by 33%;** (ii) we installed new AIoT equipment to collect data throughout the large parcel shipping process (including parcel receipt, transit, transport and delivery), and generated multi-dimensional data covering service quality, income, cost, profit and personnel, in support of real-time 24/7 operation monitoring and management efficiency enhancement; (iii) with the help of big data and AI algorithms, we built on volume forecasting and network planning capabilities, and supported real-time network optimization.

As of the end of 2021, the directly operated and franchise freight networks had a total of **180 distribution sites and distribution points and more than 1,570 freight distribution stations, with a total site area exceeding 4.16 million sqm and a single-day peak LTL volume of 74,000 tons.** The services were made available in 32 provincial-level administrative regions, 365 major cities and regions across China. The overall large parcel and LTL cargo volume increased by 47.8% year-on-year, of which the cargo volume of our directly operated network increased by 48.7%, and that of our franchise network increased by 45.6%, **with the growth rate of our cargo volume maintaining its leading position among the 10,000-ton industry players across the entire network.**

IV) Cold chain and pharmaceuticals

In 2021, the Company registered tax-exclusive revenue of RMB7.80 billion from the cold chain and pharmaceutical business, representing a year-on-year increase of 20.1%.

In 2021, China's cold chain logistics market reached RMB428.5 billion¹, representing a year-on-year increase of 12%. The cold chain industry is currently at a development stage characterized by small enterprise size and fragmented market structure. However, as the government and the public attach unprecedented importance to the cold chain industry, market regulation has been tightened, and capital has been flowing into the cold chain industry at an accelerating pace, prompting operators to pursue business integration, and the market is evolving toward high-quality growth. In 2020, the total revenue of top 100 cold chain enterprises amounted to RMB69.47 billion², accounting for 18.1% of the total market volume, comparing to the 9.7% in 2015. Meanwhile, as on-line shopping of fresh food gained traction, and online and offline channels become increasingly integrated, the industry demand for internet-based cold chain services will increase. In terms of service standard and capacity, SF Cold Chain has adapted itself to the regulatory direction and market demand, and has huge development potential.

Our cold chain and pharmaceutical business mainly include three segments, namely shipment of seasonal fresh food, food cold chain³ and pharmaceutical logistics:

(1) Shipment of fresh food:

In 2021, our services covered more than 4,000 categories of specialty agricultural products, and the freight volume increased by 30% year-on-year. The five main drivers of online sales of agricultural products are. (i) **Service network** – service outlets and other cooperative outlets were established to increase market penetration in towns and townships, so as to serve farmers at close range. We operated 22 fresh food pretreatment centers and increased the capacity by 50% and reduced wastage by over 60%; (ii) **Model optimization**, our aviation, cold chain warehouses, truck-road transportation and delivery were integrated with external partners' resources to serve a broader agricultural product market with improved cost-effectiveness; (iii) **Channel expansion**, including promoting live-streaming sales of agricultural products via mainstream live-streaming platforms, establishing the dealmaking platform on which 166 categories of agricultural products were listed; (iv) **Brand building**, a total of 20 introduction and marketing events were held in collaboration with the government, reaching over one million people, with 558 external media reports and coverage of 214 million persons; and block chain technology was used to facilitate the tracking of agricultural products; (v) **Subsidization**, in response to the government's call for rural revitalization, we provided special funds, as well as logistics subsidies and package material

¹ Source: Experts forecast of China Federation of Logistics and Purchasing

² Source: China Federation of Logistics and Purchasing

³ New HAVI is not included here; New HAVI is included in the supply chain business segment

subsidies. **It is estimated that we helped farmers generate revenues of more than RMB100 billion in 2021.**

(2) Food cold chain:

In terms of network construction, (i) self-built networks and extensive express networks were coordinated to create “3 + 1” (warehouse network/trunk/last-leg distribution + inter-provincial network) backbone networks for cold chain operations; currently, the service is available in 193 cities and 1,061 districts and counties, with 34 cold warehouses and more than 23,000 refrigerated trucks at our disposal; (ii) the pioneering cold storage automation project has been put into service in six warehouses, **reducing labor cost by 30%.**

With respect to market expansion, (i) **in the fresh food e-commerce space**, we created integrated warehousing and distribution solutions for top-tier clients specializing in ice cream, quick-frozen bun and low-temperature dairy products, doubling their earnings results; (2) **in the place-of-origin fresh food market**, we used the cold chain trunk network and warehousing resources flexibly to facilitate the transportation of fresh agricultural products with high quality and affordable pricing; (3) **in farmers markets**, drawing on our digital technology and high-standard cold chain operation experience, we enabled upstream-and-downstream farmers market trade logistics operations with digital technology.

(3) Pharmaceutical logistics:

With the rollout of national policies related to the pharmaceutical industry such as centralized procurement, distribution cycle shortening and internet healthcare promotion, the pharmaceutical supply chain has become increasingly centralized, flat, digitalised and intelligent. Leveraging our “network + technology” strengths, we have made breakthroughs in the following areas:

(i) **Multi-temperature, end-to-end transportation:** a professional pharmaceutical cold chain packaging and integrated IoT monitoring platform has been made available to achieve **multi-temperature precise control from -80°C to 25°C for medium – and long-distance 24-168 hours constant-temperature transportation**; in 2021, we were designated as one of the first key liaison enterprises for road transportation of COVID-19 vaccines, **and we have securely shipped a total of 370 million doses of COVID-19 vaccines**; (ii) **Supporting internet healthcare:** leveraging pharmaceutical warehousing and temperature control distribution capabilities, we were involved in terminal real-name authentication in the medical insurance system, assisting numerous internet hospitals and DTP pharmacies with the delivery of drugs to their customers; (iii) **Supply chain execution system development:** we launched a supply chain execution system for the pharmaceutical sector to enable end-to-end digitalised and smart operations, helping customers implement intensive management.

As of the end of 2021, the pharmaceutical logistics network covered 2,443 districts and counties in 271 prefecture – level cities, with 16 pharmaceutical warehouses, 52 pharmaceutical trunk routes and 292 GSP standard certified cold chain trucks; relying on the extensive delivery network, we provided end-to-end pharmaceutical logistics supply chain solutions and services for clients.

V) Intra-city on-demand delivery

In 2021, the Company registered tax-exclusive revenue of RMB5.00 billion from Intra-city on-demand delivery business, representing a year-on-year increase of 59.1%. SF INTRA-CITY has grown into the largest third-party on-demand service platform in China.

With the rapid development of the “new consumption” era, the annual order volume of the on-demand delivery service industry will increase from 21.0 billion orders in 2020 to 79.5 billion in 2025¹, with a CAGR of 30.5%. Given their neutral and open market positioning and services covering all user scenarios, third-party on-demand delivery service providers are able to meet the needs of more and more industries and customers. It is expected that the annual order volume of the third-party on-demand delivery service industry will increase from 3.0 billion orders in 2020 to 16.3 billion in 2025¹, with a CAGR of 40.1%, indicating enormous market potential.

(1) Multi-scenario layout and full network coverage

On the one hand, SF INTRA-CITY covers high-potential scenarios such as local catering, local retail, local e-commerce and local services, and continues to optimize its service matrix revolving around the “four major scenarios”. On the other hand, the Company is also expanding to lower-tier cities and counties, while enhancing the order frequency in cities and counties that have already been covered by our network, so as to further enhance the network effect and economies of scale.

For merchants, SF INTRA-CITY is empowering new business and traffic platforms in the “new consumption” era by virtue of its independent third-party attributes and good service reputation, providing large-scale, customized, reliable and high-quality on-demand delivery infrastructure services, **with a 55% year-on-year increase in the number of annual active merchants.**

For retail consumers, SF INTRA-CITY focuses on creating the first-class professional and high-quality express delivery services in the industry, continue to tap into the needs of consumers and business clients for on-depend delivery service, and continuously upgrade the delivery service experience to foster a brand image as a company trusted by retail users, **with a year-on-year increase of 106% in the number of annual active customers.**

(2) Technology-driven scheduling and continuous optimization of manpower efficiency

We continued to upgrade our CLS system and apply big data and AI technology to fully meet differentiated delivery scenarios and order recommendation and capacity scheduling under contract fulfillment requirements. Through accurate analysis and effective prediction of changes in order frequency across different service scenarios at different time points, orders generated from different business scenarios are globally coordinated and integrated among the stores, business circles and city-wide capacity networks to provide high-efficiency recommendation, and effectively match orders and deliverymen to improve their all-day productivity and reduce per-order delivery costs.

¹ Source: prospectus of SF INTRA-CITY and iResearch

(3) Diversified capacity structure, high-quality and stable delivery

SF INTRA-CITY has a high diversified intra-city transportation capacity structure, and its transportation capacity infrastructure has expanded year by year. The flexible capacity network can flexibly and dynamically meet the delivery needs under different scenarios, and fulfill orders effectively, efficiently and reliably, as well as supporting effective delivery during special periods such as nights and holidays, under severe weather or during an epidemic. **In 2021, the average delivery time was approximately 30 minutes, the on-time delivery rate remained at 95% or above on weekdays.**

VI) Supply chain and international

In 2021, the Company registered tax-exclusive revenue of RMB39.20 billion from the supply chain and international business, representing a year-on-year increase of 199.8%.

The supply chain business of SF International Express, SF Supply Chain and New HAVI achieved rapid growth in 2021. In addition, we have merged Kerry Logistics into this business segment since the fourth quarter to scale up the Company's international and integrated logistics business operations.

(1) International express: It is mainly oriented toward domestic and overseas manufacturing enterprises, trading enterprises, cross-border e-commerce businesses and consumers; it provides international express delivery, overseas local express, cross-border e-commerce parcel and overseas warehouse services, and seizes the opportunity of rapid development of cross-border e-commerce to help Chinese brands "infiltrate the global market". As of the end of 2021, the international express delivery business was operated in 84 foreign countries and regions; 11 new export routes were launched since 2021, including the routes from China to Saudi Arabia, South Africa, Egypt, Kenya, and Morocco; the international e-commerce parcel business was operated in a total of 225 foreign countries and regions; it conducts customs clearance by itself in ports of various countries around the world, integrating its own and agents' resources, and serving major regions such as America, Southeast Asia and Europe. In 2021, international e-commerce shipping was launched in Southeast Asia to provide cost-effective door-to-door services for cross-border sellers. At the same time, Kerry Logistics has overseas local express networks in Southeast Asian countries such as Thailand, Vietnam, Malaysia, Cambodia and Indonesia, and therefore, the synergy and integration with Kerry Logistics will help us further expand our international express delivery network. In addition, we increased the number of international routes, with more than 30 international cargo express routes operated in 2021 and 11 new air routes launched, including the routes from Shenzhen to Los Angeles, Shenzhen to Bangkok, Wuhan to Hanoi, and Chengdu to Dhaka, while setting up overseas warehouses in the United States, Europe, Southeast Asia and other countries to support integrated cross-border e-commerce warehousing services and help Chinese enterprises improve their international supply chains and localized operations abroad.

(2) International Freight and Freight Forwarding: Our integration with Kerry Logistics has significantly strengthened the Company's international freight and freight forwarding capacity. **(1) In terms of air transport,** Kerry Logistics, as the exclusive IATA agent of airlines, provides customers with various services ranging from air charter, air-sea multimodal transport, containerized transport and general freight agent services to aviation time-definite products, ranking the 13th in the air transport list under the "Top 50 Global Freight Forwarders in 2021" released by "A&A". **(2) As regards maritime transport,** boasting a powerful network with marine carriers, Kerry Logistics provides customers with services such as non-vessel shipping, FCL (full container load) and LCL (less than container load), containerized transport, distribution, booking agency, shipping management and others, ranking the 8th in the maritime transport list under the "Top 50 Global Freight Forwarders in 2021" released by "A&A". **(3) In terms of land transportation,** leveraging its well-established land and rail networks across Europe and Asia, Kerry Logistics provides international customers with cost-effective long-distance land transportation, sea-land and air-land freight, as well as door-to-door delivery services, while providing unique cross-border land transportation solutions in Asia connecting Mainland China and ASEAN, including multiple routes from Mainland China to Southeast Asian countries such as Thailand, Vietnam, Laos, Cambodia, Myanmar, Singapore and Malaysia. Kerry Logistics' freight volume advantage, coupled SF's exceptional air transport capability and the upcoming Ezhou Airport as an international cargo hub, is expected to expand the Company's international aviation network and improve its global sea-land-air multimodal transport capacity, thereby comprehensively enhancing the competitiveness of SF in the international logistics market.

(3) Supply Chain: SF Supply Chain and New HAVI provide local supply chain services in China, while Kerry Logistics provides global integrated logistics services.

(1) SF Supply Chain: Firstly, it specializes in FMCG and retail, automotive, life science and healthcare, high technology, engineering and industrial manufacturing and other businesses, and provides clients with end-to-end services from raw material procurement, production, warehousing and transportation to import and export customs clearance and last-mile delivery. Drawing on its in-depth insights on industry supply chain operations, and combining the international operation experience of Deutsche Post Group with SF's rich local resources and digital technology strengths, we have continuously acquired new local clients, including new clients in the agriculture, household, communication and other industries acquired in 2021. Secondly, we invested heavily in science and technology, innovated and developed hardware and software technology products for different scenarios, made differentiated arrangements according to the different needs of industrial clients, empowered clients to upgrade digital ecosystems, and assisted with the modernization level of China's manufacturing supply chain.

(2) New HAVI: it focuses on providing cold chain logistics and supply chain solutions for catering and food enterprises. It ranks among the top-tier cold chain logistics operators, and ranks fourth on the “China Cold Chain Logistics Top 100 List”. In 2021, it continued to step up cold storage capacity building and operated 44 fast turnaround cold chain logistics centers in China; leveraging trunk route, branch route and inter-city distribution capabilities, it operates cold chain services throughout China; relying on integrated supply chain service and efficient operations, it acquired several new high-profile clients specializing in restaurant chain operation, manufacturing, snacks, etc. and established strategic partnerships with them, boosting rapid business growth.

(3) Kerry Logistics: in terms of integrated logistics services, Kerry Logistics specializes in provision of customized integrated logistics solutions for customers in various industries such as industrial and material technology, pharmaceuticals, food and beverage, fashion and boutique, electronic technology, FMCG (fast moving consumer goods), automobile and others, while providing professional services related to industrial project logistics, cross-border e-commerce, global supply chain planning and implementation. With a strong network and a diverse range of logistics infrastructure facilities in Asia and around the world, Kerry Logistics has won the trust of many companies listed as Top 100 Global Brands, offering international end-to-end integrated logistics solutions to clients.

3. Network optimization

I) Four-network integration

In an endeavor to foster coordination of SF Express, Fengwang Express, SF Freight and warehousing networks, eliminate redundant resource investment, improve operational efficiency of networks, and lower operating costs, the Company rolled out the four-network integration program in 2021, which mainly involved:

(1) Site integration: Distribution hubs, collection and dispatch points as well as warehouses for express and freight services were constructed based on optimal planning by “site, park and location”. The integration of site locations was conducive to coordinated operation and integration of transit lines. **In 2021, we connected 281 sites in the first – and second-tier cities and 162 sites in the third – and fourth-tier cities.**

(2) Distribution integration: Large parcels weighing more than 20kg were picked out and sent to the distribution hubs of freight, while matching different operation modes for parcels of varying sizes and time-sensitiveness, to reduce the proportion of large parcels in express sites and improve sorting efficiency of small parcels. **In 2021, shipping capacity of about 400 million shipments were unlocked in express distribution hubs, which reduced the consumption of transit depot resources.**

(3) Transport integration: We integrated inefficient routes to improve the loading rate. On the other hand, we increased direct shipping and the frequency of the trunk routes to improve the timeliness of land transportation conducted via the freight network, and meet the time-definite requirements of large parcel shipping. **In 2021, we completed the integration of more than 1,600 trunk routes, with one-way load capacity exceeding 1 ton. Meanwhile, the average duration per shipment of express products was shortened by more than three hours.**

(4) Final-leg differentiation: We introduced the final-leg delivery differentiation policy, and distributed large parcels via the freight network. **The number of large parcels delivered by couriers from express network decreased by 50%, which**

reduced workload of the couriers, and ensured the timeliness of delivery operations. **The franchise stations of Fengwang Express could complete the last mile delivery by themselves in 142 cities,** thus reducing reliance on the directly operated network and effectively lowering delivery costs.

II) Network construction

(1) Outlet transformation: We transformed traditional large-area terminal outlets into smaller terminal stations closer to the clients. The parcels were directly distributed and shipped from the distribution hubs or collection and dispatch points to the terminal outlets, so as to reduce site rental and warehouse management costs, optimize branch route connection and operations, narrow the round-trip distance for the couriers and maximize the functional benefits of terminal outlets. **In 2021, we transformed 161 terminal outlets into 404 terminal stations.** In 2022, we plan to deepen outlet transformation focusing on core cities such as Beijing, Shanghai and Guangzhou in 2022.

(2) Deliverymen management: In 2021, we continued to improve the productivity of our couriers, reduce their workload, assist them in generating income and fully protect their rights and interests by implementing digital management. We provided deliverymen with professional training, enhancing operational efficiency and increasing income at the same time.

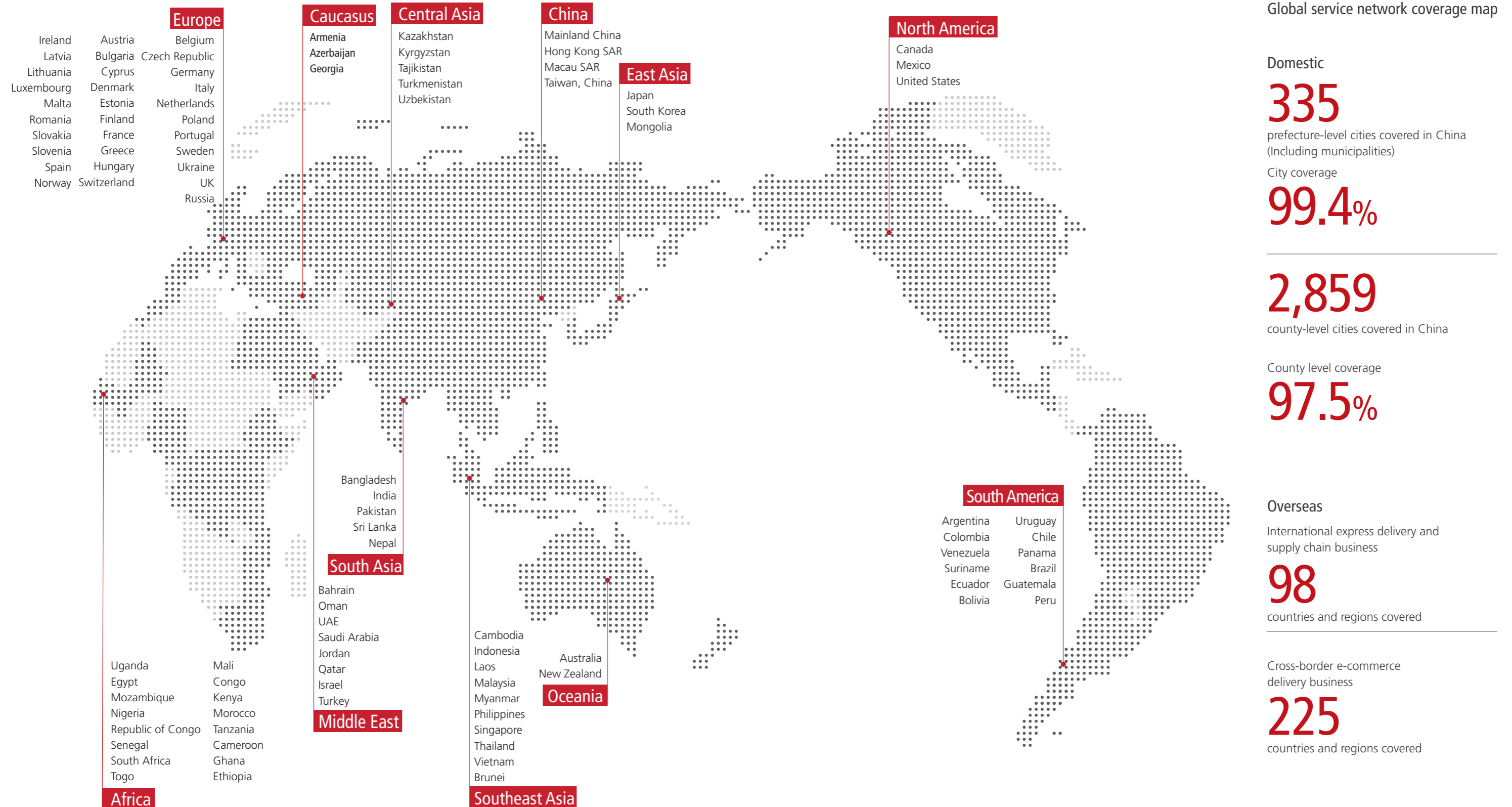
(i) Digital management: We created a platform of digital management, carried out online monitoring of 20 collection and delivery SOPs, and **set up an online evaluation model to implement the fair and transparent work performance appraisal mechanism for couriers and guarantee that they can obtain fair opportunities and remuneration.** Leveraging the Smart Domain platform, we achieved accurate task assignment based on the minimum regional unit, and visualized dispatch task assignment monitoring and real-time allocation of resources to ensure optimal task allocation to the couriers.

(ii) Skill training: In 2021, **more than 160,000 new employees – mostly couriers – received online training; employees who received in-service training were offered with 747 online courses, and training information was pushed to more than 1.45 million employees that have encountered problematic shipments.** We conducted differentiated training on post-specific skills as well as the online management of the entire process of recruitment, training, evaluation and motivation of on-the-job mentors, in an effort to improve the training efficiency of couriers and enhance their skills.

(iii) Improving efficiency and increasing income: i) By virtue of technical means, we provided the couriers with data-analysis profiles of client in the areas assigned to them to help them offer targeted services and generate income; ii) We introduced “Couriers’ Harvest Program”, investing special funds to incentivize them to earn more money and raise commissions and rewards; iii) Through system management, we flexibly scheduled tasks during night shift and off-time on the weekend to reduce idle labor and shorten couriers’ working hours; iv) We regularly upgraded couriers’ equipment and equipped them with high-tech and intelligent software and hardware to improve their operational efficiency; v) Based on terminal small and large parcel operation differentiation within the four integrated networks, and couriers task analysis performed by the Smart Domain intelligence platform, we conducted differentiated commission pricing for different collection and delivery scenarios layer-by-layer, ensuring that couriers can get fair and reasonable remuneration for their work; vi) We practically supervised and executed the social security mechanism of couriers under various employment modes to protect couriers’ rights and interests.

III. Core Competitiveness Analysis

1. Efficient and reliable global logistics infrastructure network





We own the largest cargo airline in China and one of the largest in the world. We are the largest shipper of air cargo in China

Total air cargo volume of >1,920,000 tons	SF's domestic cargo volume accounted for 35.5% of the national air cargo and mail traffic	Average daily flights 4,754 times
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All-cargo aircraft

86 all-cargo aircraft in operation 68 aircraft owned Including 2 B747, 12 B767 37 B757, 17 B737	590 pilots in service 263 captains 327 co-pilots	267 pairs of flight rights 53 domestic destinations covered 35 international and regional destinations	111 routes operated worldwide 57,800 flights 37 international routes in operation Over 5,300 flights	>980,000 tons of cargo worldwide Of which more than 150,000 tons were shipped internationally
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Bulk resources

2,114 domestic routes	8,800 international routes	>1,410,000 flights	>930,000 tons of cargo Of which over 110,000 tons were shipped internationally
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SF partnered up with the government to build Ezhou HuaHu Airport, which is the first cargo hub airport in Asia and the fourth in the world. The construction of airport runways, terminal buildings, tower, cargo terminal and other main facilities has been essentially completed. The airport has officially launched its calibration flight in late December 2021 and has entered the test flight phase in March 2022. The steel structure of the main building of the airport transfer centre built by the Company was topped out and the equipment assembling was started in October 2021. Two sets of sorting machines passed the power-on testing in late December, and the main building is expected to be completed and the sorting equipment installation is expected to be completed in 2022.

As a core air cargo hub, the 1.5-2 hours flight from Ezhou HuaHu Airport can cover an area with an economic population of 90% of the country. The airport city is expected to introduce high-end manufacturing, biomedicine, fresh cold chain, cross-border e-commerce, electronic spare parts, emergency rescue and other industries, combined with SF's all-cargo routes covering the entire country and radiating the world, to help realize the country's industrial upgrading and enhance the strength of the international supply chain.



Possessing a wealth of transportation resources to provide customers with domestic and cross-border multimodal transportation services



Land transport

>95,000

dry and feeder trucks under management worldwide

>130,000

domestic transport routes

>90,000

vehicles for end-of-line collection and distribution



Rail

Express delivery products

High-speed rail products with

563 flows

4 pairs (or 8 columns)
of special express trains

130

lines of general railway trains

Total volume of shipments

nearly 480,000 tons

International trains

203

lines in operation

31

countries and regions covered

Handled

>81,000 TEU

of containers by rail



Sea freight

20,000

maritime routes in operation

>1,000

port terminals reached

177

countries and regions covered

>300,000 TEU

shipped by sea



Global network presence to help achieve international, localised operations



Service Points

>21,000

domestic service outlets and other service stations

>168,000

domestic end-to-end cooperative service points (including city stations and rural distribution shops)

>420,000

couriers

>20,000

overseas self-operated & cooperative points

>300,000

HIVE BOXes

Covering

>180,000

communities

Serving nearly

400 million

consumers



Transit depots

Express depots

324

transit depots in operation

26

hub-level depots

37

air and rail sites

261

regional depots

Freight depot

118

operating depots

40

hub-level depots

78

regional depots



Warehouses

2,119

operational warehouses

covering

>10 million sqm

85

food warehouses covering

540,000 sqm

16

pharmaceutical warehouses covering

180,000 sqm

1,500

overseas warehouses covering

>3.3 million sqm

157

franchised warehouses

covering

2.32 million sqm

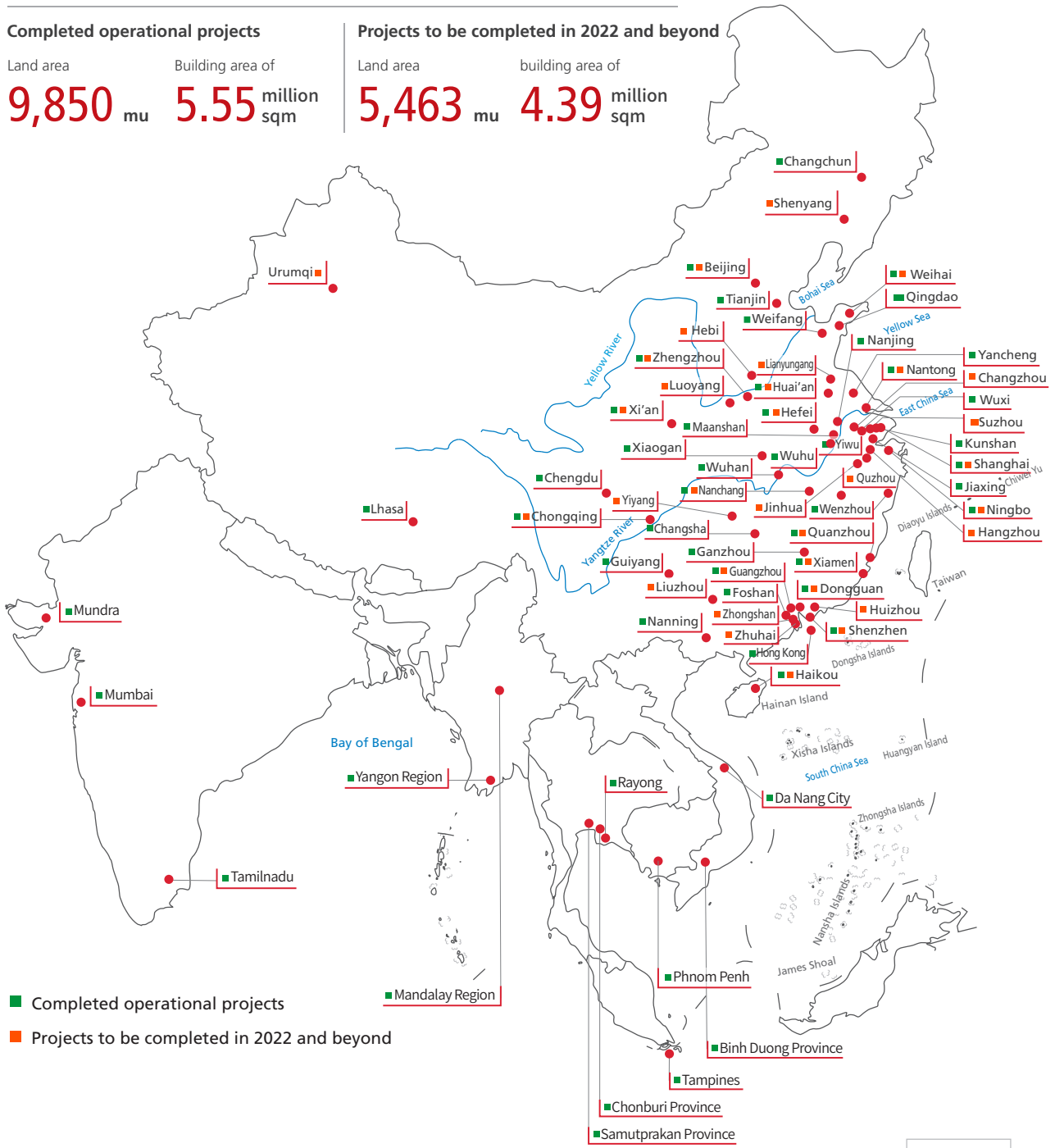


We operate many key sites such as logistics parks and centres in China and Southeast Asia

Total land area **15,313** mu Total building area of **9.94** million sqm

Completed operational projects Projects to be completed in 2022 and beyond

Land area	Building area of	Land area	building area of
9,850 mu	5.55 million sqm	5,463 mu	4.39 million sqm



1 : 35 300 000

Note 1: Where there are multiple legends preceding the name of a single city, it indicates that the projects in that city are being constructed in phases, or there are multiple projects in that city and their completion dates fall in different intervals.
 Note 2: The above data includes industrial park projects that have been placed into the asset-backed special scheme and the logistics real estate development fund, which are operated and managed by the Company.

Distribution of completed and operating site resources as of the end 2021

95
projects in total

Total land area of
9,850 mu

Total gross floor area of
5.55 million sqm

Region	Number of projects	Land area (mu)	Building area (ten thousand sqm)
Eastern China	20	1,769	119
North China	8	895	48
Central and South China	13	1,850	108
South China	14	756	60
Western China	7	901	60
Overseas	33	3,679	161

To meet the land resources requirements of the main logistics business, expand financing channels, and establish an equity finance platform, the Company set up the SF Real Estate Investment Trust ("SF REIT") and listed it (stock code 2191.hk) on the Hong Kong Stock Exchange on 17 May 2021, which marks an important strategic milestone for both the Company and SF REIT. It was the first logistic REIT listed on the Hong Kong Stock Exchange, a major International financial market, and the first REIT on the Hong Kong Stock Exchange focusing on logistics properties. The listing was well received by the market and supported by domestic and international investors. The Company continued to hold 35% interest in SF REIT after the listing.

SF REIT's portfolio initially comprises three properties in Hong Kong, Foshan and Wuhu, Mainland China with a total gross lettable area of 307,678 sqm. All these properties are modern logistics properties strategically located within the key logistics hubs. SF REIT's properties were initially developed to support the Company's logistics operations. As of 31 December 2021, 80% of the gross lettable area in these properties have been leased to and operated by subsidiaries of the Company, generating a steady stream of revenues for SF REIT.

The businesses operated by the Company continues to expand rapidly, and will require more logistic properties as a solid foundation to support its growth. SF REIT will remain an important part of the Company's overall long-term development strategy as it serves as a platform for the Company to recycle its capital to support its high growth business development. Meanwhile, as the Company expands further, it will create more modern logistics properties acquisition opportunities for SF REIT in mainland China and other foreign countries.



2. Complete end-to-end one-stop comprehensive logistics service capability

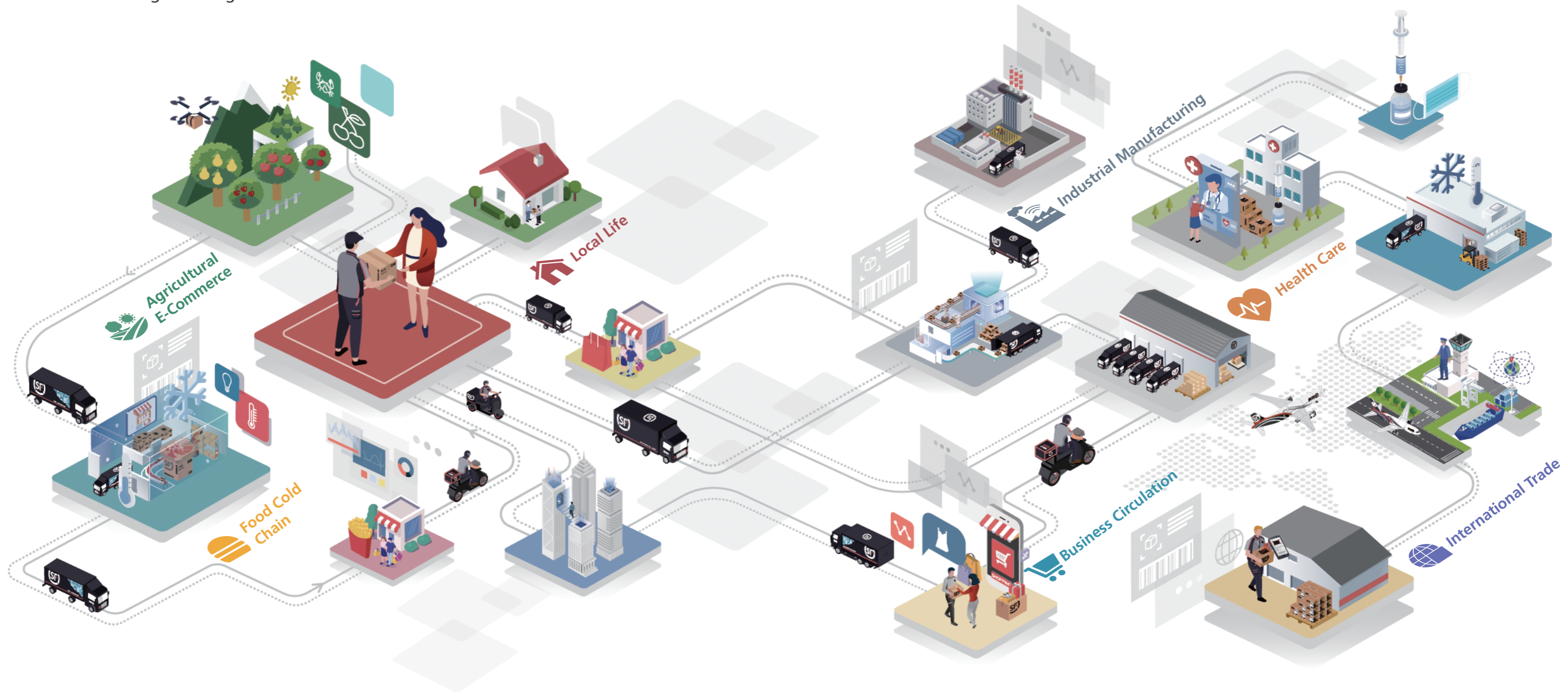
Adhering to the diversification-oriented strategic planning, and based on a fully established and efficient express network, through "internal cultivation + external mergers and acquisitions", the Company horizontally branched out into new businesses and acquired high-quality industry partners to gradually grow into China's largest express logistics service provider covering time-definite express, economy express, freight, cold chain and pharmaceuticals, intra-city on-demand delivery, international express, international freight and freight forwarding, and supply chain, focusing on logistics ecosystem development as the top priority.

At the same time, we also vertically improved the product matrix, through direct operation, franchise, external cooperation and other models; in each market segment of every business sector, we have launched high-quality services targeting medium – and high-end consumers, as well as cost-effective services for markets in lower-tier cities. Through effective product stratification and organic combination between different products, we cater to the diverse needs of clients, and developed complete end-to-end one-stop integrated logistics solutions.

Our services have penetrated into a wide variety of businesses such as industrial manufacturing, commercial circulation, online sales of agricultural products, food and pharmaceutical cold chain, international trade, local life, etc., covering all aspects of social production and people's livelihood. Boasting efficient express logistics services, lean supply chain management experience, and a powerful logistics network that penetrates into rural counties, towns and villages in China and covers 99 countries and regions around the world, we actively respond to the "go to the countryside, go to factories, and go global" campaign launched by the government for the development of modern service industry and express delivery, support rural economy revitalization, intelligent manufacturing, and industrial upgrading, and build on our capability to protect the international supply chain; furthermore, we actively embrace new patterns and trends in the industry to help clients innovate business models, enhance consumer perception experience, and practice the delivery and protection of a better life.



Panorama of Integrated Logistics Services



Our Services

Industrial Manufacturing	Commercial Distribution	Agricultural E-Commerce	Cold Chain	International Trade	Local Life
Production Planning Management Supplier Management Global Sourcing Bonded Warehousing Import and Export Customs Clearance Inbound Logistics Cycle Pick-Up	Intelligent Warehouse Construction RDC/DC/Pre-Warehouse Online and Offline Inventory Smart Warehouse Warehouse and Distribution Integration Reverse Logistics	Branding Channel Building Picking and Packing Cold Storage / Cold Transport Single Point of Delivery Nationwide Origin Traceability	Raw Material Sourcing Management Multi-Temperature Cold Storage GSP Certified Warehouses Full Temperature Control City Store Distribution Cold Transport to Home	Air-Sea-Rail-Land Multimodal Transport Cross-Border Express Import And Export Customs Clearance Overseas Warehouse Cross-Border E-Commerce Delivery Forwarding	Food and Beverage Delivery Intra-City Retail Delivery Errand Services E-Commerce O2O Personal Urgent Delivery

Industries Covered

Telecommunication high-tech	Home appliances	Clothing, shoes and hats	Consumer goods	Health care	Fresh food
Government & SOE	Finance and insurance	Auto	E-commerce and distribution	Industrial manufacturing	Public services

3. Cutting-edge technology for a digitalised, visual and intelligent supply chain

SF is committed to building a smart supply chain ecosystem in the digital age and establishing itself as a leader of smart supply chain operation. SF combines the massive data and industry solution experience gained in diverse businesses with the application of leading intelligent and digital logistics technologies to promote supply chain technology innovation and help clients in various industries create a modern supply chain system that can respond efficiently. SF currently has 6,271 R&D staff members, and have filed and obtained 3,864 patents, of which 61.5% are invention patents, and 2,058 software copyrights; furthermore, we won the "2021 Outstanding Project of Leading Scientific and Technological Achievements" award at the China International Big Data Industry Expo, "Science and Technology Award for the Postal Industry", "China's Top 10 Leading Innovative Enterprises in Smart Logistics" and other honorary awards. The Company's R&D investment mainly centers around the following two aspects:

Internal: digital and intelligent upgrade of the logistics network to build SF's smart brain

The purpose is to improve the digitalisation and intelligentisation levels of SF Holding's logistics network, through the digitalised end – to-end operation including collection and delivery, distribution, and transportation, applying big data prediction, visual monitoring and early warning techniques, to achieve global intelligent planning and scheduling, real-time matching of resources, and flat and efficient management; this is further combined with AIoT, automation, and unmanned operation investment, to improve network operation efficiency and help the Company reduce costs and increase efficiency.



Forecast & scheduling:

Based on big data + AI algorithms, we created a global intelligent decision-making system covering "forecast→early warning→scheduling→feedback".

Early forecasts:

The number, weight, and other information about parcels throughout the entire network, specific cities, outlet, or the minimum collection and delivery unit area can be forecast based on a time cycle, such as year, month, week, day, shift, etc. Resources were invested based on the forecast data. In this way, for the peak season of business in the fourth quarter, our forecast accuracy rate for both collected parcels reached and delivered parcels reached 95%, enabling us to reduce idle resources, and increase profitability.

Predicted collect accuracy	Predicted delivery accuracy
>95%	>95%

Real-time scheduling:

During operation, real-time routing deduction is performed for each parcel, and based on the actual situation, personnel, vehicles, and other resources are allocated on a real-time basis. In this process, various resources of the entire network are connected, including more than 420,000 couriers, more than 65,000 vehicles for long-haul and branch routes, and more than 2,000 domestic air routes, to realize refined management and control, and improve the resource utilization rate.



Collection and delivery

Applying the AOI (Area of Interest) technology (a technology for geographic areas of dynamic digital map operation), we conducted comprehensive digital operation and online management of terminal collection and delivery.

Area distribution:

Couriers' parcel collection and delivery areas are reasonably planned and allocated on a real-time basis according to AOI volume forecasts and difficulty coefficients.

Path planning:

Operation time is calculated according to distances, standards and client requirements to provide deliverymen with real-time speed estimates and optimal path planning.

User profile:

Accurate profiles are created based on the big data about users to match users with differentiated services, thereby boosting couriers' income growth and efficiency improvement.

Intelligent management:

Our automated scheduling and flexible working system reduced delivery staff's workload; real-time commission accrual is achieved according to regions, difficulty, quality and other data in multiple dimensions, to ensure that couriers' remuneration is reasonable and fair; in addition, task-based management and visual monitoring enable direct management down to the terminals of collection and delivery units and improve management efficiency.

Reduced couriers' daily working hours by nearly

1h

Improved the per capita efficiency of couriers by

6.4%

Improved the per capita efficiency of warehouse keepers by

25.3%



Distribution

We are committed to constructing automated, visual and intelligent distribution hubs

Automated:

In 2021, we installed and upgraded automation equipment in a total of 102 distribution hubs and 16 distribution points to increase our distribution processing capacity.

102

distribution hubs were automated in 2021

Visual:

We created an AIoT platform and a 3D central control system of sites to enable visual monitoring of the entire process of site operation, helping backend personnel directly manage sites.

16

distribution points were automated in 2021

Intelligent:

We used visual technology, AI deep learning, etc. to perform on-site express parcel safety inspection, video tracking, operation monitoring and risk warning, as well as real-time monitoring of site production capacity, reasonable planning of resources or dynamic diversion, thus ensuring prompt distribution operations.

Improved the per capita efficiency of distribution workers by

18.7%



Transportation

We have realized full-link end-to-end information interconnection and platform-based management of multiple transportation modes including air transportation, land transportation, and rail transportation.

Land transportation:

We built a freight resource trading platform and develop the optimal transportation plan based on the "resource utilization rate" and "cost optimization" adopted as the criteria to improve the loading rate of self-operated vehicles, and reduce the transaction cost of outsourced transportation capacity.

The loading rate of truck lines was improved by

1.7

 pts

Air transportation:

Following the principle of "optimal timeliness cost", automated scheduling decision-making of all-cargo aircraft was realized with the assistance of intelligent algorithms; and a variety of transport capacity systems were utilized to output exceptional flight scheduling and cargo diversion solutions to ensure timeliness.

The loading rate of branch lines was improved by

1.2

 pts

Multimodal transportation:

Through the cross-system interconnected road, rail, and aviation management and operation platforms, serial processes are automatically handled to realize intelligent management of resources.

The loading rate of air freights was improved by

2.5

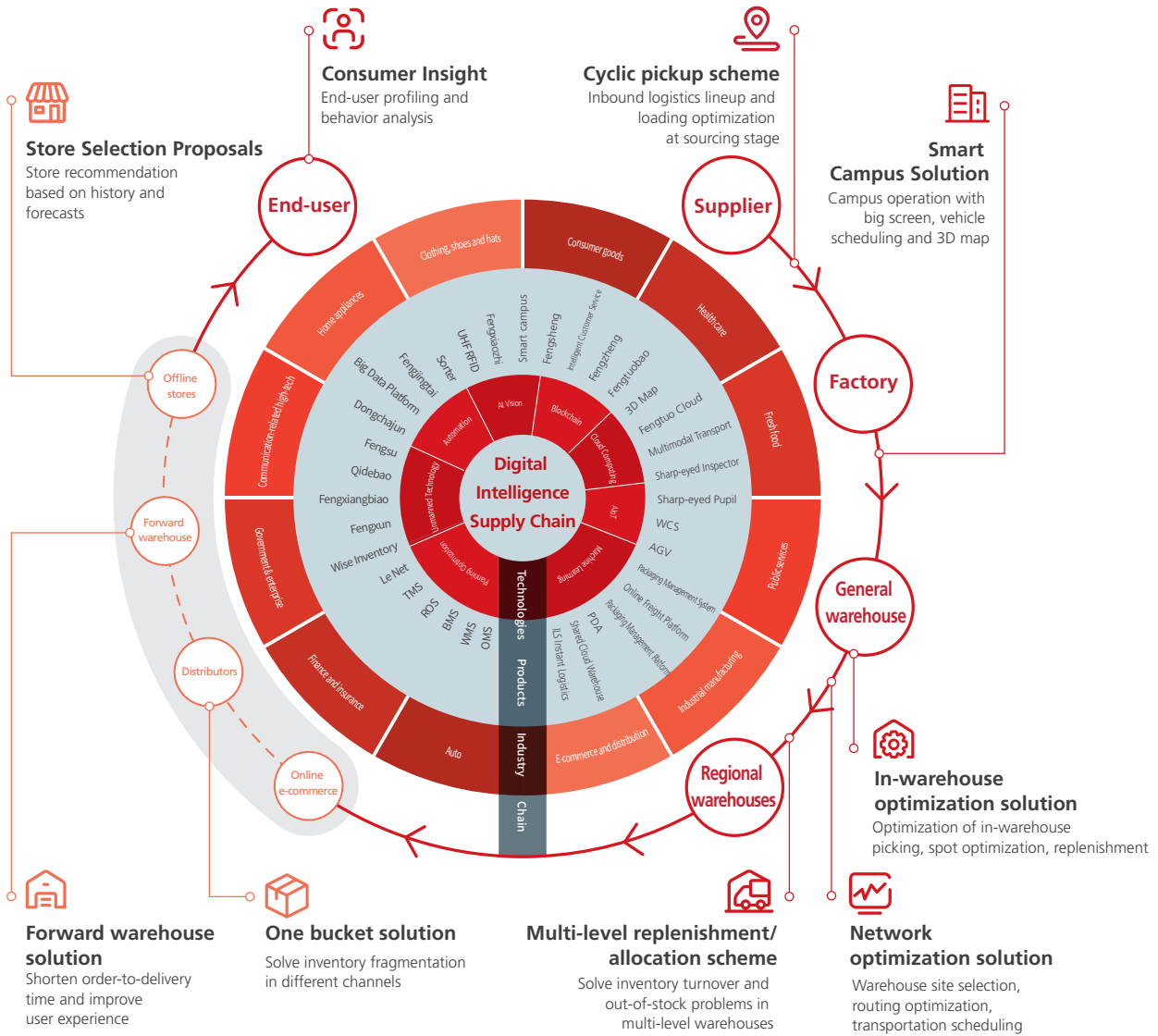
 pts

External: Application of smart supply chain technologies to boost the transformation and upgrade of clients' supply chain

The purpose is to integrate SF's exceptional technical capabilities and industrial experience, develop standardised scientific and technological products and solutions, incorporate digital and intelligent capabilities into the client's value chain, solve the pain points at all levels of client supply chain including planning, management, execution, etc., and help various industries create a flexible and intelligent supply chain system that responds efficiently to facilitate industrial upgrading, cost reduction and efficiency enhancement.

SF has provided end-to-end technical services that revolve around clients' raw material supply, production, warehousing, transportation, sales, operation and other processes: (i) **raw material procurement and entry into factories**: we carried out intelligent management of raw material supplies, and through circular pickup schemes, etc., automated route setting and loading optimization; (ii) **Production**: We adopted personnel management and intelligent park solutions based on computer vision to ensure production efficiency and work safety in parks; (iii) **Warehousing**: At the design and implementation levels, we provide warehouse network planning, multi-level replenishment, online and offline shared inventory, and other solutions; at the in-warehouse execution level, we provide multiple services such as storage location optimization and warehousing automation; (iv) **Sales**: Employing big data and algorithm technologies, we help clients gain insights of their consumers and carry out precision marketing, and provide online omni-channel store operation and management tools for small and medium-sized businesses; (v) **Operations**: through the implementation of end-to-end supply chain base systems (OMS/TMS/WMS/BMS), we connect the business processes of ordering, warehousing, transportation, settlement, etc. in support to digitalised operations.

Smart Supply Chain Mapping



The Company has also closely tracked the latest trends and evolution paths of cutting-edge logistics technologies, actively deployed vision technologies that have a major impact on the industry and future development, and kept enhancing technological competitiveness. This includes: (i) Enablement of the logistics business by **automation technology** towards the creation of unmanned and automated sites; (ii) **Big data and artificial intelligence** continue to strengthen SF's smart brain, and improve the resource application efficiency and client experience; (iii) Applying **blockchain and privacy computing** to the building of the infrastructure of data ecosystems, we continued to explore secure applications of data assets; (iv) We paid close attention to emerging cross-cutting technology such as **digital twin**, and actively explored and practiced it in various business scenarios. Through the deployment and application of innovative technologies, we continued to promote the expansion of digital boundaries and the improvement of intelligent capabilities of enterprises.

4. Build brand value with excellent service experience

SF has established itself as a well-recognized and reputable express delivery service provider through over 20 years of development. It has built a brand image of “efficiency”, “punctuality” and “safety”, created great brand value through high-quality service, and is widely recognized by clients, the industry and the community.

State Post Bureau

1st

For **13** consecutive years

in Overall Satisfaction towards Express Delivery Service and Public Satisfaction in 2021

1st

For **9** consecutive years

in end-to-end time limit (within 48 hours)

1st

For **9** consecutive years

in 72-hour delivery punctuality (above 90%)

Fortune

8th

Listed for **5** consecutive years

among “Most Admired Chinese Companies” in 2021

75th

among “Top 500 Chinese Enterprises”

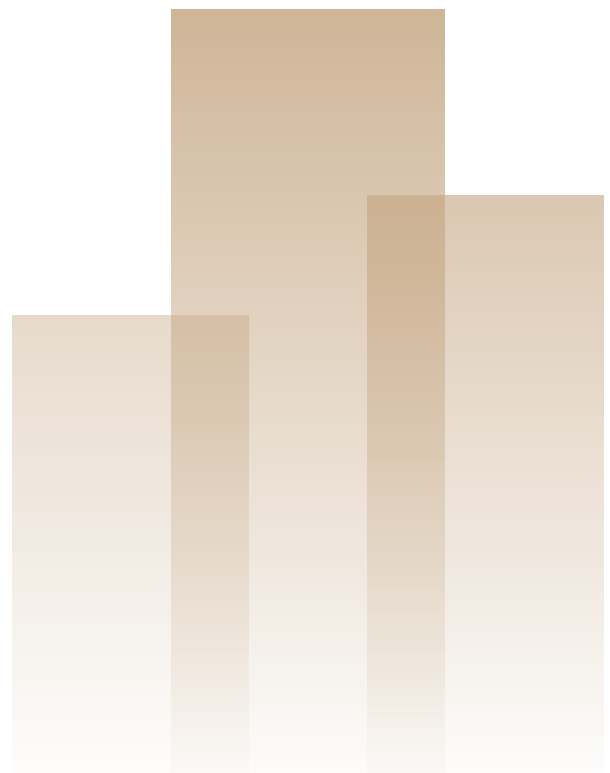
Brand Finance

270th

among “World’s Top 500 Most Valuable Brands” in 2021

8th

among “World’s Top 25 Most Valuable Logistics Brands” in 2021



IV. Analysis of Main Business

1. Overview

Against the backdrop of relatively fast business expansion in 2020, the business strategy of the Company in the second half of 2021 shifted from the pursuit of business volume toward sustainable and healthy growth, borne out of considerations on the evolving market environment, market trends and the Company's long-term strategic development. The aim is to strike a balance between business growth and the profitability.

I) In terms of **Revenue**, the Company registered a total business volume of 10.55 billion shipments in 2021, representing a year-on-year increase of 29.7%, and a gross operating income of RMB207.2 billion, up 34.5 %.

From a business segment-specific perspective, (1) the business income of **time-definite express** rose by 7.3% year-on-year, maintaining a steady pace of growth in 2021 despite the relatively high comparison base (due to a spike in the time-definite business in 2020 resulting from booming demand for anti-pandemic urgent delivery); (2) the business income of **economy express** grew by 54.7% year-on-year following the launch of highly cost-effective services that matched the service quality and price requirements of different types of e-commerce customers, hence the increase in business volume from e-commerce; (3) the business income of **freight** increased by 25.6% year-on-year as the Company maintained its competitive advantage in the middle-end and high-end LTL markets, and continued to develop the markets of economical LTL and truckload transportation along with the and extended value-added services; (4) the business income of **cold chain and pharmaceuticals** grew by 20.1% year-on-year. This was attributable to operating model innovation and technology application that led to improved profitability and competitiveness of the cold chain business and increased customer group service capacity; (5) the business income of **intra-city on-demand delivery** expanded by 59.1% as a result of the increased network coverage expansion, acquisition and development of customers and scenarios in line with changes in consumer patterns and new forms of businesses, and improvement in product system; (6) the business income of **supply chain and international** increased by 199.8%. On the one hand, it was generated from the Company's merger with Kerry Logistics in the fourth quarter that further expanded the revenue from the domestic and international logistics service. On the other hand, it was due to the sound growth of the Company's own supply chain business and international express business. For details on the development of each business segment, please refer to "2. Business development" of "II. Business Development of the Company" of this section.

II) In terms of **profit**, the Company realized a net profit attributable to shareholders of the listed company of RMB4.27 billion in 2021, representing a year-on-year drop by 41.7%, and a net profit attributable to parent's shareholders of the listed company after deducting non-recurring gains and losses (hereinafter referred to as "attributable recurring net profit") of RMB1.83 billion, representing a year-on-year decrease of 70.1%. The non-recurring items were mainly disposal income generated from the transfer of the interests in three property assets to SF REIT and the disposal of other subsidiaries by the Company, as well as government subsidies. The main reasons for the year-on-year decrease in 2021 were: (1) the Company input more network resources such as sites, equipment and transportation capacity in early 2021 in order to expand market share, build long-term core competitiveness, respond to strong growth in shipment volume and address capacity bottlenecks; (2) the increase in the number of employees staying on post and in the allowances in respond to the call for "staying put during the Chinese New Year festival" amidst the pandemic at the beginning of the year, which led to rising labor cost; (3) the fast growth in low-price economy express products put stress on the overall profitability; (4) some favorable policies were phased out in 2021 while the Company benefited from many anti-pandemic related tax incentives offered by the government in 2020.

From a quarterly perspective, the realized attributable recurring net profit for Q1, Q2, Q3 and Q4 2021 were RMB-1.13 billion, RMB0.66 billion, RMB0.81 billion and RMB1.50 billion, respectively. After suffering loss in the Q1 earnings results, the Company actively took various effective business measures and optimized its management from the second quarter to quickly make profit, and drove the results to improve steadily quarter by quarter till the fourth quarter with a year-on-year increase of 46.1% in the attributable recurring net profit. The gradual recovery of the Company's earnings results toward stable growth mainly benefited from the follows:

(1) The Company continued to focus on the core logistics strategy giving greater prominence to sustainable and healthy development, and pursued long-term, sustainable and healthy performance;

(2) In customer service, the Company hunted for more quality and long-standing partners, performed full life-cycle management based on customer stratification, formulated targeted market strategy, optimized customer and product mix, and continuously improved the competitive edge of its products and the quality of its revenue in the meanwhile;

(3) As regards cost optimization, the intensive cost control took effect. At the front end, we applied big data and algorithms to forecast customer needs and business volume; at the back end, we accurately matched resource input and dynamic scheduling. Moreover, we constantly advanced the four-network coordination, strengthened resource integration of sites, trunks and branches, and raised the automation level of equipment. As a result, the Company steadily lifted its operation efficiency, thereby improving its holistic benefit;

(4) In operation management, we pushed forward the total lean management, reviewing and monitoring the operation condition and efficiency, customer satisfaction, product analysis, financial data, etc. to realize more comprehensive and meticulous control of the overall operation.

To sum up, the Company created a complete management closed-loop at the levels of strategy, customers and products, cost and operation, exerted effective control and management, and ensured all operation measures were well implemented, in an effort to promote long-term sustainable and virtuous development of the Company.

III) In terms of capital structure, as of the end of 2021, the total assets of the Company were RMB209.9 billion, up 88.8% year-on-year; the net assets attributable to shareholders of the listed company were RMB82.9 billion, up 47.0% year-on-year. The main reasons for the fast growth were the acquisition and merger of Kerry Logistics and SF Holding's own business development. The asset-liability ratio was 53.35%, up 4.41 percentage points from 48.94% at the end of the previous year. This was mainly attributable to (1) the Company adopting new lease standards in 2021, resulting in an increase in the assets we were entitled to use and the lease liabilities; (2) increasing debt financing to raise funds for the acquisition of Kerry Logistics; (3) rising costs due to increased investment in network construction, and decreased net cash flow from operating activities in the first half of the year, and the added debt financing in support of required capital expenditure. In addition, the Company completed a non-public offering of A shares to raise RMB20 billion in October 2021, thereby reducing its asset-liability ratio and meeting the capital demand for future development.

In 2021, the Company invested RMB19.2 billion in total in fixed assets and other items (excluding equity investment), which accounted for 9.3% of total operating income – it is mainly attributable to the network capacity expansion and the peak level of investment in the Ezhou Airport construction project. In the future, the Company will stick to the lean management approach, continue to make progress in the four-network coordination, control accurate input of resources, improve resource efficiency, and drive the capital expenditure proportion of revenue to fall on a stepwise basis.

2. Revenues and costs

I) Revenue

Composition of operating revenue

(RMB'000)	2021		2020		Change over the previous year
	Amount	Proportion of revenue	Amount	Proportion of revenue	
Total revenue	207,186,647	100.00%	153,986,870	100.00%	34.55%
Categorized by industry					
Logistics and freight forwarding	203,690,237	98.31%	151,743,162	98.54%	34.23%
Sales of goods	1,764,253	0.85%	1,180,983	0.77%	49.39%
Others	1,732,157	0.84%	1,062,725	0.69%	62.99%
Categorized by business					
Time-definite express	96,160,144	46.41%	89,642,314	58.21%	7.27%
Economy express	32,269,778	15.58%	20,865,293	13.55%	54.66%
Freight	23,250,777	11.22%	18,516,573	12.03%	25.57%
Cold chain and pharmaceuticals	7,802,610	3.77%	6,496,795	4.22%	20.10%
Intra-city on-demand delivery	5,003,156	2.41%	3,145,514	2.04%	59.06%
Supply chain and international	39,203,772	18.92%	13,076,673	8.49%	199.80%
Other non-logistics businesses	3,496,410	1.69%	2,243,708	1.46%	55.83%
Categorized by region					
Logistics and freight forwarding – Mainland China	186,009,786	89.78%	147,383,556	95.71%	26.21%
Logistics and freight forwarding – Hong Kong, Macao, and Taiwan, China	4,776,091	2.31%	2,945,921	1.91%	62.13%
Logistics and freight forwarding – Overseas	12,904,360	6.22%	1,413,685	0.92%	812.82%
Other non-logistics businesses	3,496,410	1.69%	2,243,708	1.46%	55.83%

Notes:

- (1) The Company upgraded and optimized the products in the time-definite segment in April 2021. For details of such changes, please refer to I) Time-definite express, 2. Business development, II. Business Development of the Company of this section. The Company aggregated the revenue from the time-definite express business and the economy express business respectively based on the optimized new product classification, and retroactively adjusted the data for the same period in 2020.
- (2) The Company's revenue from sales of goods was not more than that from services.

Average revenue per shipment

	2021	2020	Change over the previous year
Parcels (100 million)	105.5	81.4	29.65%
Average revenue per shipment (RMB/shipment)	16.25	17.77	-8.57%

	First quarter	Second quarter	Third quarter	Fourth quarter
Average revenue per shipment in 2021 (RMB/shipment)	16.11	15.78	16.53	16.56
Average revenue per shipment in 2020 (RMB/shipment)	18.58	18.23	17.84	16.81
Year-on-year change	-13.26%	-13.41%	-7.36%	-1.47%

Notes:

- (1) The statistics of the shipment and average revenue per shipment did not include the business data relating to SF Supply Chain, New Havi and Kerry Logistics which mainly provide supply chain services and other non-logistics services.
- (2) The year-on-year decrease in the average revenue per shipment of the Company was mainly caused by the change in the business structural proportions. The fast shipment growth and rising proportion of economy express and intra-city on-demand delivery with relatively low revenue per shipment may result in the fall in overall revenue per shipment. However, with the Company's operation measures to continuously promote customer stratification and product mix optimization, the quality of revenue was effectively improved, and the average revenue per shipment recovered QoQ after the third quarter of 2021, narrowing the gap from the same period in the previous year and basically closed the year-on-year gap in the fourth quarter.

II) Cost of revenue

(RMB'000)	Cost item	2021		2020		Change over the previous year
		Amount	Proportion of cost	Amount	Proportion of cost	
Total cost of revenue		181,548,507	100.00%	128,810,033	100.00%	40.94%
Categorized by industry						
Logistics and freight forwarding	Labor cost ⁽²⁾	83,576,213	46.04%	66,692,888	51.78%	25.32%
	Transport capacity cost ⁽²⁾	70,854,193	39.03%	41,457,815	32.19%	70.91%
	Other operating costs	24,330,369	13.40%	18,757,103	14.55%	29.71%
	Total	178,760,775	98.47%	126,907,806	98.52%	40.86%
Sales of goods	Cost of goods	1,589,457	0.88%	1,130,999	0.88%	40.54%
Other businesses	Cost of services	1,198,275	0.65%	771,228	0.60%	55.37%

Notes:

- (1) The express logistics business of the Company demonstrates distinctive characterized of network-based businesses – that is high degree of cross-sharing of each item of resources between different businesses within the network and relatively more internal transactions, so we are unable to further provide the cost classified by product and region in the logistics and freight forwarding business in a fair manner.
- (2) The Company calculated the costs and expenses accurately according to the nature of resources in accordance with relevant provisions of the accounting standards. For details, please refer to "(53) Expenses Classified by Nature" in "IV Notes to the Consolidated Financial Statements" in Chapter 10 Financial Statements. However, as outsourced resources were used in some parts of the logistics network operation of the Company, in order to properly present the composition of the operating costs, the Company divided the main cost types in the outsourcing part into labor cost and transport capacity cost, and displayed them in the totals of the payroll and transport cost under the operating costs respectively.

Details on main industries

The industries accounting for more than 10% of the Company's revenue or operating profit is analyzed as follows:

(RMB'000)	Revenue		Operating cost		Gross profit margin	
	Amount	Change over the previous year	Amount	Change over the previous year	Percentage	Change over the previous year
Logistics and freight forwarding	203,690,237	34.23%	178,760,775	40.86%	12.24%	Decreased by 4.13 percentage points

Note: The Company's statistical criteria for core business data was not adjusted during the Reporting Period.

The operating costs and gross profit are analyzed as follows:

	2021	2020	Change over the previous year
Proportion of labor cost to revenue	41.03%	43.95%	Decreased by 2.92 percentage points
Proportion of transport capacity cost to revenue	34.79%	27.32%	Increased by 7.47 percentage points
Proportion of other operating costs to revenue	11.94%	12.36%	Decreased by 0.42 percentage point
Gross profit margin	12.24%	16.37%	Decreased by 4.13 percentage points

	First quarter	Second quarter	Third quarter	Fourth quarter
Proportion of labor cost to revenue	48.76%	44.31%	43.49%	32.63%
Proportion of transport capacity cost to revenue	31.85%	30.38%	30.69%	42.11%
Proportion of other operating costs to revenue	12.49%	12.54%	12.65%	10.77%
Gross profit margin	6.90%	12.77%	13.17%	14.49%

Notes:

(1) The proportion of labor cost to revenue was down by 2.92 percentage points year-on-year, but if excluded the impact of acquisition of Kerry Logistics, it was up 0.86 percentage point year-on-year. The main reasons were (i) more employees were staying on post in response to the call for "staying put during the Chinese New Year festival", and the allowances were increased as incentive to each employee on post, which quickly pushed up the labor cost in the first quarter; (ii) the Company benefited in 2020 from pandemic control-related incentive policies such as substantial reductions in and waivers of social insurance contributions but these benefits have been canceled in 2021; (iii) the rising number of shipments, especially the increased proportion of low-price products of economy express led to the increased proportion of labor cost to revenue where the collection and delivery commission was relatively fixed but the revenue per shipment dropped.

Nevertheless, by continually leveraging technology to enable distribution, collection and delivery operations, improving operation efficiency per head, and optimizing product mix, the Company managed to raise the proportion of labor cost to revenue quarter by quarter. The proportion of labor cost to revenue (excluding Kerry Logistics) in the fourth quarter was down by 0.32 percentage point quarter-on-quarter.

(2) The proportion of transport cost to revenue grew by 7.47 percentage points year-on-year, but if excluded the impact of the acquisition of Kerry Logistics, it was up 3.04 percentage points year-on-year. This was mainly due to (i) the fast growth of such businesses of the Company as the economy express, freight and integrated logistics, and increased input of land transport resources; (ii) overlapping input of some route resources during the initial stage of the four-network coordination and amid the transformation of the network operating model; (iii) for the purpose of building an efficient and advanced land transport network and elevating the timeliness of the freight business and service experience, the Company increased the direct shipping trunks and departure frequency to achieve a clearly leading position in the industry in terms of timeliness of freight products; (iv) the increased transport capacity cost to some extent resulting from rising fuel prices; and (v) in the first half of 2020, the Company enjoyed the reduction and exemption of road and bridge tolls in connection with the anti-epidemic efforts of the government, and there were no relevant preferential policies in 2021.

However, with the furthering of the Company's four-network coordination project, route planning optimization, route integration of trunks and branches, improvement in vehicle loading efficiency, and enhancement of business forecast and precise control over resource input by virtue of technology, the proportion of transport capacity cost to revenue was optimized quarter by quarter. The proportion of transport capacity cost to revenue (excluding Kerry Logistics) in the fourth quarter fell by 1.92 percentage points quarter-on-quarter.

(3) The proportion of other operating costs to revenue decreased by 0.42 percentage point year-on-year, but if excluded the impact of acquisition of Kerry Logistics, it was increased by 0.14 percentage point year-on-year. This was because the fast scale-up in the previous year and the hindered network construction due to the pandemic caused capacity bottlenecks in our transit depots. To tackle the bottlenecks, boost capacity and support long-term business growth, the Company added inputs of transit depots and automated equipment during the year, hence the rise in lease expense and depreciation accordingly.

But through the four-network coordination, the Company propelled the coordinated construction of express delivery, freight and warehousing facilities, generated intensification benefits, and reduced the input of temporary sites during peak seasons. As the number of shipments climbed up, the economies of scale gradually kicked in, leading to optimization of the proportion of other operating costs to revenue by quarter. The proportion of other operating costs to revenue (excluding Kerry Logistics) in the fourth quarter dropped by 0.32 percentage point quarter-on-quarter.

(4) For the above reasons, the gross profit margin of the Company's core businesses of logistics and freight forwarding was improved quarter by quarter.

III) Changes in the consolidation scope during the Reporting Period

The changes in the consolidation scope during the Reporting Period are detailed in “V Changes in the Consolidation Scope” of Chapter 10 Financial Statements. As the Company acquired 51.5% of the equity interests in Kerry Logistics through partial tender offer during the Reporting Period, Kerry Logistics became a subsidiary held by the Company and was included in the scope of consolidated statements. For information of the relevant figures, please refer to “(1) Business Combinations Not Under Common Control under V Changes in the Consolidation Scope” and “(1) Interests in Subsidiaries under VI Interests in Other Entities” in “Chapter 10 Financial Statements”.

IV) Major customers and major suppliers

Major customers

Total sales revenue from the top five customer (RMB'000)	11,562,739
Total sales revenue from the top five customers in proportion of total annual sales revenue	5.57%
Total sales revenue from affiliated parties in the top five customers in proportion of total annual sales revenue	0.78%

Information about the top 5 customers

SN	Customer	Revenue (RMB'000)	Proportion of total annual sales revenue
1	Customer One	4,959,629	2.39%
2	Customer Two	2,057,523	0.99%
3	Customer Three	1,693,947	0.82%
4	Customer Four	1,620,689	0.78%
5	Customer Five	1,230,951	0.59%
Total	–	11,562,739	5.57%

Other information regarding major customers

During the Reporting Period, the Company provided services to its affiliated parties, M China Management Limited and its subsidiaries as well as its franchisees, and obtained sales revenue of RMB1,620,689 thousand. Apart from that, the Company did not have any associated relationship with the other major customers mentioned above, and the Company's directors, supervisors, senior managers, core technical personnel, shareholders who held more than 5% of the shares, actual controller and other affiliated parties did not directly or indirectly hold any interest in other major customers.

Major suppliers

Total purchase amount from the top five suppliers (RMB'000)	22,479,993
Total purchase amount from the top five suppliers in proportion of total annual purchase amount	12.37%
Total purchase amount from affiliated parties of the top five suppliers in proportion of total annual purchase amount	0.00%

Information about the top 5 suppliers

SN	Supplier	Purchase amount (RMB'000)	Proportion of total annual purchase amount
1	Supplier One	8,189,189	4.50%
2	Supplier Two	4,919,477	2.71%
3	Supplier Three	3,537,959	1.95%
4	Supplier Four	3,229,276	1.78%
5	Supplier Five	2,604,092	1.43%
Total	-	22,479,993	12.37%

Other information regarding major suppliers

The top five suppliers had no associated relationship with the Company, and the Company's directors, supervisors, senior managers, core technical personnel, shareholders who held more than 5% of the shares, actual controller and other affiliated parties did not directly or indirectly hold any interest in major suppliers.

V) Other information

- (1) During the Reporting Period, the Company did not enter into any major sales contract or major purchase contract.
- (2) During the Reporting Period, there was no major change or adjustment to its businesses, products or services.

3. Expenses

(RMB'000)	2021		2020		Change over the previous year
	Amount	Proportion of revenue	Amount	Proportion of revenue	
Selling and distribution expenses	2,837,899	1.37%	2,252,381	1.46%	26.00%
General and administrative expenses	15,029,663	7.25%	11,599,761	7.53%	29.57%
Financial costs	1,563,359	0.75%	852,547	0.55%	83.38%
Research and development expenses	2,154,839	1.04%	1,741,558	1.13%	23.73%

Explanation on change in selling and distribution expenses & general and administrative expenses: With the growth of business scale, the salary of employees increases; meanwhile, with the help of technology digitization and intelligent technology, we promote flat management, streamlining of organization and improvement of efficiency, which led to the year-on-year decrease of administrative and sales expenses.

Explanation on change in financial cost: The rapid year-on-year increase was mainly due to the implementation of new lease standards this year and the new interest expense generated by lease liabilities;

Explanation on change in research and development expenses: The Company continued to improve the level of internal operation digitization and intelligence and externally empower customer supply chain transformation through technological investment. The overall R&D investment grew steadily, and we pay attention to the output benefits of technological investment. The ratio of research and development expenses to income remained stable. For details, please see the description in "4. R&D Investment" below.

4. R&D investment

The Company's R&D projects were oriented to two major objectives: "internally, digital-intelligent upgrading of logistic networks for the building of the SF Smart Brain, and externally, application of the intelligent supply chain technology in support to the transformation and upgrading of customers' supply chains", for which a series of technical products R&D initiatives and applications of technologies were carried out. This was aimed at enhancing the digitalisation and intelligence of the entire internal end-to-end operation process and empower the digital-intelligent changes of external customers' supply chains by technology, drive cost reduction and efficiency improvement in the supply chain as a whole, and ultimately help the Company generate revenue, lower costs, and increase operating benefit. For details, please refer to "3. Cutting-edge technology for a digitalised, visual and intelligent supply chain" of "III. Core Competitiveness" of this section.

Information about R&D staff

	2021	2020	Change over the previous year
Number of R&D staff (person)	6,271	6,089	2.99%
Proportion of R&D personnel as a percentage of total staff	3.54%	4.99%	-1.45%
Composition of R&D personnel by education level			
Junior college (person)	786	910	-13.63%
University (person)	4,333	3,887	11.47%
Master and above (person)	1,152	1,292	-10.84%
Composition of R&D personnel by age			
Aged below 30 (person)	2,946	2,820	4.47%
Aged 30 – 40 (person)	3,190	3,166	0.76%
Aged above 40 (person)	135	103	31.07%

Note: There was no major change to the composition of R&D staff in the Company.

Investment in R&D

(RMB'000)	2021	2020	Change over the previous year
Technology investment amount	4,931,955	4,272,565	15.43%
Technology investment as a percentage of revenue	2.38%	2.77%	-0.39%
Including:			
R&D investment amount	3,651,655	3,000,756	21.69%
R&D investment as a percentage of revenue	1.76%	1.95%	-0.19%
Amount of capitalized R&D investment	1,429,608	1,209,592	18.19%
Capitalized R&D investment as a percentage of R&D investment	39.15%	40.31%	-1.16%

Note: There was no significant change in the R&D investment amount as a percentage of revenue compared with the previous year; and there was no great change in the capitalization rate of R&D investment.

V. Non-core Business Analysis

(RMB'000)	Amount	Proportion of total profit	Reason
Other income	1,768,139	24.79%	Mainly including government grants related to daily activities.
Investment income	2,406,535	33.73%	Mainly including income from the disposal of subsidiaries and income from maturity structured deposits
Gains and losses arising from changes in fair value	98,949	1.39%	Mainly including changes in fair value of other non-current financial assets.
Credit impairment losses	-578,951	-8.12%	Mainly including bad debt losses of accounts receivable.
Asset impairment losses	-60,390	-0.85%	Mainly including impairment losses of long-term equity investment.
Non-operating income	289,542	4.06%	Mainly including government grants unrelated to daily activities and compensation income.
Non-operating expenses	404,258	5.67%	Mainly including losses on scrapping of assets, compensation expenses, and donations.

Explanation on sustainability

Except the income from structural deposits in the investment income, all other items mentioned above were not sustainable.

VI. Profit Analysis

To conclude the aforementioned analysis, despite the year-on-year fall in the Company's earnings results in 2021, thanks to a number of effective management measures and management optimization at the levels of strategy, customers and products, cost, and operation, the earnings recovered quarter by quarter.

(RMB'000)	First quarter	Second quarter	Third quarter	Fourth quarter
Net profit	-1,155,054	1,570,844	848,826	2,654,597
Net profit margin	-2.71%	3.44%	1.79%	3.72%
Net profit attributable to shareholders of the parent company	-988,998	1,748,919	1,037,732	2,471,445
Net profit margin attributable to shareholders of the parent company	-2.32%	3.82%	2.18%	3.46%
Net profit attributable to shareholders of the parent company after deducting non-recurring profit and loss	-1,133,854	656,765	810,012	1,501,276
Net profit margin attributable to shareholders of the parent company after deducting non-recurring profit and loss	-2.66%	1.44%	1.70%	2.10%

Net profit by segment

(RMB'000)	2021		2020		Amount of change over the previous year
	Net profit	Net profit margin	Net profit	Net profit margin	
Express segment	3,832,187	2.65%	8,496,121	6.59%	-54.89%
Freight segment	-582,308	-1.87%	-908,151	-4.06%	35.88%
Intra-city segment	-898,851	-11.00%	-756,534	-15.62%	-18.81%
Supply chain and international segment	615,252	1.52%	102,953	0.75%	497.60%
Undistributed units	965,462	8.87%	14,848	0.26%	6,402.30%

Notes:

- Express segment: the segment generated a net profit of RMB3.83 billion in 2021, less than the amount in the previous year, mainly for these reasons: increased investment in network construction, increased cost of various resources, together with the rising proportion of economy express products in the product mix, which resulted in unsatisfactory cost-effectiveness performance, the profitability was under pressure to a certain degree. However, as mentioned above, through continuous optimization of the customer mix and product mix, and intensive cost control, the Company succeeded in increasing overall performance in this regard. In particular, the profitability of economy express products improved noticeably during the e-commerce peak season in the fourth quarter.
- Freight segment: in 2021, the segment suffered a net loss of RMB0.58 billion, which was less than the loss of the same period in the previous year, indicating an increased net profit ratio. In order to build a highly efficient and leading land transportation network, undertake the large-parcel business of time-definite express and economy express, and improve the timeliness and service experience of freight business, in the first half of the year, the segment increased direct-shipment trunk lines and the dispatch frequency, resulting in fast increase of transport capacity costs and affecting the profitability of the segment. However, the implementation of four-network integration, as well as the integrated construction of freight and express depots and the integration and optimization of trunk lines, could reduce the repeated investment of resources, improve the cost per kg of each operating link, and boost the recovery of profitability.
- Intra-city segment: the segment suffered a net loss of RMB0.90 billion in 2021, higher than the amount in the previous year, while the net profit picked up to some extent. This was because the intra-city on-demand delivery business was still in the development stage in 2021, with increased coverage of cities and density of regions, and sharp rise in the number of orders. In the meantime, the powerful intelligent system scheduling technology, and order combination across various business scenarios helped deliverymen map out optimal paths, improve per deliveryman performance, enabled even distribution of orders across all time periods, and improved deliverymen' revenue generation and the holistic economies of scale.
- Supply chain and international segment: the segment realized a net profit of RMB0.62 billion in 2021, indicating a clear year-on-year increase. This is mainly due to the consolidation of Kerry Logistics' earnings results in the fourth quarter, which increased segment net profit. In addition, to help customers build intelligent supply chains, the Company enhanced the investment in independent R&D of software and hardware technologies in 2021, and meanwhile, it increased supply chain and international business network capability building, so as to attract more new customers, delve deeper into more supply chain scenarios of customers, and boost rapid revenue growth. In the future, the output benefits of relevant investments will gradually be realized.
- Undistributed units: The net profit realized was RMB0.97 billion in 2021, mainly including the one-off disposal income from the transfer of the Company's interests in three property assets in Foshan, Wuhu, and Hong Kong, China respectively to SF REIT, and the investment income from the transfer of other subsidiaries.

VII. Cash Flow

(RMB'000)	2021	2020	Change over the previous year
Sub-total of operating cash inflows	303,261,404	239,308,915	26.72%
Sub-total of operating cash outflows	287,903,799	227,984,996	26.28%
Net cash flows from operating activities	15,357,605	11,323,919	35.62%
Sub-total of investing cash inflows	129,699,181	114,267,336	13.51%
Sub-total of investing cash outflows	146,830,408	129,151,642	13.69%
Net cash flows from investing activities	-17,131,227	-14,884,306	-15.10%
Sub-total of financing cash inflows	68,270,517	20,641,562	230.74%
Sub-total of financing cash outflows	47,050,591	19,309,911	143.66%
Net cash flows from financing activities	21,219,926	1,331,651	1,493.51%
Effect of exchange rate changes on cash and cash equivalents	-99,020	-69,228	-43.03%
Net increase in cash and cash equivalents	19,347,284	-2,297,964	941.93%

Note: There was no major difference between the net cash flows from operating activities during the Reporting Period and the net profit of the year.

Notes:

- (1) Net cash flows from operating activities: Under new lease standards, the cash outflow and related deposits of RMB6,402,392 thousand for rent was recognized in financing activities. With this amount factored in, the net cash flows from operating activities decreased by RMB2,368,706 thousand year-on-year, mostly due to the year-on-year decrease in net profit;
- (2) Net cash flows used in investing activities: The year-on-year increase resulting from the combined effect of an increase in the net outflow on purchases and construction of long-term assets and an increase in the net outflow on subsidiary acquisitions;
- (3) Net cash flows from financing activities: The year-on-year increase was attributable to an increase in net cash inflow from non-public offering of ordinary A shares, borrowings and issuance of debentures.

VIII. Analysis of Assets and Liabilities

1. Major Changes in Asset Composition

(RMB'000)	As at the end of 2021		As at the beginning of 2021		Increase/ Decrease in Proportion	Major Changes
	Amount	Proportion of Total Assets	Amount	Proportion of Total Assets		
Cash at bank and on hand	35,315,051	16.82%	16,417,892	13.55%	3.27%	For details, please refer to "VII. Cash Flow" under "Chapter 3 Management Discussion and Analysis".
Financial assets held for trading	10,384,493	4.95%	6,276,923	5.18%	-0.23%	Mainly due to the integrated impact of increase in structured deposits and subsidiary acquisition.
Accounts receivables	30,441,758	14.50%	16,849,064	13.91%	0.59%	Mainly due to the integrated impact of subsidiary acquisition and business growth.
Contract assets	1,038,247	0.49%	399,035	0.33%	0.16%	Mainly due to subsidiary acquisition.
Other receivables	4,238,518	2.02%	2,493,564	2.06%	-0.04%	Mainly due to subsidiary acquisition.
Inventories	1,546,821	0.74%	986,951	0.81%	-0.07%	Mainly due to subsidiary acquisition.
Long-term equity investments	7,260,087	3.46%	3,647,231	3.01%	0.45%	Mainly due to the integrated impact of increase in investments in joint ventures and associates, and subsidiary acquisition.
Investments in other equity instruments	6,810,771	3.24%	5,027,489	4.15%	-0.91%	Mainly due to the integrated impact of increase in fair value and subsidiary acquisition.
Investment properties	4,850,233	2.31%	2,219,405	1.83%	0.48%	Mainly due to the integrated impact of subsidiary acquisition and completion of construction projects.
Fixed assets	36,925,990	17.59%	22,326,315	18.43%	-0.84%	Mainly due to the integrated impact of subsidiary acquisition and increased capacity construction.
Construction in progress	8,571,203	4.08%	5,379,854	4.44%	-0.36%	Mainly due to increased investment in the industrial park project and the relocation of the transit depot renovation project.
Right-of-use assets	17,297,085	8.24%	10,537,925	8.70%	-0.46%	Mainly due to the integrated impact of business growth and subsidiary acquisition.
Intangible assets	18,324,188	8.73%	10,633,114	8.78%	-0.05%	Mainly due to subsidiary acquisition.
Goodwill	7,371,830	3.51%	3,377,141	2.79%	0.72%	Mainly due to subsidiary acquisition.
Long-term prepaid expenses	2,911,094	1.39%	1,860,737	1.54%	-0.15%	Mainly due to the integrated impact of right-of-use assets improvement, pilot settling-in and introduction fees, and subsidiary acquisition.
Short-term borrowings	18,397,204	8.76%	7,996,570	6.60%	2.16%	Mainly due to the combined impact of new short-term borrowings and the acquisition of subsidiaries.
Accounts payable	23,467,675	11.18%	15,484,940	12.78%	-1.60%	Mainly due to subsidiary acquisition and increased operating costs.
Contract liabilities	1,675,836	0.80%	1,539,264	1.27%	-0.47%	No major changes.
Employee benefits payable	5,575,463	2.66%	4,310,829	3.56%	-0.90%	Mainly due to subsidiary acquisition.
Taxes payable	2,873,551	1.37%	1,855,264	1.53%	-0.16%	Mainly due to subsidiary acquisition.
Other payables	11,520,282	5.49%	7,530,794	6.22%	-0.73%	Mainly due to the integrated impact of subsidiary acquisition and increased long-term asset investment.

(RMB'000)	As at the end of 2021		As at the beginning of 2021		Increase/ Decrease in Proportion	Major Changes
	Amount	Proportion of Total Assets	Amount	Proportion of Total Assets		
Current portion of non-current liabilities	8,335,803	3.97%	6,608,790	5.46%	-1.49%	Mainly due to subsidiary acquisition.
Other current liabilities	4,127,049	1.97%	92,356	0.08%	1.89%	Mainly due to the issuance of super & short-term commercial papers and short-term corporate bonds.
Long-term borrowings	3,510,829	1.67%	1,865,820	1.54%	0.13%	Mainly due to subsidiary acquisition.
Debentures payable	15,656,370	7.46%	8,425,430	6.96%	0.50%	Mainly due to the issuance of US dollar debentures.
Lease liabilities	10,941,938	5.21%	6,304,191	5.20%	0.01%	Mainly due to the integrated impact of business growth and subsidiary acquisition.
Deferred tax liabilities	4,402,160	2.10%	1,687,606	1.39%	0.71%	Mainly due to subsidiary acquisition.
Share capital	4,906,213	2.34%	4,556,440	3.76%	-1.42%	Mainly due to the non-public offering of ordinary A shares.
Capital reserve	46,200,598	22.01%	24,405,217	20.15%	1.86%	Mainly due to the integrated impact of the non-public offering of ordinary A shares and subsidiaries absorbing investment of minority.
Other comprehensive income	2,617,231	1.25%	1,143,969	0.94%	0.31%	Mainly due to changes in fair value of investments in other equity instruments
Minority interests	14,972,021	7.13%	316,651	0.26%	6.87%	Mainly due to the integrated impact of subsidiary acquisition and investment absorption of minority.

Key Overseas Assets

Details of the Assets	Formed Reason	Assets Scale (RMB'000)	Location	Operating Model	Control Measures for Ensuring Asset Security	Profiting Status (RMB'000)	Assets Overseas/Net Assets of the Company	Whether there is Significant Impairment Risk
51.5% equity of Kerry Logistics	Equity acquisition	24,183,945	Hong Kong (China)	Integrated logistics, international freight forwarding and supply chain solutions	Please refer to XIII. The Company's Management and Control over Its Subsidiaries during the Reporting Period in this section.	883,124	24.70%	No
Other information	<p>"Asset scale" refers to net assets of Kerry Logistics;</p> <p>"Earnings" refers to net profit contributed by Kerry Logistics, which is the net profit of Kerry Logistics after the acquisition date, taking into account the fair value of identifiable assets and liabilities at the time of the acquisition of the equity of Kerry Logistics and the impact of adjustments arising from adopting the same accounting policy. Among which, the net profit attributable to shareholders of the parent company was RMB371,005 thousand and the profit or loss attributable to minority shareholders was RMB512,119 thousand;</p> <p>"Proportion of overseas assets in the Company's net assets" refers to net assets of Kerry Logistics/net assets of the Company.</p>							

2. Assets and liabilities measured at fair value

(RMB'000)	Opening Balance	Changes in Fair Value Gains and Losses in Current Period	Accumulated Fair Value Changes Included in Equity	Provision for Impairment in Current Period	Amount of Purchase in Current Period	Amount of Sales in Current Period	Other Changes	Closing Balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	7,108,449	98,949	-	-	3,198,018	249,672	1,106,773	11,262,517
2. Investments in other equity instruments	5,027,489	-	1,870,952	-	94,839	647,190	464,681	6,810,771
Subtotal financial assets	12,135,938	98,949	1,870,952	-	3,292,857	896,862	1,571,454	18,073,288
Others	-	-	-	-	-	-	-	-
Total	12,135,938	98,949	1,870,952	-	3,292,857	896,862	1,571,454	18,073,288
Financial liabilities	22,155	-	-14,666	-	-	-	169	7,658

Note: The item includes structured deposits that do not carry the characteristics of contract cash flow for principal and interest. The structured deposits have short maturities and are highly liquid, and net purchases and sales for the current period are stated in the current period.

(1) Other changes :

Other changes in financial assets held for trading are mainly investment income realized by matured structured deposits, and other changes in investments in other equity instruments are mainly due to exchange differences on translation of foreign currency financial statements.

(2) None of any significant changes occur for the Company's major asset measurement attributes during the reporting period.

3. Limitation of asset rights as of the end of the reporting period

At the end of the reporting period, the Company's assets with restricted rights are mainly long-term bank borrowing mortgage, details of which are as follows:

(RMB'000)	Book Value at the End of Period	Limitation Reason
Cash at bank and on hand	576,926	Mainly legal reserves in the Central Bank
Fixed assets	1,688,091	Long-term and short-term borrowing mortgage
Intangible assets	232,730	Long-term and short-term borrowing mortgage
Investment properties	224,440	Long-term and short-term borrowing mortgage
Construction in progress	47,010	Long-term borrowing mortgage
Total	2,769,197	

IX. Investments

1. General situation

Investment Amount During the Reporting Period (RMB'000)	Investment Amount During the Same Period of Previous Year (RMB'000)	Change
28,895,208	14,153,615	104.15%

Of these, breakdown items of capital expenditure during the reporting period are as in the table below:

Item	Investment Amount During the Reporting Period (RMB'000)
Office and Buildings	578,668
Land	1,447,275
Warehouse	1,684,497
Sorting center	7,908,725
Aircraft	2,696,556
Vehicle	1,561,187
Information technology equipment	958,035
Equity investments	9,699,648
Others	2,360,617
Total	28,895,208

2. Significant Equity Investment Obtained During the Reporting Period

Name of invested company	Primary business	Investment method	Investment amount (Note 1) (RMB'000)	Proportion of shareholding	Capital source	Partner	Term of investment	Product type	Progress as of the balance sheet date	Estimated income (RMB'000)	Profits and losses of investment during the period (Note 2) (RMB'000)	Involved in lawsuit	Date of disclosure (if any)	Disclosure index (if any)
Kerry Logistics Network Limited	Comprehensive logistics, international freight forwarder and supply chain solutions.	Acquisition	14,550,982	51.50%	Self-raised funds	No	N/A	N/A	Closed	N/A	883,124	No	February 10, 2021, May 29, 2021, August 3, 2021, August 10, 2021, August 12, 2021, August 19, 2021, September 3, 2021, September 17, 2021 and September 29, 2021	Relevant announcements (Announcement No.: 2021-015, 2021-073, 2021-090, 2021-093, 2021-094, 2021-096, 2021-101, 2021-106 and 2021-108) disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn)
Total	-	-	14,550,982	-	-	-	-	-	-	-	883,124	-	-	-

Note 1: The investment amount represents the consideration paid by the Company for the acquisition of 51.5% equity of Kerry Logistics through partial tender offer;

Note 2: Profits and losses of investment during the period represent the net profit contributed by Kerry Logistics, which is the net profit of Kerry Logistics after the acquisition date, taking into account the fair value of identifiable assets and liabilities at the time of the acquisition of the equity of Kerry Logistics and the impact of adjustments arising from adopting the same accounting policy. Among which, the net profit attributable to shareholders of the parent company was RMB371,005 thousand and the profit or loss attributable to minority shareholders was RMB512,119 thousand.

3. Significant Non-Equity Investment Ongoing During the Reporting Period

Not applicable

4. Investments in Financial Assets

(1) Investments in Securities

Unit: RMB'000

Security type	Stock code	Abbreviation of security	Initial investment cost	Accounting measurement model	Book value at the beginning of the reporting period	Gains and losses from changes in fair value during the period	Accumulated fair value changes included in equity	Purchase amount during the reporting period	Sales amount during the reporting period	Gains and losses of the reporting period	Book value at the end of the reporting period
Domestic and overseas stocks	06166	China VAST Development	223,897	Fair value measurement	278,203	-	-131,815	-	21,406	14,423	118,945
Domestic and overseas stocks	01810	Xiaomi Group	-	Fair value measurement	386,952	-	-66,147	-	316,949	-	-
Domestic and overseas stocks	01492	ZhongDi Dairy	-	Fair value measurement	100,085	-	142	-	100,227	-	-
Domestic and overseas stocks	300771	Zhilai Sci and Tech	21,377	Fair value measurement	125,918	-	-39,427	-	-	1,777	86,491
Domestic and overseas stocks	GB00BLH1QT30	Samarkand	27,081	Fair value measurement	-	-	8,644	28,411	-	-	36,500
Total			272,355	-	891,158	-	-228,603	28,411	438,582	16,200	241,936
Disclosure Date of Securities Investment Approval Board Announcement											Not applicable
Disclosure Date of Securities Investment Approval Shareholders Meeting Announcement (if any)											Not applicable

Note: The accounting items of the above domestic and foreign stocks are all "investments in other equity instruments", and the capital source is "self-owned funds"

(2) Investments in Derivatives

Unit: RMB'000

Name of derivative investment operator	Related-party relationship	Related party Transactions	Investment type of derivatives	Initial derivatives investment amount	Starting date	Ending date	Investment amount at the beginning of the reporting period	Amount of purchase in the reporting period	Amount of sales in the reporting period	Amount of provision for impairment (if any)	Investment amount at the end of the reporting period	Proportion of investment amount at the end of the reporting period to net assets of the Company	Actual gains/ losses during the reporting period
Bank	No	No	Forward Exchange Purchase	1,274,620	2020/7/20	2023/7/24	1,304,660	Not applicable	Not applicable	-	1,274,620	1.30%	-7,793
Bank	No	No	Forward Exchange Purchase	955,965	2020/7/28	2023/7/24	978,495	Not applicable	Not applicable	-	955,965	0.98%	-5,844
Bank	No	No	Forward Exchange Purchase	955,965	2020/7/30	2023/7/24	978,495	Not applicable	Not applicable	-	955,965	0.98%	-5,844
Total				3,186,550	-	-	3,261,650	Not applicable	Not applicable	-	3,186,550	3.26%	-19,481
Source of funds													Self-owned funds
Lawsuit (if applicable)													N/A
Disclosure Date of Derivatives Investment Approval Board Announcement (if any)													March 24, 2020
Disclosure Date of Derivatives Investment Approval Shareholders Meeting Announcement (if any)													N/A
Risk analysis and control measures for derivatives investment during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>(I) Risk analysis</p> <p>The foreign exchange hedging business is carried out by the Company based on the principles of lawfulness, prudence, safety and effectiveness, and not for speculative purposes. All foreign exchange hedging transactions are derived from normal cross-border business, but certain risks may exist in foreign exchange hedging transactions.</p> <ol style="list-style-type: none"> Market risk: The foreign exchange hedging business carried out by the Company and its subsidiaries mainly involves daily cross-border intermodal transportation fees and investment and financing activities denominated in foreign currencies related to the main business. The associated market risk refer to losses which may arise from changes in price of foreign exchange hedging products due to fluctuations in market prices of underlying exchange rates and interest rates. Liquidity risk: Since all foreign exchange hedging business is conducted through financial institutions, we are subject to the risk of having to pay fees to banks due to losses in closing out positions caused by insufficient liquidity in the market. Non-performance risk: The Company and its subsidiaries conduct foreign exchange hedging business mainly based on rolling forecasts for risk management. We are subject to the risk that the actual cash flow deviates from forecast, resulting in failure to fulfill obligations under relevant hedging contracts when due. Other risks: In the course of business, if the person concerned fails to report and seek approval in accordance with the prescribed procedures, or fails to make records on foreign exchange hedging business accurately, timely and completely, losses may be incurred or trading opportunities may be lost. At the same time, if the person concerned fails to fully understand the terms of the transaction contract and product information, we are exposed to related legal risks and transaction losses as a result. <p>(II) Risk control measures</p> <ol style="list-style-type: none"> Clarify the criteria of initiating transaction of foreign exchange hedging product: All foreign exchange hedging businesses are derived from normal cross-border business for the purpose of averting and preventing exchange rate and interest rate risk. No foreign exchange derivatives trading shall be carried out for speculative purposes. Selection of products: Hedging products with simple structure, strong liquidity and controllable risk are selected to carry out foreign exchange hedging business. Counterparty selection: The counterparties of the Company's foreign exchange hedging business are large state-owned commercial banks and international banks with sound operation, good credit, long history of cooperation with the Company and good credit standing. Determination of fair value of foreign exchange hedging products: The foreign exchange hedging products operated by the Company are mainly for the management of foreign exchange transactions in the predictable future period, with high market transparency and active trading, the transaction price and settlement unit price of which can fully reflect their fair value. The Company determines the fair value of the hedging products in accordance with the transaction data provided by or obtained from the public domain including the system of banks and Reuters. Equipped with professional staff: The Company has maintained a team of professionals with expertise in financial derivatives, responsible for the Company's exchange rate risk management, market analysis, product research and the Company's overall management policy recommendations, etc. Establishing a comprehensive risk alarm and reporting mechanism: The Company sets risk limits for foreign exchange hedging business where transactions have been made, timely evaluates changes in risk exposure and derived gains and losses, and provides regular risk analysis report to the management and the Board of Directors. Appropriate risk assessment models or monitoring systems are used to continuously monitor and report various risks. More frequent reports are made when the market fluctuates drastically or when risks are higher. A response plan will be made promptly. Separation of duties and personnel between the front end and back end is strictly implemented. Dealers cannot concurrently hold the position as accounting personnel and vice versa. 												

Name of derivative investment operator	Related-party relationship	Related party Transactions	Investment type of derivatives	Initial derivatives investment amount	Starting date	Ending date	Investment amount at the beginning of the reporting period	Amount of purchase in the reporting period	Amount of sales in the reporting period	Amount of provision for impairment (if any)	Investment amount at the end of the reporting period	Proportion of investment amount at the end of the reporting period to net assets of the Company	Actual gains/losses during the reporting period
Changes in market price or fair value of invested derivatives during the reporting period (the specific methods, relevant assumptions and parameters used in the analysis of the fair value should be disclosed)	The Company's analysis of the fair value of derivatives is based on the financial market fair value valuation report provided by the bank at month end.												
Explanation of whether the accounting policies and accounting principles of the Company's derivatives during the reporting period are significantly changed compared with the previous reporting period	No												
Opinions of independent directors on the Company's derivatives investment and risk control	The independent directors believed that the Company had established an internal control system for foreign exchange hedging and effective risk control measures in accordance with the requirements stipulated by relevant laws. Under the premise of complying with national laws and regulations and ensuring that the Company's daily operation were not affected, the Company used its own funds to carry out foreign exchange hedging when appropriate, which was conducive to preventing interest rate and exchange rate risks, reducing the impact of interest rate fluctuations on the Company, in line with the interests of the Company and all shareholders and was no harm to the Company and all shareholders, especially the interests of minority shareholders.												

5. Use of Raised Funds

(1) Description for overall utilisation of Raised Funds

Unit: RMB'000

Year	Method of Funding	Total Raised Funds	Total Raised Funds invested in the current year (Note 1)	Accumulative Raised Funds invested	Total Raised Funds with usage altered in the reporting period	Accumulative Raised Funds with usage altered	Proportion of accumulative total Raised Funds with usage altered	Total unused Funds	Use and Allocation of unused Funds	Funds Idled for over Two Years
2021	Non-public Offering of Shares	19,907,320	10,798,914	10,798,914	-	-	-	9,108,407	The balance of purchasing structural deposits to conduct cash management as idle raised funds was RMB8,850,000,000, that of purchasing wealth management products with guaranteed principal was RMB100,000,000, and the remaining unused Raised Funds were deposited in a special account.	-
Total	-	19,907,320	10,798,914	10,798,914	-	-	-	9,108,407	-	-

Description for overall utilisation of Raised Funds

As of 31 December 2021, the accumulated Raised Funds used for Express Delivery Equipment Automation Upgrade Project totalled RMB3,700,764 thousand; that used for the Construction Project of Hubei Ezhou Civil Airport Transit Centre in Hubei totalled RMB944,465 thousand; that used for the Construction Project of Digital-intelligent Supply Chain System Solution totalled RMB1,135,620 thousand; that used for Land Transport Capacity Improvement Project totalled RMB1,107,159 thousand; that used for Aviation Materials Purchasing and Maintenance Project totalled RMB910,906 thousand; and that used for the Replenishment of Working Capital totalled RMB3,000,000 thousand.

(2) Statement of committed investment projects of Raised Funds

Unit: RMB'000

Committed investment projects and allocation of over-raised funds	Whether project has been (or partially) altered	Total committed investment based on net Raised Funds	Total investment after alteration ⁽¹⁾	Investment in the current year	Accumulative investment at the end of the period ⁽²⁾	Investment progress at the end of the period (%) (3)=(2)/(1)	Date of asset ready for intended use	Benefits achieved in the current year	Whether expected benefits have been achieved	Whether feasibility of project has changed significantly
Committed investment projects										
1. Express Delivery Equipment Automation Upgrade Project	No	6,000,000	6,000,000	3,700,764	3,700,764	61.68%	2023/12/31	Note 2	Not applicable	No
2. New Construction Project of Hubei Ezhou Civil Airport Transit Centre	No	4,000,000	4,000,000	944,465	944,465	23.61%	2023/12/31	Note 3	Not applicable	No
3. Construction Project of Digital-intelligent Supply Chain System Solution	No	3,000,000	3,000,000	1,135,620	1,135,620	37.85%	2023/12/31	Note 4	Not applicable	No
4. Land Transport Capacity Improvement Project	No	2,000,000	2,000,000	1,107,159	1,107,159	55.36%	2023/12/31	Note 5	Not applicable	No
5. Aviation Materials Purchasing and Maintenance Project	No	1,907,320	1,907,320	910,906	910,906	47.76%	2023/12/31	Note 6	Not applicable	No
6. Replenishment of Working Capital	No	3,000,000	3,000,000	3,000,000	3,000,000	100.00%	Not applicable	Note 7	Not applicable	No
Subtotal of committed investment projects	-	19,907,320	19,907,320	10,798,914	10,798,914	-	-	-	-	-
Investment of excess proceeds										Not applicable
Total	-	19,907,320	19,907,320	10,798,914	10,798,914	-	-	-	-	-
Status of and reason for planned progress or estimated income not achieved (of a specific project)										Not applicable
Significant changes in the feasibility of projects										Not applicable
Amount, usage and use progress of over-raised Funds										Not applicable
Change in implementation location of investment projects of Raised Funds										Not applicable
Adjustment to implementation method of investment projects of Raised Funds										Not applicable
Upfront investment and replacement of investment projects of Raised Funds										Pursuant to the resolution of the 19th meeting of the fifth Board of Directors and the 17th meeting of the fifth Board of Supervisors on 28 October 2021 and the explicit consent given by the sponsor institutions, the independent directors and the Board of Supervisors, the Company replaced upfront self-Raised Funds of RMB6,338,458 thousand invested in the Express Delivery Equipment Automation Upgrade Project, New Construction Project of Hubei Ezhou Civil Airport Transit Centre, Construction Project of Digital-intelligent Supply Chain System Solution, Land Transport Capacity Improvement Project and Aviation Materials Purchasing and Maintenance Project with the Raised Funds. Refer to the announcement (No. 2021-118) disclosed at the website of CNINFO (www.cninfo.com.cn) by the Company on 29 October 2021 for more details.

Committed investment projects and allocation of over-raised funds	Whether project has been (or partially) altered	Total committed investment based on net Raised Funds	Total investment after alteration ⁽¹⁾	Investment in the current year	Accumulative investment at the end of the period ⁽²⁾	Investment progress at the end of the period (%) (3)=(2)/(1)	Date of asset ready for intended use	Benefits achieved in the current year	Whether expected benefits have been achieved	Whether feasibility of project has changed significantly
Supplementing working capital temporarily with idle Raised Funds										Not applicable
Balances of the Raised Funds during the project implementation and the reasons										Not applicable
Usage and allocation of the unused Raised Funds		The unused Raised Funds of the Company are invested in the Express Delivery Equipment Automation Upgrade Project, New Construction Project of Hubei Ezhou Civil Airport Transit Centre, Construction Project of Digital-intelligent Supply Chain System Solution, Land Transport Capacity Improvement Project, and Aviation Materials Purchasing and Maintenance Project as committed. All unused Raised Funds are deposited in the special account for Raised Funds at the Company's supervisory bank of the Raised Funds. In addition, in order to improve the yields of funds, the Company used part of the unused Raised Funds to purchase wealth management products with guaranteed principal according to the Proposal of Using Part of Idle Raised Funds to Conduct Cash Management approved by 19th meeting of the fifth Board of Directors and the 17th meeting of the fifth Board of Supervisors on 28 October 2021. As of 31 December 2021, the Company deposited unused Raised Funds of RMB8,850,000 thousand as structural deposits, used RMB100,000 thousand for subscribing for wealth management products with guaranteed principal, and deposited the remaining RMB185,535 thousand as current deposits. There were no pledged or collateralised certificates of deposits, nor other restrictions on ownership and use rights.								
Defects and other problems in utilisation and disclosure of the Raised Funds										Not applicable

Note 1: "Accumulative Raised Funds invested" includes accumulative Raised Funds invested and upfront investment replaced after the reception of Raised Funds of RMB6,338,458 thousand.

Note 2: The project aims to improve the Company's transshipment operation capacity and efficiency, raise the storage service capacity and quality, enhance the stability of the transshipment network and storage service network, and optimise customer experience and satisfaction, so as to further reinforce the Company's core competitiveness. The benefits achieved are not directly quantifiable.

Note 3: The project aims to improve the Company's transshipment capacity and operation efficiency, reduce overall operating costs, and improve the flexibility and stability of the core transshipment network to lay the foundation for the Company's long-term business expansion. The benefits achieved are not directly quantifiable.

Note 4: The project aims to enrich the Company's digital-intelligent supply chain system solutions for different industries, effectively improve the Company's one-stop supply chain service ability, enhance customer engagement, and help the Company become a technology-driven comprehensive supply chain solution provider. The benefits achieved are not directly quantifiable.

Note 5: The project aims to improve the Company's main and branch line transportation capacity and the efficiency of the "last kilometre" network service, enhance the security of the transportation network, and strengthen the Company's core competitiveness in express and logistics services. The benefits achieved are not directly quantifiable.

Note 6: This project aims to guarantee the transport safety and operation efficiency of the Company's fleet and enhance the stability and security of the air transport network, in a bid to reinforce the Company's core competitiveness in comprehensive logistics services. The benefits achieved are not directly quantifiable.

Note 7: This project aims to enhance the Company's financial strength and meet the working capital requirement after gradual expansion of market share and operation scale, which is conducive to improving the anti-risk ability of the listed company and serving the development of the Company's main business and the realisation of long-term strategy. The benefits achieved are not directly quantifiable.

(3) Statement of Altered Investment Projects of Raised Funds

In the reporting period, there were no altered investment projects of raised funds.

X. Sale of Significant Assets and Equity

1. Sale of significant assets

Not applicable

2. Sale of significant equity

Counterparty	Disposal of equity interests	Date of disposal	Transaction price (RMB'000)	Net profit attributable to the Company by the disposed equity from the beginning of the reporting period to the date of disposal (RMB'000)	Impact of the disposal of equity interests on the Company	Proportion of net profit attributable to the equity interests disposed to the Listed Company's total net profit	The pricing principle for disposal of the equity interests	Related party Transaction	Related-party relationship with the counterparty	Completion of the transfer of the equity interests involved	Implemented as scheduled. If not, provide the reasons and steps taken	Date of disclosure	Disclosure Index
SF Logistics Holdings Limited	100% equity of Golden Bauhinia Logistics Holdings Limited and its subsidiaries	May 13, 2021	2,424,278	N/A	It is conducive to expanding the innovative financing channels for the Company to enhance the efficiency of cash turnover, optimize the asset and liability structure, establish an industrial-park light-asset capital operation platform and improve the Company's cash flow.	20.58%	Pricing will be negotiated with the transferee based on the appraised value of the property assets as of the valuation benchmark date.	No	N/A	Yes	Yes	April 29, 2021 and May 19, 2021	The "Announcement on the Establishment of A Real Estate Investment Trust by a Holding Subsidiary and Its Listing on the Main Board of the Hong Kong Stock Exchange" (No. 2021-058) and "Progress Announcement on the Establishment of a Real Estate Investment Trust by a Holding Subsidiary and Its Listing on the Main Board of the Hong Kong Stock Exchange" (No. 2021-066) disclosed by the Company on the Cninfo website (www.cninfo.com.cn)

XI. Analysis of Major Holding and Participating Companies

Major subsidiaries and equity participation companies that affect the Company's net profit by more than 10%

Unit : RMB'000

Company Name	Company Type	Primary Business	Registered Capital	Total Assets	Net Assets	Operating Income	Operating Profit	Net Profit
Shenzhen S.F. Taisen Holding (Group) Co., Ltd.	Subsidiary	Investments in industrial businesses, investment consulting and other information consulting, supply chain management, asset management, capital management, investment management, etc.	2,010,000	63,022,271	33,094,939	4,827,000	1,879,742	1,706,116
S.F. Express Co., Ltd.	Subsidiary	International freight forwarding, domestic and international express services	150,000	23,261,849	4,488,804	16,447,454	1,313,361	1,219,650

(1) Description of Major Holding and Equity Participation Companies

The net profit realized by Shenzhen S.F. Taisen Holding (Group) Co., Ltd. and S.F. Express Co., Ltd. for the year was mainly the investment income generated from the dividend distribution of the holding subsidiaries and the profit generated from the Company's primary business.

(2) Acquisition and Disposal of Subsidiaries During the Reporting Period

For details, please refer to Note 5 to the Financial Statements in Chapter 10.

XII. Structured Entities Controlled by the Company

Not applicable

XIII. Prospects of the Company

1. Industry trend

I) The Macroeconomic has entered a new normal, with moderate industry growth expected. China is in the midst of economic restructuring and transformation. It is expected that the macroeconomic growth rate will be gentle. In accordance with the 2022 Government Work Report, the target of GDP growth is expected to be about 5.5%. Furthermore, as a growing number of countries have successively lifted pandemic prevention restrictions, gradually restored production capacity, and reopened the aviation market, the export and cross-border logistics boom may come to an end, followed by moderate growth. Therefore, the growth of the express delivery and logistics industry is expected to level off as well; the State Post Bureau predicts that the express delivery industry will complete 122.5 billion shipments in 2022, up 13% year-on-year; the business revenue will reach RMB1.16 trillion, up about 12% year-on-year.

II) Market competition has become increasingly well-regulated, and the entry barrier has been raised. A series of regulatory measures involving the protection of the rights and interests of grass-roots couriers, platform economy anti-monopoly and other fields have been introduced, and as a result, express delivery companies are confronted with stringent cost constraints, and are unable to mark down their services substantially to secure volume gains; meanwhile, the behavior and boundaries of e-commerce platforms have been under close scrutiny, making it difficult for new entrants in the express delivery industry to quickly obtain business volumes relying on the platform or by means of low-price competition, etc. Moreover, with the continuous investment by the leading express delivery companies, the gap in terms of production capacity, cost and service has further widened, and the highly visible structural divergence of the will lead to the gradual elimination of underperformers and stabilization of the competitive landscape.

III) Express delivery enterprises seek new growth in “go to the countryside, go to factories, and go global”. (1) **“Entry into the countryside”:** In 2021, the number of express parcels generated in China’s rural areas reached 37 billion. The proportion of express parcels entering the countryside exceeded 80%, pushing the total value of agricultural products sold in cities and industrial products sold rural areas to over RMB1.85 trillion¹. In 2022, express delivery services will be made available in all administrative villages, and the potential of markets in lower-tier areas will be further unlocked. (2) **“Entry into factories”:** With the ecological evolution of new-type e-commerce, modes such as consumer centricity, creation of highly popular products, social fission marketing, and global marketing have brought major changes in the channels of the manufacturing industry; the express delivery industry, by virtue of efficient response, nationwide coverage from single points, and cost-effective services, connects factories with consumers to shorten the supply chain and enhance the circulation efficiency. (3) **“Going global”:** With China’s economic structural adjustment and industrial upgrade, it is an unavoidable trend that the competitiveness of Chinese brands in the global market will gradually improve, paving the way for the Chinese express logistics enterprises to enter the global market; China is actively advancing the development of international logistics network infrastructure and building an independent controllable international supply chain to enhance its global competitiveness, while logistics companies step up overseas operations gain access to new growth markets.

IV) Develop modern logistics to support the national strategy of “Building China as a World Manufacturing Power”. The smart manufacturing development plan of the 14th “Five-Year Plan” proposes that efforts should be made to accelerate the development of a smart manufacturing development ecosystem, continue to promote the digital transformation, network-based collaboration and intelligent transformation of the manufacturing industry, and create new advantages in international competition. The development of smart manufacturing requires in-depth coordination of the industrial chain and supply chain and the modern logistics service capacity building to support industry upgrading. Supply chains are undergoing digital transformation and upgrading at an accelerating pace, through 5G, big data, artificial intelligence, AIoT, sensing and other technologies, to achieve data capture, transmission, accumulation and application. Based on an in-depth understanding of the industrial chain, these resources can be used to create smart supply chains, achieve accurate forecasts, shorten the supply cycle, improve supply chain efficiency, use data to give feedback to entities, promote the upgrading of the industry industrial chain, and enhance the competitiveness of the industry in the international market.

V) Fulfill social responsibilities and contribute to common prosperity. The express logistics industry has a massive work force, and provides innumerable job opportunities for the society. The government issued the “Opinions on Properly Protecting the Legitimate Rights and Interests of Deliverymen”, focusing on ensuring reasonable labor remuneration for couriers, improving social security, consolidating the main responsibility of express delivery enterprises, and strengthening government supervision and services. The industry’s previous “barbaric growth”, imposition of fines instead of management, price war damaging the terminal rights and interests, and other chaotic problems are expected to be rectified; more leading express delivery enterprises, especially those adopting the franchise model, will start to distribute profits tilted towards the last-mile outlets and each courier, and the rights and interests of couriers need to be effectively protected in order to enhance the sense of achievement, happiness and security of couriers, respond to the call of the state, and promote common prosperity.

VI) Market participants have reached a consensus on green, environmentally friendly and sustainable development. In 2021, governance efforts focusing on green packaging produced positive results in the express postal industry, and in 2022, the State Post Bureau will kick off the green development “9917” program aimed at facilitating the reduction, standardisation and recycling of express shipment packaging, and increasing the proportion of procurement and use of packaging materials that meet the standards to 90% by the end of the year, the proportion of standardised packaging operations to 90%, the number of recyclable express boxes to 10 million, and the number of recycled and reused corrugated boxes to 700 million. With regard to industrial regulation, every effort will be made to promote green and low-carbon development, urge express delivery companies to comply with energy conservation and emission reduction requirements, tighten up energy conservation and emission reduction control, improve the industry’s ecological security system, etc. Many leading express delivery enterprises have also successively set carbon emission targets; assisting carbon peaking and carbon neutrality, increasing green investment, and promoting green and sustainable development will become a long-term mission.

¹ Data source: State Post Bureau

SF strategic objectives

Our Strategic Objectives for 2025



How will SF be perceived by the society in 2025

A pacesetter that continuously creates outstanding social value

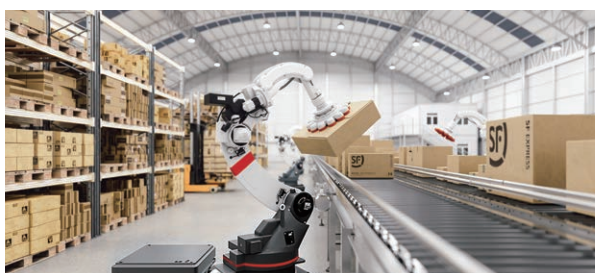
SF commits to serving corporate clients, and builds a completely new global smart supply chain system.
 SF remains highly committed to green environmental protection, becomes a pacesetter for carbon neutrality and a service provider that contributes to sustainable development of the global economy.
 SF contributes to the social well-being. With its network reaching every community, every village, every family, and every person, SF helps realizing common prosperity and serving the society.



How will SF be perceived by clients in 2025

The preferred partner for all clients

SF provides convenient, reliable and user-friendly express delivery services to clients worldwide;
 It constructs an open-structured digital supply chain ecosystem and collaborates with clients for business model innovation to achieve win-win outcomes.



What SF envisions itself to be in 2025

The leader of the global smart supply chain

SF will have fully completed digital transformation, with the well-established core competencies of “decision-making supported by data”, “business driven by data”, and “clients empowered by data”, and created a digital organizational system characterized by “small front office, large medium office, flat-structured, and self-driven”; It will integrate high-quality resources and accelerate the development of global businesses, achieve a more balanced business mix in domestic and overseas markets, accomplish a complete establishment of global smart supply chain system.
 SF will ensure its business scale and company value to ranked 1st in Asia and top 3 in global through sustainable healthy operation

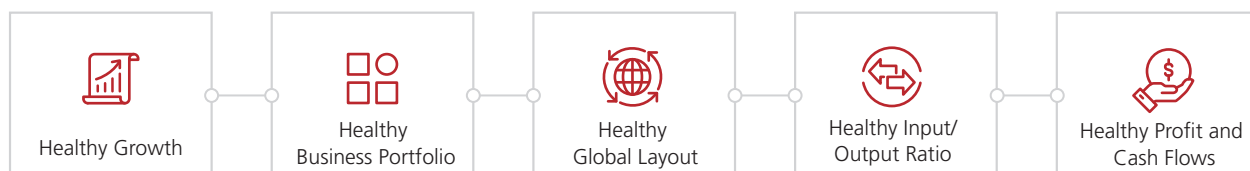


How will SF be perceived by its employees in 2025

A career platform where outstanding talents around the world can pursue excellence, realize their dreams and feel a sense of pride

SF adheres to the “team” culture of equality, mutual respect, collaboration, win-win, innovation, and inclusiveness, encouraging employees to grow through “competition” and explore their full potential;
 An impartial and transparent appraisal system to encourage the creation of value and the pursuit of excellence;
 The Company provides outstanding talents worldwide with development opportunities, through competitive remuneration and training systems, allowing them to realize their career dreams.

Our Healthy Operation



2. Strategic direction

I) Build a digital supply chain ecosystem and become the leader of the global smart supply chain

Efforts will be made to utilise the strong control of our own logistics network to continuously implement comprehensive digital transformation of full-link end-to-end business scenarios including collection, transportation, distribution, and delivery, and build the core competencies of “data supporting decision-making”, “data driving business”, and “data empowering clients”; continuously delve into the application of new technologies such as big data, automation, AIoT, and blockchain, maintain the leading edge in logistics science and technology, and constantly improve our logistics efficiency and intelligence level. Further, we will penetrate into the end – to-end links throughout clients’ supply chains, thoroughly integrate the Company with clients’ value chain, improve client experience, continuously translate the best practices of digital ecological technological application into product output, embrace digitalisation to empower the industry supply chain, and improve logistics modernization to become the leader of the smart supply chain.

II) Accelerate the pace of international development and build an efficient and reliable international supply chain

SF will partner up with Kerry Logistics to establish a world – leading logistics platform, providing clients with global integrated logistics and international freight services. The synergistic partnership between the two companies in the field of air transport will help SF Aviation expand international routes and enhance its footprints in the international aviation network. The synergies in the field of international express delivery will drive the expansion of SF’s cross-border and local express delivery services business in the emerging markets of Southeast Asia. By leveraging Kerry Logistics’ international freight capacity, as well as its overseas and local operation strength, SF will effectively open up the end-to-end international supply chain and help more Chinese enterprises expand overseas.

In addition, through self-operation, joint venture, investment, mergers and acquisitions, we will continue to increase the coverage and scope of international express delivery and cross-border e-commerce special delivery, deploy overseas warehouses in the core flow areas, improve the efficiency of overseas delivery and order fulfillment, and provide integrated overseas and local warehousing and distribution services. By drawing on the successful experience of Chinese and foreign companies, we will explore and optimise the operation and management model, and realize visualization, digitalisation and intelligentisation to provide clients with high-quality, end-to-end cross-border supply chain solutions, and assist with the new development pattern of “dual circulation”.

III) Fulfill social responsibilities and persevere with sustainable development

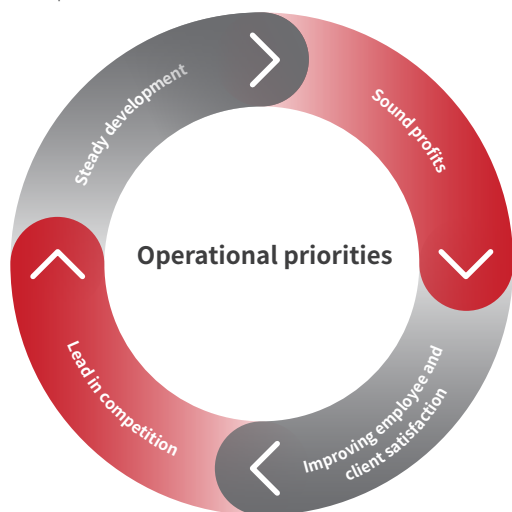
(1) Continuously advance the development of a green logistics system. We have established a system enabling the Company to measure its own pollutant emissions, and plan its business development accordingly. We are involved in the development of national and industry standard systems, and have introduced a company voluntary carbon reduction project research and implementation plan. We are also a champion of greening, waste reduction, and recyclability among courier and logistics companies. (i) **Green packaging:** We are committed to developing and applying sustainable packaging products, and have established a packaging R&D and testing center as well as parametric design systems which have an impact across the industry. We have also set up a packaging reduction project and a sustainable packaging cycle system; (ii) **Green transportation:** We actively promote new energy road vehicles, and provide our clients with green supply chain solutions, while increasing energy efficiency and reducing energy consumption during transportation through optimised operating models; (iii) **Green sorting:** Measures such as the active construction of green industry parks, increasing the proportion of renewable energy utilization, and the rational planning of warehouse layouts have enhanced delivery efficiency and reduced energy consumption. The Company has set two carbon reduction targets: to achieve a 55% increase in its carbon efficiency by 2030 compared to 2021, and to achieve a 70% reduction in the carbon footprint of each express parcel by 2030 compared to 2021.

(2) Continuous improvements in employee care and staff benefits: SF Holding is committed to providing employees with a complete range of training and development opportunities, and helping them tackling personal concerns, which in turn gives our clients a warm sense of service. (i) Adhere to the “team” culture of equality, respect, collaboration, win-win, innovation, and inclusiveness, to allow employees to grow through “competition” to exert their full potential; (ii) Establish an impartial and transparent appraisal system to encourage the creation of value and the pursuit of excellence; (iii) Provide outstanding talents worldwide with development opportunities, through a competitive remuneration and training systems, so that they can realize their career dreams; (iv) Establish special organizations centering around couriers, cooperate with multiple government agencies to cater to couriers’ catering, accommodation, commuting, etc., employ technological means to continuously implement flat management of couriers networkwide, build a fair and transparent evaluation and training system to guarantee reasonable remuneration for couriers, reduce their burden, and enhance their sense of happiness and belonging.

3. Business Plan for 2022

I) Overall operational priorities

Taking into account the identification of the new normal of future growth and the new trend of high-quality development of the industry, as well as the expansion of the Company's business areas and scale, the Company has set the top priorities for business operations in 2022 as follows:



(1) Steady development: Maintain a reasonable growth rate without blindly expanding business scale and shares; optimise the product mix to ensure that the time-definite products with better profitability enjoy a stable growth; maintain healthy revenue quality, increase revenue, and in the meantime, pay due attention to the return of benefits;

(2) Sound profits: Implement intensive resource management, increase the input-output ratio of core resources, strengthen the reform of operating models, and improve the profitability and profit margin of businesses continuously;

(3) Improving employee and client satisfactions: Employee satisfaction is the foundation, while client satisfaction is the goal. Through science and technology enablement and model optimisation, improve the efficiency of frontline operators, help them reduce burden and generate incomes. Through digitalisation, achieve flat management and form an elite team of back-office staff. Establish a service quality control system with client satisfaction as the core, improve the internal client complaint management mechanism, and enhance client satisfaction in terms of the timeliness of deliveries and service quality;

(4) Lead in competition: Adhere to the utilization of science and technology to help improve operational efficiency and service capabilities; make long-term planning for resource integration, solve the problem of repeated construction, and plan operations in a lean perspective; consolidate service competition barriers, and enhance competitiveness from the aspects of product planning, client operation, and operation network reform.

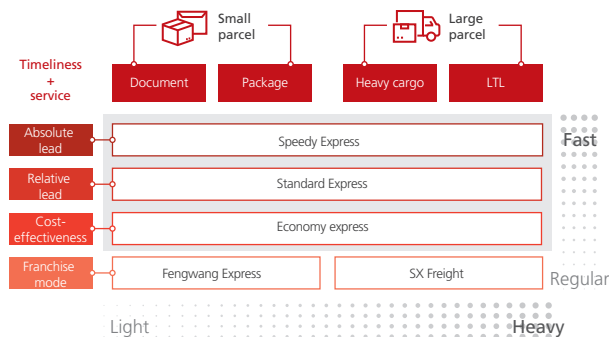
II) Product planning: one network, two categories of major product lines, and three service with different time frames

In 2022, we will continue to optimise network operation model and improve the experience of product delivery: internally, we will return to the essence of products, and clearly divide and arrange items at the product level; externally, we will achieve timeliness and differentiated delivery through service differentiation, and support the diverse needs of clients.

(1) One network: We will continue to optimise network operation model, deepen the resource integration, consolidate the operation of the foundation, and effectively improve the high-quality product delivery.

(2) two categories of major product lines: We divide small parcels and large parcels. Through the classification of goods into small parcels and large parcels, we achieve professional operation, promote the refined time-definite commitments, provide multi-scenario extended services, and enhance the product competitiveness.

(3) Three service with different time frames: According to the differentiated needs of clients in terms of time-definite, service, and price, we provide three major product series of "expedite express, standard express, and economy express" for clients to choose from, thus providing clients with the experience of diversified and professional delivery services.



III) Client operation: implement targeted strategies based on client hierarchy

(1) SKA clients: Through headquarters-to-headquarters strategic cooperation, we will use science and technology and supply chain solutions to achieve joint innovation with clients, establish industrial benchmarks, build brands and accumulation capabilities, and coordinate the Company's various resources to provide them with differentiated services;

(2) KA clients: We will focus on the industry, and with industrial business thinking and value & innovative thinking, deepen SF's industry solution capabilities, focus on business scenarios, and integrate the Company's resources and capabilities, to provide end-to-end scenario-based solutions, so that we can achieve win-win results through cooperation with clients in various businesses;

(3) SME clients: Our operational strategies will be developed based on the attributes of clients in four key scenarios, namely, new opportunities in industry, new stage of agriculture, new development of specialised markets, and new e-commerce opportunities. We will analyze opportunities in those scenarios, collaborate with relevant organizations to accelerate standard product coverage, and enlarge our business scale;

(4) Retail clients: Based on individual clients' full lifecycle, we will connect online and offline management systems, and with "business + resources" as the dual drivers, provide excellent experience to each client. As regards business operations, we will make a greater effort to tap retail business related to time-definite express and e-commerce goods return, improve and refine our diversified scenario-based services, and deepen our presence among young customers and lower-tier markets. As for resources, we will continue to increase the coverage and density of terminal contact points, diversify terminal services, and strengthen the development of our underlying resource capabilities.

IV) Network construction: continuously make innovation and changing in the operation models to enhance efficiency and lower costs

(1) Consolidate the foundation through four-network integration: Continue to strengthen the implementation of four-network integration, and through the continuous integration and optimisation of the entire chain of resources, achieve resource sharing, further consolidate the operating foundation, and maximize the creation of resource value.

(2) Enhance efficiency with the help of science and technology: Continue to optimise and innovate our science and technology system, enhance the standard of digital and intelligent management of the entire business operation processes including terminal collection and delivery, distribution, land, air, and rail transportation, and central scheduling, and improve the efficiency of coordinated decision-making management at all levels.

(3) Optimise distribution to enhance efficiency: According to product planning and network operating model reform, and step up site integration and construction, and save costs; invest in science and technology to improve the level of distribution automation and intelligence, improve the distribution processing capacity and achieve lean management.

(4) Optimise the ground network to enhance efficiency: Continue to strengthen route integration, and increase direct flights and the flight frequency on trunk lines; integrate various transport capacity resources such as self-operation, outsourcing, and joint development to match demand with resources based on efficiency optimisation; further develop the transport capacity structure, refine the control of transport capacity input, and boost cost reduction and efficiency enhancement.

(5) Plan and prepare for aviation network hub construction: According to the Ezhou hub completion and launch plan, study the hub switching plan, plan and prepare for the construction of hub routes, increase the number of cities covered, increase the fleet size, increase the proportion of large aircraft used, and create a wide-coverage, low-cost and high-efficiency hub-and-spoke aviation network.

(6) Strengthen terminal service barriers: promote dense outlet distribution, as well as direct distribution and delivery from

distribution hubs to terminals, to better meet clients' needs and reduce terminal costs; fully implement the digital management of terminals, and establish a comprehensive online management mechanism for assigning collection and delivery areas and tasks to couriers, shift scheduling and off-time adjustment, service evaluation, salary accrual, etc. to achieve flat management from the headquarters through to terminals.

V) Business operation

(1) Product strategy for small parcels:

In 2022, we will maintain balanced development of the proportional structure of time-definite express and economy express.

Time-definite express: Expand the businesses to the reverse logistics and e-commerce goods return businesses, increase the stickiness of retail orders, and in the meantime, further refine time-definite delivery to provide delivery time commitment by hour, and terminal delivery commitment by minute; flexibly integrate a variety of transport capacity resources, and improve the coverage and stable delivery of expedite express products to enhance product competitiveness.

Economy express: As regards "e-commerce standard express" products of the directly operated network, continue to focus on e-commerce platforms, brand owners, mid-to-high end client groups, and provide door-to-door differentiated service experience with exceptional time-definite; for the franchise network of Fengwang Express, focus on small – and medium-sized clients, as well as small and micro e-commerce client groups, provide timely, reliable and cost-effective express services; meanwhile, optimise terminal construction, separate it from the broad networks, increase the proportion of autonomous delivery, and cement cooperation with urban service outlets, logistics services sharing and co-allocation outlets in rural areas, Hive Box lockers, etc.

In addition, with regard to **warehousing and distribution integration** services, ① promote the optimisation and upgrading of the warehouse network structure, integrate and merge small and medium-sized warehouses, expand the area of a single warehouse to improve the efficiency of warehousing operation, while advancing the integration with transit depots to improve the efficiency of integrated warehouse-distribution services; ② based on clients' needs at different levels for "customization", "high time-definite" and "cost effectiveness", combine different warehousing and distribution resources, internal and external, to develop classification-based order fulfillment, delivery and pricing schemes; ③ optimise the cost of each part of B2C warehousing and distribution services, and improve product quality and competitiveness; meanwhile, utilise clients' resources to expand B2B warehousing and distribution services, and improve the service capabilities of inter-warehouse allocation and express delivery to factories.

(2) Product strategy for large parcels:

In 2022, we will upgrade the product capability for large parcels from three perspectives, namely, broadening the service scope, enhancing the time-definite of large parcel delivery and extending professional services.

Broadening the service scope: Establish and improve the three-level (“speedy express”, “standard express”, and “economy express”) product system for large parcels: (i) **Speedy express products:** Related efforts will focus on developing high-value B-end clients, and leveraging our air transportation resources to deliver time-definite delivery and customized air delivery services of B2B large parcels; (ii) **Standard express products:** Improve the ground network time-definite, accelerate the operation of collecting large parcels (above 20kg), make sure that the time-definite level reaches that of standard express, and strengthen barriers to competition; (iii) **Economy express products:** Thoroughly tap into opportunities for the B2B LTL business in industrial zones and commerce and trade wholesale markets, while continuing to develop extended services in scenarios such as B2C delivery-installation integration, B2B industry solutions, and migration.

Enhancing the time-definite of large parcel delivery: (i) **air transportation of large parcels:** Through the allocation of terminal resources and integration of aviation hubs in large networks, further develop the operating models of direct dispatch from the sender clients to the departure airport and direct delivery from the destination airport to the recipient clients; improve the professional marketing capability, and develop business revolving around central cities and advantageous air routes; (ii) **land transportation of large parcels:** Optimise and improve the ground network time-definite by, for example, increasing the frequency of delivery through route convergence, or offering direct delivery from distribution hubs to clients or direct dispatch services; meanwhile, take costs into consideration, expand B2B short-distance land transportation markets through model change, and improve the cost-effectiveness of intra-provincial and economic circle routes.

Extending professional services: (i) **2C home service:** Focus on the furniture and household appliance industries, improve service quality by revamping the warehousing and distribution model, and continuously expand extended service capabilities such as installation; (ii) **2B professional support:** Based on B-end client scenarios (entry into factories, entry into warehouses and entry into stores), improve the wooden packaging capability; for warehousing scenarios involving declaration of dutiable goods at Customs, etc., build specialised warehousing capabilities, improve the nighttime collection and delivery capabilities, and improve B-end clients’ experience.

(3) Strategy for cold chain and pharmaceuticals:

Speedy delivery of fresh foods: In 2022, we will continue to cultivate this business intensively, scale up related business operations, develop new business scenarios, and optimise business models; and assist with direct delivery of agricultural products to consumers directly from the place of origin by offering subsidies for rural networks, online channel resources, place of origin traceability, regional branding, and subsidies for agricultural products;

Cold chain of food: (i) Improve the product development capabilities concerning cold warehouse, truckloads, LTL, and warehousing & distribution integration, and provide integrated supply chain solutions for large clients focusing on ice cream, low-temperature milk, meat products, ready-to-serve dishes and other businesses; (ii) For seafood and aquatic products, beef and mutton, low-temperature stored fruits and other cold chain-involved agricultural products, optimise the aviation network and cold chain land network transportation mode around professional packaging by preprocessing centers to match demand and improve efficiency; (iii) In view of the urgent need for a transformation of the traditional farmers’ markets, continue to build mature service capabilities through digital upgrading, and set a good example for digital upgrading of farmers’ markets; (iv) Make forward-looking arrangements for the global food supply chain, and branch out into the high-end food import business market by launching high-quality routes and acquiring cross-border service capabilities for sub-categories such as cherries, salmon, Japanese high-grade food ingredients and Southeast Asian high-grade fruits; (v) In key airport and seaport cities, enter the food warehousing and distribution business market at ports through customized services such as warehouse disinfection, bonded warehouses, constant-temperature warehouses and supply chain finance.

Pharmaceutical logistics: (i) Optimise warehousing, transportation and distribution resources, iteratively upgrade pharmaceutical cold chain products, enhance logistics quick responsiveness, and improve client service experience; (ii) Accelerate the digital and intelligent upgrade: on the one hand, continue to improve the foundation construction of technical systems for the pharmaceutical supply chain, promote the application of the technical systems in various segments and business scenarios, and continue to generate a greater value in cost reduction and efficiency enhancement, quality management, drug traceability, etc., and provide better information service experience for partners; on the other hand, employ big data mining, blockchain, operation optimisation, and other technologies to iteratively upgrade the intelligent supply chain tools to continuously empower the pharmaceutical supply chain; (iii) Deepen strategic cooperation with upstream production enterprises, connect logistics resources and production and circulation enterprises at an accelerating pace, and work with pharmaceutical partners to realize “entry into the countryside, entry into factories, and going global” of pharmaceuticals, achieving win-win outcomes.

(4) Strategy for intra-city instant delivery:

In 2022, SF INTRA-CITY will continue to adhere to the business philosophy of customer-oriented, upholding the mission of “bringing enjoyable lifestyle to your fingertips” and striving to become a third-party on-demand delivery service platform featuring high quality, efficiency and multi-scenarios.

The Company will ① proactively explore and expand emerging real-time delivery service scenarios by focusing on the fields such as local catering, intra-city retail, local e-commerce and local services and exactly tailoring to the needs of merchants and users, refining product systems and improving service capabilities, so as to achieve outstanding performance under a lot more new consumption scenarios; ② spur technological

innovation and investment to support the implementation of customized solutions for merchants, facilitate the realization of individual users' lives and improve the working experience of each rider with technology; ③ focus on continuing to expand our service network and customer scale, bringing in more high-value customers, optimising our order structure and rider mix, improving operational efficiency and controlling operating costs in order to continuously improve profitability.

(5) Strategies for supply chains and international strategy:

In terms of international express delivery, the Company will focus on serving China's foreign trade, respond to the national "The Belt and Road" initiative, help Chinese enterprises go abroad, and provide a variety of products and services to global customers, including international express delivery and cross-border e-commerce logistics. The Company will ① promote global express delivery network strategy, strengthen international express delivery network construction, strengthen customs self-management and customs clearance capacity, integrate self-managed business and joint venture, external partners and other global network resources to improve the layout of the international express delivery network; ② focus on standardized process and system construction, improve the quality of international express delivery product and service standards, and empowered by intelligent information systems, so as to create a product system with core competitiveness; and provide door-to-door cross-border courier services to customers; ③ with its mature local distribution network in many Southeast Asian countries, develop more cost-effective cross-border courier products and deepen its efforts in the Southeast Asian regional courier market.

In terms of international freight and freight forwarding, the Company has a large scale of international air cargo volume, and sufficient cargo volume in both directions will effectively enhance the loading rate of international routes, thus driving SF Aviation to expand the network layout of all-cargo international routes and enhance the efficiency and competitiveness of the aviation network; at the same time, with the world's leading international cargo strength in air, sea, rail, land and multimodal transportation, it will serve global customers, especially Chinese enterprises, and help customers expand their global markets.

In terms of supply chains, the Company will persevere with science and technology as the driving force, accelerate the upgrade of traditional industries through technological enablement, and build a digital and intelligent supply chain ecosystem on a comprehensive scale. ① Domestically, the Company will strengthen the cooperation and integration between the supply chain segment and the Group's various business segments, utilise our nationwide service network to form a strong operational base and a sales network, promote successful cases and products to more industry head and waistline customers, and help local emerging enterprises to continuously optimise their supply chain capabilities; ② Internationally, combined with the aforementioned international freight network, rich overseas warehousing resources and professional global integrated logistics service capabilities, the Company will be able to create an efficient and reliable end-to-end international supply chain for more customers; and enhance the digitalization of international logistics with technology empowerment, committed to become a global smart supply chain leader.

4. Risk and Responses

1) Market risks

Risk of Macroeconomic fluctuations: The logistics industry plays an important supporting role in the development of the national economy but it is also significantly affected by macroeconomic conditions. In recent years, China's macroeconomy has experienced slowing growth in a period of economic structure transition, and it is expected to move into a new phase of medium-slow growth. In addition, the uncertain global situation of the COVID-19 pandemic still causes local logistical lockdown and suspension in China. The combination effect of above issues may affect growth of the logistics industry and the performance of the Company.

Market competition risk: As the main driving force for express business growth, the e-commerce market has transitioned from the explosive development phase into normal-level steady growth. With the reduction in incremental space, the competition of leading express enterprises may be fiercer in the existing markets. Tighter industry regulation, competition returning to the normal level and limited space for competition on prices prompted more express enterprises to offer comprehensive logistics services rather than homogeneous services and conduct competition in more logistics segments. The Company has been forging differentiated competitive advantages, and providing a complete product matrix in the diversified business scope, but under the impact of more leading express enterprises getting involved in the competition in segments, if the Company cannot adjust market strategies, seize the market opportunities and maintain its position as the leading service provider in a timely manner on the grounds of market changes, it may face the risk of slowing revenue growth and declining market share.

Risk response: The Company keeps a close watch on the Macroeconomic and the pandemic responses, analyzes its impact on our main business, and adjusts our operation strategies in a timely manner to minimize the adverse impact on the Company's business and future development. The Company pays close attention to and studies industry development trends, analyses the market competition patterns, and deploys forward-looking strategic planning. The Company adheres to the multi-dimensional development of business, constantly improves the product matrix to achieve a differentiated service experience. The Company also deeply integrates the business foundation in order to achieve the resources complementation and optimise network effectiveness. Meanwhile, the Company attaches great importance to science and technology investment, as it could enable product innovation, improve service quality, consolidate core competition barriers, thereby supporting the long-term sustainable development of the Company's business.

II) Policy risk

Risk arising from changes in industry regulations and industrial policies:

The operation of express delivery requires business licensing and is subject to regulation by laws, administrative rules and industry standards such as the Postal Law of the People's Republic of China (《邮政法》), the Administrative Measures for Express Delivery Business Licensing (《快递业务经营许可管理办法》), the Administrative Measures for Express Delivery Market (《快递市场管理办法》) and the Rules for Guiding the Operation of Express Business (《快递业务操作指导规范》). With a view to effectively regulating the development of the express delivery industry and enhancing service quality, competent departments at various levels successively introduced regulatory policies to regulate industry competition and service standards. Particular emphasis was placed on high-quality development of the industry in 2021, calling on related parties to protect the legitimate rights and interests of couriers, improve the social security level of the couriers, implement the main responsibility of the couriers and standardize the enterprise franchise and labor management. With the stronger regulation, the compliance cost and violation risk of the express delivery industry may increase, which may have an impact on the development trend and market competition landscape of the express delivery industry, and may in turn affect the future business growth and performance of the Company.

Risk response: The Company has established research teams for state and local policies in all business units to conduct in-depth analysis on relevant policies introduced, fully capitalizing on favorable policies while avoiding policy risks and grasping industry policies and hence promoting business growth. Furthermore, the Company has always attached importance to the guarantee of rights and interests of couriers, continually improved the social security level while boosting their efficiency and reducing working hours to raise their income through technology empowerment.

Risk from relevant state policies on environmental protection, energy conservation and emission reduction:

China has undertaken that it will strive to reach the peak of CO₂ emissions by 2030 and achieve carbon neutrality by 2060. It is foreseeable that China will issue subsequent policies on environmental protection, energy conservation and emission reduction. Such policies to be released may affect the service and operation pattern of express delivery companies, and may lead to increased expenses in relevant aspects such as environmental protection, energy conservation and emission reduction incurred by express delivery companies, which will pose adverse effect on the future performance of the Company. Meanwhile, if companies fail to fulfill their green environmental obligations in accordance with the laws, they will not only be liable to the relevant legal obligation, but also impair their social images.

Risk response: The Company took into account the external environment and policy changes as well as took a keen insight into the development trend of the industry, so as to steer the direction of the industry and implement the forward-looking deployment and adjustment. The Company paid attention to its own impacts on the environment, therefore formulating the "SF Holding's White Paper for Carbon Emission Target 2021" (《顺丰控股碳目标白皮书 2021》). By leveraging technological strength such as artificial intelligence and big data, the Company adjusted the energy consumption structure, upgraded transportation and business models, and then promoted the green and low-carbon reform.

III) Business risk

Risk of possible rising costs: The express and logistics industry is a labor-intensive industry. There are relatively large demands for labor along various stages of operation such as collection, sorting, transportation and delivery. With the decrease in population dividend in China, there are certain pressures on rising labor costs while investments in logistics infrastructures and other aspects also increase. If the Company cannot secure enough business volume or effectively control costs in the future, it will probably face challenges in its future earnings growth.

Risk response: The Company has improved its logistics foundation, innovated system tools, including bringing the entire logistics process online intellectualization, improving transit depots' automation, optimizing route planning, using scientific and technological means to enhance efficiency and reduce manpower investment and labor costs, gradually achieving transformation of the express delivery industry from a labor-intensive industry to a technology intensive industry. Meanwhile, the Company also continues to review and optimise resource invested in all business units to expand the synergy and reuse of resources and enhance cost efficiency. Considering that the Company is in the critical period of new business expansion, the increase of the predictive investment in logistics infrastructures and the in-depth integration of business foundation are conducive to creating long-term core competitiveness, and will gradually obtain economies of scale with the high-speed growth of new business.

Risk from fuel price fluctuation: Transportation cost is one of the major costs of the express delivery industry, and fuel cost is an important component of transportation cost. Fluctuation of fuel price will have a certain impact on the profitability of express delivery companies. If the fuel price rises significantly in the future, the Company will experience pressure of increased costs.

Risk response: The Company will further optimise layout of sortation centers, enhance scientific route planning and loading rate of operating routes, and improve resource utilization to reduce the risk of fuel price fluctuations. Further, the Company will strengthen promotion for use of new energy vehicles to reduce the risk of fuel price fluctuations to a certain extent. Meanwhile, the Company has matured operation and cost monitoring mechanisms. When costs fluctuate significantly, operation plans and fuel cost control measures will be dynamically adjusted. The Company also comprehensively evaluate and explore mechanisms for charging appropriate fuel surcharges around specific products based on oil price fluctuations, thereby reducing the negative impact of fuel cost fluctuations on the Company.

Risk from international operation: With the development of the Company's international business, especially after the tie-up with Kerry Logistics, the proportion of international business has expanded rapidly, and the number of countries covered by services has increased. International logistics service relying on international trade is subject to the impact of the COVID-19, trade relations and other unpredictable factors. The global economic development, geopolitics, national relationships, international trade and tax policies have experienced unpredictable changes and there are many uncertainties on international trade, including drastic price fluctuations of the transportation capacity of international routes, stable operation capability in some countries and regions where business has been set up, and so on, which bring challenges to the Company's operation. If the Company fails to take effective measures to deal with this, it may have an adverse impact on the Company's international business development.

Risk response: In the course of the Company's business development, we continue to track and study changes in trade policies, closely monitor the market dynamics and adjust our corresponding strategies for international business operation in a timely manner; actively explore international transportation resources in terms of the sea, land, air and rail, strengthen the monitoring of operation network, and make every effort to ensure stable and efficient cross-border services. Meanwhile, the Company increases the investment in scientific and technological resources, promotes the construction of international business informatization, and facilitates to make operational decisions.

IV) Exchange rate fluctuation risk

Exchange rate fluctuation risk: As its overseas operations expand, businesses denominated in foreign currencies are set to account for an increasing share of our total business volume. Given the uncertainties in the international financial environment and fluctuations in RMB's exchange rates, the Company's revenue, earnings, foreign-currency assets, foreign-currency liabilities and future foreign-currency transactions will all be subject to appreciation or depreciation, which will in turn affect the Company's business performance or financial statements.

Risk response: The Company's foreign exchange transactions are mainly conducted based on the actual needs of its cross-border foreign-currency businesses. To avoid and guard against risks associated with fluctuations in exchange rates and interest rates, better manage its foreign currency positions and become more competitive, the Company has established the Management System for Foreign Exchange Risks (《外汇风险管理制度》), and conducts centralized management of foreign currency positions, under which it decides expenditure based on revenue, implements netting, maturity matching, and natural hedging to avoid foreign exchange risk in advance wherever possible. It also uses financial derivatives and hedging products with low default risks and controllable risks to lock in the costs of exchange rate and interest rate and avoid the relevant risks. All the Company's hedging transactions are conducted in strict compliance with the relevant hedging principles, and are based on our normal production and business activities and justified with actual business operations. All the transactions are carried out for the purpose of locking in costs and avoiding risks. The Company does not trade for speculative purposes, and operates within its authority to ensure effective execution and reduce the impact of exchange rate fluctuations on its operation and earnings. In terms of transaction counterparty selection, the Company conducts foreign exchange hedging transactions only with large and established commercial banks at home and abroad, and all such transactions conform to the principles of legality, prudence, safety and effectiveness. In addition, the Company will step up efforts to study and analyze exchange rates and interest rates, closely monitor changes in the global markets, issue early warnings in time, and take countermeasures accordingly.

V) Information system risk

Information system risk: To cope with our diversified development of the Company's business and the complex and diverse needs of customers, the Company has built and applied various information systems and technologies. Rapid development of the industry and changing market also pose challenge of rapid change in technology and services on the construction of core business systems of the Company. With the wide variety and rapid replacement of professional technologies in the Company, along with emerging new technologies, changes in information technology and future business requirements may cause certain information system risks. Meanwhile, although the series of information security control mechanisms were established with the large amount of data accumulated for years by the Company, there still exists certain human or system caused information security risks. In addition, as the top-level laws related to data security and personal information protection are introduced, and employees' and users' awareness of privacy protection has enhanced, the regulators have set higher and stricter requirements for the standardization of data processor, especially personal information processing activities. However, companies with deluge of personal information are also inevitably facing privacy compliance risks.

Risk Responses: The Company has formulated comprehensive response measures for information system risks.

Firstly, the Company continues to carry out operation and optimisation of the ISO27001 information security management system and the ISO27701 privacy information management system. The Company implements information security control and protection in all aspects according to established policies and strategies for information security, and continuously updates all procedures and systems for information security. It continuously strengthens risk awareness of staff and trainings for staff operation standards, develops internal information circulation guidelines, implements rules of strong control over sensitive information, avoids unintentional violations, and constructs monitoring and pre-warning and response systems for abnormal behaviors, so as to eliminate information system security risks in their infancy.

Secondly, according to requirements of regulatory authorities, the Company has carried out evaluation for security classification protection of information system. Based on high standards of technology protection requirements, it conducts continuous and stable security intervention in the business system construction phase to improve the ability of the clients' service products and business systems themselves against anti-security attacks. During the operation of the information system, it has established the security capability baseline (measurable cyberspace security capability evaluation), safe operation capability (situational awareness of privacy data risks, MTTD and MTTR indicators based on offensive and defensive confrontations), DevOps security capability (DevSecOps process and tool chain), and security ecology capability (external perception and linked stop loss) to enhance the capability of the IT infrastructures to discover and defend against cyber security attacks. On the other hand, the Company has established a more comprehensive system for prevention and control of information risks, formulated standard processes such as the Major Event Management Process System for IT System (《IT系统重大事件管理流程制度》) and the Management Guidelines for Emergency Plan Formulation and Implementation of IT System (《IT系统应急预案制定与执行管理指引》) to implement closed-loop risk prevention and control via pre-warning, in-process control and post-recording.

Lastly, with a view to eliminating privacy compliance risks, reducing potential business loss, fulfilling the responsibilities of data processors, effectively protecting the benefits of users and employees, and creating a positive image of SF's personal information protection, the Company acted in compliance with the GDPR, and assessed privacy compliance of its apps, implemented multiple special programs concerning publicity and training on privacy compliance after the Data Security Law (《数据安全法》) and Personal Information Protection Law (《个人信息保护法》) were promulgated, and continuously and steadily conducts security intervention during personal information processing and business system building activities, with high standards of privacy compliance requirements enforced, so as to enhance the ability to resist security attacks on personal information protection and business system. Additionally, the Company has actively cooperated with National Development and Reform Commission, State Post Bureau of The People's Republic of China and all levels of public security departments to combat behaviors such as black production and speculation, has actively participated in the formulation and review of various information security standards of the National Information Security Standardisation Technical Committee, and pilot work for implementation of policies, has regularly held security summits and security salons to facilitate information sharing with industry leaders and industry elites; and has established alliance partnership and cooperation with information security teams of well-known Internet and e-commerce companies for the joint construction of a safe and orderly cyberspace.

XIV. Reception of Research, Communication, Interviews and Other Activities During the Reporting Period

√ Applicable □ Not applicable

Reception Date	Reception Site	Reception Mode	Reception Object Type	Reception Object	Information Discussed and Materials Provided	Basic Information Index of Research
February 10, 2021	20/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen	Telephone communication	Institution	A total of 770 investors, including many institutional investors such as Fullgoal Fund, Bosera Fund, E Fund Management, Springs Capital, Cephei Capital, Bank of Communications Schorder Fund Management, Hillhouse Capital, Temasek, Blackrock, Wellington Management, Fidelity International, CICC, Huachuang Securities, Changjiang Securities, Huatai Securities, and Orient Securities.	Introduction to the Company's equity investment project in Kerry Logistics, and the Company's fund raising project through A-share private placement.	"February 10, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on February 10, 2021 (No.: 2021-001)
March 18, 2021	20/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen	Telephone communication	Institution	A total of 730 investors, including many institutional investors such as Fullgoal Fund, Harvest Fund, E Fund Management, China AMC, Bank of Communications Schorder Fund Management, J. P. Morgan Asset Management, Hillhouse Capital, PineBridge Investments, Tiger Pacific, Morgan Stanley, Huachuang Securities, Changjiang Securities, Industrial Securities, Orient Securities, and China Merchants Securities.	Analysis of the Company's 2020 earnings performance, its business development, operational initiatives, and digital supply chain.	"March 18, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on March 18, 2021 (No.: 2021-002)
April 9, 2021	2/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen	Telephone communication	Institution	A total of about 120 investors, including many funds such as Springs Capital, Bank of Communications Schorder Fund Management, Rosefinch, Fullgoal, Harvest, Aegon-Industrial, Invesco Great Wall, Da Cheng, Cephei, Yinhua, ICBC Credit Suisse Asset Management and Bosera as well as individual shareholders.	Analysis of the Company's 2020 earnings performance and 2021 Q1 earnings performance forecast, macro-environment and strategic directions, upgrading planning of time-definite products, digital supply chain cases and the Company's future strategies.	"April 9, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on April 11, 2021 (No.: 2021-003)
June 20, 2021	-	Telephone communication	Institution	Yu Liping from Bank of Communications Schorder Fund Management, Wang Wei from Cephei Capital, Zheng Lu from Rosefinch Investment, and Xiao Yi from Orient Securities.	Overall performance during the promotion campaign for June 18 and the transportation business of fresh produce and vaccines.	"June 20, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on June 20, 2021 (No.: 2021-004)
August 23, 2021	20/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen	Telephone communication	Institution	A total of 610 investors, including many institutional investors such as Bosera Fund, Fullgoal Fund, GF Fund Management, Harvest Fund, Bank of Communications Schorder Fund Management, E Fund Management, Zhong Ou AMC, GIC, Bin Yuan Capital, Cephei Capital, Industrial Securities, Changjiang Securities, Huachuang Securities, Morgan Stanley, CICC, and China Merchants Securities.	Analysis of the Company's 2021 interim earnings performance and its business development status.	"August 23, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on August 24, 2021 (No.: 2021-005)
September 28, 2021	2/F, Block B, TK Chuangzhi Tiandi Building, Keji South 1st Road, Nanshan District, Shenzhen	Other	Institution	A total of about 330 investors online and offline, including many institutional investors such as China Merchants Capital, Shenzhen Investment Holdings, Cephei, Genharmony, ICBC Credit Suisse Asset Management, UBS, Taikang Asset, Guodiaol Merchants Merger and Acquisition of Equity Investment Fund, Allianz, Essence Securities, GF Securities, Haitong Securities, Shenwan Hongyuan Securities, and Topsperity Securities.	The Company's future development and strategic directions, progresses and challenges of the four networks integration, Kerry Logistics acquisition progress and integration plan, etc.	"September 28, 2021 Investor Relations Activities Record" disclosed by the Company on the Cninfo website (http://www.cninfo.com.cn) on September 29, 2021 (No.: 2021-006)

I. Basic Information of Corporate Governance

In strict accordance with the requirement of Company Law, Securities Law, Code of Corporate Governance for Listed Companies in China and Rules Governing the Listing of Shares on Shenzhen Stock Exchange, Self-Regulatory Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 1: Standardized Operation of Companies Listed on Main Board as well as relevant laws and regulations promulgated by the CSRC and Shenzhen Stock Exchange, the Company has formulated the Articles of Association and other internal control regulations, improved its corporate governance structure, internal management and control system, and set up norms for company behaviors. The actual conditions of corporate governance met the requirements of the regulatory documents with respect to the corporate governance structure of listed companies issued by the CSRC.

1. Shareholders and the Shareholders' General Meeting

During the reporting period, the Company standardized the gathering, convening, and voting procedures of shareholders' general meetings in strict accordance with Securities Law, Company Law, and other relevant laws and regulations to effectively guarantee the rights and interests of minority shareholders and equally treat all investors so that they can fully exercise their rights. The Company engaged lawyers to attend shareholders' general meetings and issue legal opinions for the holding and voting procedures of the shareholders' general meetings. In this way, the legal rights and interests of all shareholders were fully respected and safeguarded.

2. Controlling shareholders and the Company

The Company's controlling shareholders strictly regulated shareholder behavior in accordance with the Code of Corporate Governance for Listed Companies in China, Stock Listing Rules of Shenzhen Stock Exchange, and Articles of Association. The controlling shareholders exercised shareholder rights through the Shareholders' General Meeting, and there was no direct or indirect interference with the Company's operations and decision-making beyond the Shareholders' General Meeting and the Board of Directors.

3. Directors and the Board of Directors

The Company elects candidates for the Board of Directors in strict accordance with the Company Law, Articles of Association, and Regulated Opinions on Shareholders General Meetings of Listed Companies. The number and composition of the Board of Directors meet the requirements of laws and regulations.

The Board of Directors of the Company convened Board sessions in strict accordance with the relevant provisions of the Articles of Association, Working System for Independent Directors, and Rules of Procedure for the Board of Directors and other related regulations. All directors scrupulously attended the Board sessions, seriously examined various proposals, and fulfilled their duties diligently. Independent directors fulfilled their duties independently, safeguarded the Company's overall interests, and issued independent opinions on major and important issues.

4. Supervisors and the Supervisory Committee

The Company elects candidates for the Board of Supervisors in strict accordance with the Company Law, Articles of Association, Regulated Opinions on Shareholders General Meetings of Listed Companies and other relevant laws and regulations. The number and composition of the Board of Supervisors meet the requirements of laws and regulations. The Board of Supervisors of the Company convened the sessions of Board of Supervisors in strict accordance with the relevant provisions of the Articles of Association, Rules of Procedure for the Board of Supervisors, and other related regulations. All supervisors scrupulously attended the sessions, seriously fulfilled their duties diligently, and supervised and issued opinions for major issues, related-party transactions, and financial status.

5. Information disclosure and transparency

The Company duly performed information disclosure obligations in accordance with the requirements of the Articles of Association, Rules Governing the Listing of Shares on Shenzhen Stock Exchange, and the relevant laws and regulations of the CSRC and the Shenzhen Stock Exchange. The Company designated Securities Times, Securities Daily, Shanghai Securities News, China Securities Journal and Cninfo to disclose the Company's information in a true, accurate, and timely manner so that all shareholders of the Company can be impartially informed about the Company.

6. Investor relations management

During the reporting period, the Company disclosed information strictly in accordance with relevant laws and regulations and the Rules Governing the Listing of Shares on Shenzhen Stock Exchange to ensure that all shareholders of the Company can access information on an equal basis. In addition, the Company designated the Secretary of the Board of Directors as the head of investor relations management to organize and implement the routine management of investor relations and promptly answer investors' questions in the form of phone calls, email, and interactions. The Company designated the Securities Affairs Department as a specialized investor relations management agency to strengthen communications with investors and adequately safeguarded investors' rights to know.

7. Performance appraisals and incentives

Through performance appraisals, the Company effectively implemented a comprehensive assessment of each employee and further understood each employee's work competence and expertise, thereby effectively adjusting appropriate positions for employees and achieving the goal of performance appraisal. The Company is gradually improving the performance appraisal

mechanism. The remuneration of the Company's senior executives and middle-level management personnel is linked to the Company's operating performance indicators.

8. Interested parties

The Company can fully respect and safeguard the legitimate rights and interests of relevant stakeholders, coordinate and balance the interests of shareholders, employees, communities and others, and jointly promote the Company's sustained and healthy development. The Company will continue to further its governance, perfect its corporate governance structure, disclose information to enhance the Company's transparency, strengthen investor relations management, and protect the interests of small and medium investors.

There is no material discrepancies between the Company's actual governance status and the laws, administrative regulations and relevant rules of governance on listed companies promulgated by the CSRC.

II. Details of the Company's Separation from the Controlling Shareholder and Actual Controller with Respect to Assets, Personnel, Financial Affairs, Organization and Business

When the Company conducted significant assets restructuring, Mingde Holding, the controlling shareholder, and Mr. Wang Wei, the actual controller of the Company made a Commitment to Maintain the Independence of the Listed Company on January 23, 2017, undertaking to strictly comply with the relevant regulations of the CSRC on the independence of listed companies, and maintain the independence of assets, personnel, finance, organization and business of the listed Company. The commitment is permanently effective. As of the end of the reporting period, Mingde Holding and Mr. Wang Wei fulfil earnestly the independence commitment and did not affect the independence of the Company. The Company was independent from the controlling shareholder in terms of assets, personnel, finance, organization, and business.

III. Horizontal Competition

Not applicable

IV. Details about the Annual Shareholders' General Meeting and Extraordinary Shareholders' Meetings Held during the Reporting Period

1. Details about the shareholders' general meeting during the reporting period

Meeting	Meeting Type	Investor Participation %	Date Convened	Disclosure Date	Meeting Resolutions
First Extraordinary General Meeting of Shareholders of 2021	Extraordinary General Meeting	18.83%	January 27, 2021	January 28, 2021	"Resolutions of the First Extraordinary General Meeting of 2021" (2021-011) disclosed by the Company on Cninfo (www.cninfo.com.cn)
Second Extraordinary General Meeting of Shareholders of 2021	Extraordinary General Meeting	69.84%	March 2, 2021	March 3, 2021	"Resolutions of the Second Extraordinary General Meeting of 2021" (2021-025) disclosed by the Company on Cninfo (www.cninfo.com.cn)
2020 Annual General Meeting	Annual General Meeting	69.19%	April 9, 2021	April 10, 2021	"2020 Annual General Meeting Resolutions" (2021-049) disclosed by the Company on Cninfo (www.cninfo.com.cn)
Third Extraordinary General Meeting of Shareholders of 2021	Extraordinary General Meeting	67.63%	June 15, 2021	June 16, 2021	"Resolutions of the Third Extraordinary General Meeting of 2021" (2021-080) disclosed by the Company on Cninfo (www.cninfo.com.cn)
Fourth Extraordinary General Meeting of Shareholders of 2021	Extraordinary General Meeting	68.06%	November 15, 2021	November 16, 2021	"Resolutions of the Fourth Extraordinary General Meeting of 2021" (2021-128) disclosed by the Company on Cninfo (www.cninfo.com.cn)

2. Extraordinary Shareholders' General Meeting requested by preferred shareholders with restitution of voting right

Not applicable

V. Directors, Supervisors and Senior Management

1. Basic information

Name	Title	Tenure status	Gender	Age	Start Date	End Date	Quantity of shares held at the beginning of the period (share)	Stock Option	Quantity of restricted stocks granted (share)	Quantity of shares increased in the current period (share)	Quantity of shares decreased in the current period (share)	Other increased or decreased changes (share)	Quantity of shares held at the end of the period (share)	Reason for share increased or decreased changes
Wang Wei	Chairman, general manager	Current	Male	52	December 28, 2016	Present	0	0	0	0	0	0	0	–
Lin Zheyang	Deputy chairman	Current	Male	58	December 28, 2016	Present	0	0	0	0	0	0	0	–
Zhang Yichen	Director	Current	Male	59	December 28, 2016	Present	0	0	0	0	0	0	0	–
Deng Weidong	Director	Current	Male	55	April 9, 2019	Present	0	0	0	0	0	0	0	–
Liu Chengwei	Director	Current	Male	52	December 28, 2016	Present	0	0	0	0	0	0	0	–
Ho Chit	Director				November 15, 2021									
	Deputy general manager, financial head	Current	Male	47	September 29, 2021	Present	0	0	0	0	0	0	0	–
Chan Fei	Director, deputy general manager	Current	Male	47	December 27, 2019	Present	0	0	0	0	0	0	0	–
Lo Sai Lai	Director	Current	Male	60	December 28, 2016	Present	0	0	0	0	0	0	0	–
Zhou Zhonghui	Independent director	Current	Male	75	December 28, 2016	Present	0	0	0	0	0	0	0	–
Jin Li	Independent director	Current	Male	52	December 28, 2016	Present	0	0	0	0	0	0	0	–
Dicky Perter Yip	Independent director	Current	Male	75	February 15, 2017	Present	0	0	0	0	0	0	0	–
Chow Wing Kin Anthony	Independent director	Current	Male	72	December 28, 2016	Present	0	0	0	0	0	0	0	–
Shum Tze Leung	Chairman of the Supervisory Committee	Current	Male	57	December 27, 2019	Present	0	0	0	0	0	0	0	–
Wang Jia	Supervisor	Current	Female	43	April 9, 2021	Present	0	0	0	0	0	0	0	–
Liu Jilu	Supervisor	Current	Male	75	December 28, 2016	Present	69,883,780	0	0	0	14,000,000	0	55,883,780	Personal capital need
Chu Yan	Employee representative supervisor	Current	Female	44	April 8, 2021	Present	0	0	0	0	0	0	0	–
Li Juhua	Employee representative supervisor	Current	Female	43	December 27, 2019	Present	0	0	0	0	0	0	0	–
Li Sheng	Deputy general manager	Current	Male	56	December 28, 2016	Present	0	0	0	0	0	0	0	–
Xu Zhijun	Deputy general manager	Current	Male	46	December 28, 2016	Present	0	0	0	0	0	0	0	–

Name	Title	Tenure status	Gender	Age	Start Date	End Date	Quantity of shares held at the beginning of the period (share)	Stock Option	Quantity of restricted stocks granted (share)	Quantity of shares increased in the current period (share)	Quantity of shares decreased in the current period (share)	Other increased or decreased changes (share)	Quantity of shares held at the end of the period (share)	Reason for share increased or decreased changes
Gan Ling	Deputy general manager, secretary of the Board	Current	Female	48	December 28, 2016	Present	0	0	0	0	0	0	0	-
Sun Xun	Chairman of the Supervisory Committee	Resigned	Male	45	December 27, 2019	March 16, 2021	0	0	0	0	0	0	0	-
Li Li	Employee representative supervisor	Resigned	Female	50	December 27, 2019	March 16, 2021	0	0	0	0	0	0	0	-
NG Wai Ting	Director	Resigned	Female	51	December 28, 2016	September 28, 2021	0	0	0	0	0	0	0	-
	Deputy general manager, financial head					April 24, 2021								
Total	-	-	-	-	-	-	69,883,780	0	0	0	14,000,000	0	55,883,780	-

Was there resignation of any director or supervisor, or dismissal of any senior executive in office during the reporting period?

Yes No

For the specific circumstances and reasons for the resignation or dismissal of directors, supervisors and senior executives during their terms of office, please refer to the following table "Changes of directors, supervisors and senior executives of the Company".

Changes of directors, supervisors and senior executives of the Company

Applicable Not applicable

Name	Title	Type	Date	Reason
Sun Xun	Chairman of the Supervisory Committee	Resigned	March 16, 2021	Resigned from the positions of supervisor and chairman of the Supervisory Committee due to a job transfer.
Li Li	Employee representative supervisor	Resigned	March 16, 2021	Resigned from the position of supervisor due to a job transfer.
Chu Yan	Employee representative supervisor	Elected	April 8, 2021	Elected as an employee representative supervisor.
Wang Jia	Supervisor	Elected	April 9, 2021	Elected as a supervisor.
NG Wai Ting	Deputy general manager, financial head	Resigned	April 24, 2021	Resigned from the positions of deputy general manager and financial head for personal reasons.
NG Wai Ting	Director	Resigned	September 28, 2021	Resigned from the position of director for personal reasons.
Ho Chit	Deputy general manager, financial head	Appointed	September 29, 2021	Appointed as the deputy general manager and financial head of the Company.
Ho Chit	Director	Elected	November 15, 2021	Elected as a non-independent director.

2. Biography of Key Personnel

The professional background, main working experience and their main duties in the Company of incumbent directors, supervisors, and senior executives of the Company.

Board of Directors

Chairman

Mr. Wang Wei, born in 1970, is the founder and de facto controller of the Company. He currently serves as Chairman and General Manager of the Company. He has served as the chairman of the board of directors and non-executive director of SF REIT Asset Management Limited since February 2021, and the chairman of the board of directors and non-executive director of Kerry Logistics (00636.HK) since October 2021.

Deputy Chairman

Mr. Lin Zheyang, born in 1964, graduated from Shanxi University of Finance and Economics, holds an EMBA degree from Guanghua School of Management, Peking University and a DBA degree from the Rennes School of Business, France. From 1987 to 2010, he served in the former Ministry of Foreign Trade and Economic Cooperation, and the Ministry of Commerce. Mr. Lin has been Chairman of Ancient Jade Capital Management Co., Ltd. since 2011 and as Independent Non-executive Director of Koolearn Technology Holding Limited (H-share Stock Code: 1797) since January 2020. He served as Deputy Chairman of Taisen Holding from 2013 to 2016 and as Deputy General Manager of the Company from December 2016 to December 2019. He has served as Deputy Chairman of the Company since December 2016.

Directors

Mr. Zhang Yichen, born in 1963, holds a bachelor degree in computer science from the Massachusetts Institute of Technology. From 1987 to 2000, he served as Head of the securities proprietary trading business at Greenwich Capital Markets Corporation and at Bank of Tokyo's New York Branch, and as Head of Bond Capital Markets for Greater China at Merrill Lynch. From 2000 to 2002, he served as Executive Director of CITIC Pacific and President of CITIC Pacific Information Technology Corporation. In 2002, Mr. Zhang participated in the establishment of CITIC Capital Holdings Limited ("CITIC Capital"). He currently serves as Chairman and CEO of CITIC Capital, Chairman of Harbin Pharmaceutical Group Holding Co., Ltd. (600664.SH), Independent Non-executive Director of China Vanke Co., Ltd. (000002.SZ, 2202.HK), and Independent Non-executive Director of Hong Kong Exchanges and Clearing Limited (0388.HK). He served as Director of Taisen Holding from 2013 to 2016. He has been Director of the Company since December 2016.

Mr. Deng Weidong, born in 1967, graduated from the Department of Earth and Ocean Sciences at Nanjing University and holds a D.Sc. degree in physical geography. From 1994 to 1997, he worked at Hainan Yangpu Economic Development

Zone Administration Bureau. From 1997 to 2005, he served as Deputy General Manager and General Manager of the Research & Development Department of China Nanshan Development (Group) Inc. From 2006 to 2009, he served as Deputy General Manager of Chiwan Container Terminal Co., Ltd. and General Manager of Shenzhen Magang Godown & Wharf Co., Ltd. From 2009 to 2011, he served as General Manager of the Planning and Commerce Department and Assistant to the General Manager of China Merchants Holdings (International) Company Limited ("CMHI"). From 2011 to 2015, he served as Deputy General Manager of CMHI. From 2015 to 2021, he served as Head of the Capital Operation Department of China Merchants Group Limited. Since 2021, he has served as Head of the Strategic Development Department of China Merchants Group Limited. He currently serves as Director of China International Marine Containers (Group) Ltd. (000039.SZ, 2039.HK), Director of China Merchants Energy Shipping Co., Ltd. (601872.SH), Director of China Merchants Shekou Industrial Zone Holdings Co., Ltd. (001979.SZ), Executive Director of China Merchants Port Holdings Company Limited (00144.HK), and Director of Sinotrans Limited (601598.SH, 0598.HK). Mr. Deng has served as Director of the Company since April 2019.

Mr. Liu Chengwei, born in 1970, holds a master degree in finance from Soochow University. He is also a senior economist and a lawyer. He served as Vice President of Suzhou Venture Group Co., Ltd. from 2008 to 2009, as Director of the Social Security and Provident Fund Management Center of Suzhou Industrial Park from 2009 to 2016, as Deputy Director of the Labor and Social Security Bureau of Suzhou Industrial Park from 2012 to 2016, and as Deputy Chairman and President of Suzhou Oriza Holdings Corporation from 2016 to 2020. Since January 2021, he has served as Chairman and President of Suzhou Oriza Holdings Corporation. Currently, he serves as Director of Zhongji InnoLight Co., Ltd. (300308.SZ). Mr. Liu served as Director of Taisen Holding in 2016. He has served as Director of the Company since December 2016.

Mr. Ho Chit, born in 1975, graduated from the University of Hong Kong and Tsinghua University. He is a certified public accountant of Hong Kong and an American certified public accountant, with 24 years of experience in financial management and the Internet sector. He served as Senior Manager of the Audit and Consulting Department of Arthur Anderson and PriceWaterhouseCoopers from 1997 to 2005, as Senior Financial Director of Sohu.com Inc. (SOHU.US) from 2005 to 2008, as Chief Financial Officer of Changyou.Com Limited (CYOU.US) from 2009 to 2014, and as Chief Executive Officer of Fox Fintech Group from 2014 to 2021. He has served as Independent Director of China Great Wall Securities Co., Ltd. (002939.SZ) since 2015, as Deputy General Manager and Financial Head of the Company since September 2021, as non-executive Director of Kerry Logistics (00636.HK) since October 2021 and as Director of the Company since November 2021.

Mr. Chan Fei, born in 1975, holds an MBA degree from the Wharton School of the University of Pennsylvania, US. From 2006 to 2016, he served as Executive Director of the Investment Banking Department of Goldman Sachs. He served as Assistant

CEO of the Company from 2016 to 2018 and as Chief Strategy Officer of the Company from 2018 to March 2021. Mr. Chan has served as the chairman of the board of directors and non-executive director of SF INTRA-CITY (9699.HK) since December 2019, as Assistant CEO of the Company since March 2021 and as Non-executive Director of Kerry Logistics (00636.HK) since October 2021. He has served as Director and Deputy General Manager of the Company since December 2019.

Mr. Lo Sai Lai, born in 1962, holds a PhD in computer science from the University of Cambridge, UK. From May 2002 to November 2012, he served as General Manager of Data Center, Information Director & General Manager of Information Management Center, and Group Deputy General Manager & Chief Information Officer of Ping An Insurance (Group) Company of China, Ltd. From 2016 to March 2019, Mr. Lo served as Chief Information Officer and Deputy General Manager of the Company. He has served as Chief Advisor to the Company since March 2019 and as Director of the Company since December 2016.

Mr. Zhou Zhonghui, born in 1947, holds a PhD in economics from the Shanghai University of Finance and Economics. He is a fellow member of the Chinese Institute of Certified Public Accountants, a member of the Financial Director Professional Committee of the China Association for Public Companies, and an advisory member of the Appraisers Association of China. Mr. Zhou currently serves as Independent Non-executive Director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. (688505.SH, 1349.HK), Independent Non-executive Director of COSCO SHIPPING Holdings Co., Ltd. (601919.SH, 01919.HK), and Independent Non-executive Director of CITIC Securities Co., Ltd. (600030.SH, 6030.HK). He was a lecturer, associate professor, and professor at the Accounting Department of Shanghai University of Finance and Economics, Financial Director at Hong Kong Xinlong Co., Ltd., General Manager and Chief Accountant at PricewaterhouseCoopers Zhong Tian LLP ("PwC"), Senior Partner of and Senior Adviser to PwC, Chief Accountant of the China Securities Regulatory Commission and a member of its International Advisory Committee, a member of the Auditing Standards Committee of the Chinese Institute of Certified Public Accountants, a council member of the China Association of Chief Financial Officers, and Independent Non-executive Director of China Pacific Insurance (Group) Co., Ltd. (601601.SH, 2601.HK). Mr. Zhou has served as Independent Director of the Company since December 2016.

Mr. Jin Li, born in 1970, holds a PhD from the Massachusetts Institute of Technology. From July 1992 to May 1994, he served as an instructor at the International Finance Department of Fudan University. From July 2001 to June 2007, he served as Assistant Professor of Finance at Harvard Business School. From July 2007 to June 2012, he served as Associate Professor of Finance at Harvard Business School. Currently, he serves as Professor at the Department of Finance, Guanghua School of Management, Peking University, Deputy Director of the Faculty of Economics and Management, Peking University, a tenured Professor of Finance at the University of Oxford, Independent Director of

CITIC aiBank Corporation Limited, Director of Da Cheng Fund Management Co., Ltd., and Independent Non-executive Director of Ping An Insurance (Group) Company of China, Ltd. (601318.SH, 02318.HK). Mr. Jin was elected a member of the National Committee of the Chinese People's Political Consultative Conference in March 2018. He has served as Independent Director of the Company since December 2016.

Mr. Dicky Peter Yip, born in 1947, holds an MBA degree from the University of Hong Kong. He is a member of the Chartered Banker Institute in London, and has been awarded the Certified Financial Planner (CFP) qualification by the Institute of Financial Planners of Hong Kong and the Certified Financial Management Planner (CFMP) qualification by the Hong Kong Institute of Bankers. He is currently an Independent Non-executive Director of Sun Hung Kai Properties Limited (0016.HK), and an honorary member of the Hong Kong Committee for the United Nations Children's Fund. Mr. Yip served as President of HSBC China, General Manager of HSBC, Deputy Governor of Bank of Communications, Independent Non-executive Director of Ping An Insurance (Group) Company of China, Ltd. (601318.SH, 02318.HK), and Independent Non-executive Director of South China Holdings Company Limited (0413.HK). In addition, Mr. Yip also served at a number of advisory committees, including the Hong Kong Aviation Advisory Board, Hong Kong Arts Development Council, and the Hong Kong Urban Renewal Authority. He was awarded the Bronze Bauhinia Star in 2003. He has served as Independent Director of the Company since February 2017.

Mr. Chow Wing Kin Anthony, born in 1950, is a lawyer practicing in Hong Kong, England and Wales. He holds honorary doctorates from Hong Kong Metropolitan University (formerly known as the Open University of Hong Kong) and the Hong Kong University of Science and Technology. Mr. Chow has worked as a professional lawyer in Hong Kong for more than 40 years. He is currently Senior Advisor to and Global Chairman of Guantao & Chow, a member of the Association of China-Appointed Attesting Officers Limited, Independent Non-executive Director of MTR Corporation Limited (0066.HK), Non-executive Director of Kingmaker Footwear Holdings Limited (1170.HK), Independent Non-executive Director of Ping An Healthcare and Technology Co., Ltd. (1833.HK), Independent Non-executive Director of Beijing North Star Company Limited (0588.HK), and Independent Director of OneConnect Financial Technology Co., Ltd. (OCFT.US). From 1997 to 2000, he served as President of the Law Society of Hong Kong. He is also the former Chairman of the Process Review Panel for the Securities and Futures Commission and the former Chairman of the Board of the Hong Kong Jockey Club. He also served as Non-executive Director of Asia Allied Infrastructure Holdings Limited (0711.HK) and Independent Non-executive Director of Fountain Set (Holdings) Limited (0420.HK). Mr. Chow was appointed as a Justice of the Peace in 1998, and awarded the Silver Bauhinia Star in 2003. He has been a member of the National Committee of the Chinese People's Political Consultative Conference since 2003. He has served as Independent Director of the Company since December 2016.

Supervisory Committee

Chairman of the Supervisory Committee

Mr. Shum Tze Leung, born in 1965, has served as Regional General Manager, Planning Director, Operation Director, Vice President of Operation Department, Head of Industrial Projects, and Head of Procurement & Supply Chain Center of S.F. Group since 1997. He is currently a Head of Hong Kong operation. He served as Supervisor of the Company from December 2019 to April 2021. Since April 2021, he has served as Chairman of the Supervisory Committee of the Company.

Supervisors

Ms. Wang Jia, born in 1979, holds a bachelor degree in economics from Shenzhen University. She served at Deloitte Touche Tohmatsu Certified Public Accountants LLP Shenzhen Branch from 2002 to 2007 and Ernst & Young (China) Advisory Limited Shenzhen Branch from 2007 to 2014, and served as Head of Internal Control of Taisen Holding from 2014 to 2016. Ms. Wang has served as Head of Internal Control of the Company since 2017 and as Supervisor of the Company since April 2021.

Mr. Liu Jilu, born in 1947, holds a university degree and is an engineer. He is an outstanding private entrepreneur in Anhui Province, Deputy Chairman of Ma'anshan Association of Old Science and Technology Workers, Deputy Chairman of Anhui Metallurgy Association, Vice President of Ma'anshan Entrepreneurs Association, Executive Vice President of Ma'anshan Federation of Industrial Economics, and a delegate to Dangtu County People's Congress. He served as General Manager of Ma'anshan Dingtai Metal Products Company, Chairman & General Manager of Ma'anshan Dingtai Technology Co., Ltd., and Chairman and General Manager, and Party Committee Secretary of Ma'anshan Dingtai Rare Earth & New Materials Co., Ltd. Mr. Liu has served as Supervisor of the Company since December 2016.

Ms. Chu Yan, born in 1978, graduated from Nanjing University of Finance and Economics. She joined S. F. Group in 2001 and served as Head of Human Resources of Nanjing Branch, Jiangsu, Head of Human Resources of Nanjing operation, Head of East China Representative Team of Human Resources Department, Head of East China Sales Department, Head of Supply Chain Solution + Business Structure Team, Head of Retail Solution Team, and Head of General Service Center of Express Delivery Business Group. Ms. Chu has served as Head of Talent Ecosystem and Supply Chain Center of the Company since November 2020 and as Employee Representative Supervisor of the Company since April 2021.

Ms. Li Juhua, born in 1979, graduated from Tongji University. She served as Accounting Director of Shanghai Totole Flavoring Food Co., Ltd. under Nestlé from 2002 to 2004, as Accounting

Manager at Walmart's China headquarters from 2004 to 2008, as Financial Manager of B&Q Shenzhen from 2008 to 2010, and as Financial Director of Maoye International Holdings Limited (0848.HK) from 2010 to 2012. From 2012 to 2016, Ms. Li served as Deputy Accounting Director, Accounting Director and Tax Director of Taisen Holding. From 2017 to August 2021, she served as Head of Finance Sharing Center of the Company. Ms. Li has served as Head of CFO Office of the Company since August 2021 and as Employee Representative Supervisor of the Company since December 2019.

Senior Executives

For the work experience, positions, and other posts held concurrently by Mr. Wang Wei, Mr. Chan Fei and Mr. Ho Chit, refer to the introduction to the Board of Directors.

Mr. Li Sheng, born in 1966, holds a bachelor degree in law from Sichuan Normal University. From 1997 to 2005, he served as Senior Executive at Walmart China. From 2005 to 2013, he served as Head of the Audit and Supervision Department, General Manager of Hubei operation, President of Central China operation, and President of West China operation of Taisen Holding. From 2013 to May 2021, he served as President of SF Airlines. Since June 2021, he has served as Chairman of SF Airlines. Mr. Li served as Director of Taisen Holding from 2013 to 2016 and as Deputy General Manager of Taisen Holding from 2015 to 2016. He has served as Deputy General Manager of the Company since December 2016.

Mr. Xu Zhijun, born in 1976, holds a master degree in logistics management from the National University of Singapore. From 2001 to 2004, he served as a corporate consultant at IDSC. From 2004 to 2015, Mr. Xu served as General Manager of Planning, Director of Strategic Planning, Director of Corporate Development, President of the Operation Department, Vice President of the Group & Head of Greater Operation at Taisen Holding. From 2015 to 2016, he served as Deputy General Manager, Assistant Chief Operating Officer, and Chief Operating Officer of Express Delivery Business Group at Taisen Holding. Mr. Xu has been Deputy General Manager of the Company since December 2016.

Ms. Gan Ling, born in 1974, holds an MBA degree from the University of Texas at Austin, US. She was an analyst at Coatue Management, one of the Tiger cub funds, in New York from 2006 to 2010. She served as deputy general manager of Maoye International Holdings Limited (0848.HK) from 2010 to 2015. Currently, she is a member of the Appeal Review Committee and a mentor of the postdoctoral station at the Shenzhen Stock Exchange. Ms. Gan joined S.F. Group in 2015. She has been serving as the Secretary of the Board of Directors and Deputy General Manager of the Company since 2016.

Positions held in shareholder entities

√ Applicable □ Not applicable

Name	Name of the shareholder entity	Position in the shareholder entity	Start date	End date	Receives payment from the shareholder entity?
Wang Wei	Shenzhen Mingde Holding Development Co., Ltd.	Executive director	November 5, 1997	Present	No
Description of posts held in shareholder entity	N/A				

Employment with other companies

√ Applicable □ Not applicable

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Wang Wei	Guangdong Shucheng Technology Co., Ltd.	Director, general manager	August 3, 2018	Present	No
Wang Wei	Greater Bay Airlines Company Limited	Director	December 10, 2020	August 18, 2021	Yes
Wang Wei	SF REIT Asset Management Limited	Chairman of Board of Directors, non-executive director	February 3, 2021	Present	No
Lin Zheyang	Ancient Jade Capital Management Co., Ltd.	Executive director	January 12, 2011	Present	Yes
Lin Zheyang	Beijing Xinyue Fangde Investment Management Co., Ltd.	Executive director	March 27, 2015	Present	No
Lin Zheyang	Suzhou Jade Equity Investment Management Co., Ltd.	Executive director	September 16, 2013	Present	No
Lin Zheyang	Suzhou Ruihuang Equity Investment Management Partnership (Limited Partnership)	Executive partner	March 15, 2014	Present	No
Lin Zheyang	Suzhou Windbell Equity Investment Management Partnership (General Partnership)	Executive partner	August 22, 2013	Present	No
Lin Zheyang	Jade Investment Management (Beijing) Co., Ltd.	Executive director	October 19, 2011	Present	No
Lin Zheyang	Skyard Investments Limited	Executive director	January 15, 2014	Present	No
Lin Zheyang	Beijing LiDar360 Technology Co., Ltd.	Director	May 5, 2016	Present	No
Lin Zheyang	Fuzhou Yuanzhang Trading Co., Ltd.	Executive director	June 6, 2019	Present	No
Lin Zheyang	KOOLEARN TECHNOLOGY HOLDING LIMITED	Independent non-executive director	January 20, 2020	Present	Yes
Lin Zheyang	Aerospace Times Feipeng Co., Ltd.	Director	December 25, 2020	Present	No
Lin Zheyang	Kunshan Bangchen Equity Investment Partnership (Limited Partnership)	Executive partner	November 4, 2020	Present	No
Lin Zheyang	Suzhou Guyu Dingruo Equity Investment Partnership (Limited Partnership)	Representative of executive partner	October 13, 2020	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Lin Zheyang	Gymboree Holdings Group Limited	Director	December 1, 2020	Present	No
Lin Zheyang	Star UAV System Co., Ltd.	Chairman	April 11, 2019	February 5, 2021	No
Lin Zheyang	GCH Technology Co., Ltd.	Director	December 22, 2015	September 2, 2021	No
Zhang Yichen	Best Castle Limited	Director	November 15, 2007	Present	No
Zhang Yichen	CC (2015B) GP Ltd.	Director	April 24, 2015	Present	No
Zhang Yichen	CCAIM Holdings Limited	Director	November 30, 2007	Present	No
Zhang Yichen	CCHL Management Holding Ltd.	Director	January 27, 2016	Present	No
Zhang Yichen	CCP Holdings Ltd.	Director	June 8, 2010	Present	No
Zhang Yichen	CCVP (HK) Limited	Director	January 17, 2012	December 23, 2021	No
Zhang Yichen	CCVP Advisory Ltd.	Director	January 17, 2012	Present	No
Zhang Yichen	CCVP GP Ltd.	Director	January 17, 2012	Present	No
Zhang Yichen	China Venture Capital and Private Equity Association Limited	Director	February 18, 2008	Present	No
Zhang Yichen	CITIC Capital Asset Management Limited	Chairman of the Board of Directors	December 30, 2004	Present	No
Zhang Yichen	CITIC Capital China Mezzanine Fund Limited	Chairman of the Board of Directors	December 23, 2005	Present	No
Zhang Yichen	Hengxin Capital Construction Machinery Investments Limited	Director	June 30, 2008	Present	No
Zhang Yichen	CC Finance Limited	Director	February 1, 2006	Present	No
Zhang Yichen	CC Financial Holding Limited	Director	August 31, 2007	Present	No
Zhang Yichen	CITIC Capital Global Services Holdings Limited	Director	July 31, 2007	Present	No
Zhang Yichen	CITIC Capital Guaranty Investments Ltd.	Director	February 26, 2010	Present	No
Zhang Yichen	Hengxin Capital Hoisting Machinery Investments Limited	Director	June 30, 2008	Present	No
Zhang Yichen	CITIC Capital Holdings Limited	Chairman of the Board of Directors	May 27, 2002	Present	Yes
Zhang Yichen	CITIC Capital Iceland Investment Limited	Director	January 21, 2005	Present	No
Zhang Yichen	CC Investment Consulting Limited	Director	November 21, 2007	Present	No
Zhang Yichen	CC Investment Holdings Limited	Director	June 6, 2003	Present	No
Zhang Yichen	CCMB (HK) Limited	Director	June 30, 2006	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Zhang Yichen	CITIC Capital MB Investment Limited	Director	December 19, 2005	Present	No
Zhang Yichen	CITIC Capital Ming Kang Healthcare Investment Holdings Limited	Director	April 23, 2007	Present	No
Zhang Yichen	CITIC Capital Silk Road GP Ltd.	Director	February 1, 2016	Present	No
Zhang Yichen	CITIC Capital Special Investment Holdings Limited	Director	August 5, 2011	Present	No
Zhang Yichen	CITIC Kazyna GP Ltd.	Director	October 29, 2008	Present	No
Zhang Yichen	CITIC Kazyna Investment Advisor (Hong Kong) Limited	Director	May 26, 2010	Present	No
Zhang Yichen	CITIC Kazyna Manager Ltd.	Director	October 29, 2008	Present	No
Zhang Yichen	CKIF CITIC Capital Carry GP Ltd.	Director	August 24, 2012	Present	No
Zhang Yichen	CP Management Holdings Limited	Director	April 8, 2009	Present	No
Zhang Yichen	Dalton Foundation Limited	Director	September 22, 2014	Present	No
Zhang Yichen	Excel Wisdom Holding Limited	Director	June 20, 2012	Present	No
Zhang Yichen	Fuwa Heavy Industry Co., Ltd.	Deputy chairman	January 7, 2008	Present	No
Zhang Yichen	Harbin Pharmaceutical Group Holding Company Ltd.	Chairman, legal representative	August 1, 2005	Present	No
Zhang Yichen	Ming Kang Healthcare Investment Limited	Director	May 8, 2007	Present	No
Zhang Yichen	Multifield International Limited	Director	April 26, 2005	Present	No
Zhang Yichen	Mutual Glory International Limited	Director	February 17, 2015	Present	No
Zhang Yichen	Peace Investment Limited	Director	August 10, 2011	Present	No
Zhang Yichen	Perfect Business Limited	Director	November 21, 2007	Present	No
Zhang Yichen	Pioneer Way Investments Limited	Director	October 9, 2006	Present	No
Zhang Yichen	Prosper Glory Investments Limited	Director	February 12, 2007	Present	No
Zhang Yichen	Smart Goal Limited	Director	January 27, 2016	Present	No
Zhang Yichen	Sun Success International Limited	Director	January 7, 2003	Present	No
Zhang Yichen	Super Sun Profits Limited	Director	October 4, 2005	Present	No
Zhang Yichen	Treasure Land Holdings Limited	Director	January 27, 2016	Present	No
Zhang Yichen	World Profit International Capital Limited	Director	February 19, 2010	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Zhang Yichen	Benyuan Investment Advisory (Beijing) Co., Ltd.	Director	March 28, 2012	Present	No
Zhang Yichen	Jiaqiang (Shanghai) Consulting Co., Ltd.	Director	May 7, 2003	Present	No
Zhang Yichen	Kaixin Venture Capital Management (Beijing) Co., Ltd.	Chairman	August 1, 2008	Present	No
Zhang Yichen	Kaixin Venture Capital Co., Ltd.	Director	August 1, 2008	Present	No
Zhang Yichen	Shanghai Stefford Real Estate Co., Ltd.	Director	June 5, 2015	Present	No
Zhang Yichen	Shanghai Xinming Investment Consulting Co., Ltd.	Director	November 6, 2007	Present	No
Zhang Yichen	CC Full Joy (Dalian) Co. Ltd.	Director	August 13, 2008	Present	No
Zhang Yichen	CITIC Capital (Tianjin) Equity Investment Partnership (Limited Partnership)	Representative of executive partner	July 15, 2009	Present	No
Zhang Yichen	CITIC Capital (Tianjin) Investment Management Partnership (Limited Partnership)	Representative of executive partner	July 15, 2009	Present	No
Zhang Yichen	CITIC Capital (China) Investment Co., Ltd.	Director	April 22, 2008	Present	No
Zhang Yichen	CITIC Capital Cultural Tourism (Chengdu) Co., Ltd.	Chairman	March 8, 2016	Present	No
Zhang Yichen	Fast Food Holdings Limited	Director	December 9, 2016	Present	No
Zhang Yichen	RCIF Asset Management Limited	Director	November 8, 2016	Present	No
Zhang Yichen	RCIF Partners GP Limited	Director	November 8, 2016	Present	No
Zhang Yichen	CITIC Capital Equity Investment (Tianjin) Co., Ltd.	Chairman	December 14, 2010	Present	No
Zhang Yichen	CITIC Capital Alternative Investment Management Limited	Director	November 30, 2007	Present	No
Zhang Yichen	CCHL Management Holding II Ltd.	Director	March 15, 2017	Present	No
Zhang Yichen	TS Capital Charitable Foundation Limited	Director	May 26, 2011	Present	No
Zhang Yichen	CITIC Capital Special Situations Holdings Limited	Director	May 5, 2017	Present	No
Zhang Yichen	Grand Foods Holdings Limited	Chairman	July 31, 2017	Present	No
Zhang Yichen	Stockbridge Capital Group, LLC	Director	January 1, 2017	Present	No
Zhang Yichen	Ultra Brilliant Advisory Limited	Director	May 8, 2017	Present	No
Zhang Yichen	CITIC Capital (Ningbo) Investment Management Co., Ltd.	Chairman	May 3, 2017	Present	No
Zhang Yichen	Pengwei Investment Consulting (Shanghai) Co., Ltd.	Director	August 28, 2015	Present	No
Zhang Yichen	CITIC Capital OI GP Ltd.	Director	November 23, 2018	Present	No
Zhang Yichen	CCOI Investment Holdings Limited	Director	November 23, 2018	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Zhang Yichen	CCP Fast Food Holdings Limited	Director	December 14, 2016	Present	No
Zhang Yichen	Frontier Strategic Resources Services Ltd.	Director	June 5, 2019	Present	No
Zhang Yichen	Frontier Strategic Resources Holding Ltd.	Director	June 5, 2019	Present	No
Zhang Yichen	Frontier Strategic Resources GP Ltd.	Director	June 5, 2019	Present	No
Zhang Yichen	Cityneon Holdings Pte. Ltd.	Director	May 31, 2019	Present	No
Zhang Yichen	CITIC (Shenzhen) Innovative Equity Investment Management Co., Ltd.	Chairman	October 2, 2018	Present	No
Zhang Yichen	Global Nature Investment Holdings Limited	Director	September 23, 2019	Present	No
Zhang Yichen	CCHL Investment Holdings Limited	Director	February 19, 2019	Present	No
Zhang Yichen	Trustar Capital Holdings Limited	Director	February 20, 2020	Present	No
Zhang Yichen	CCHL Fast Food Holdings Limited	Director	August 12, 2019	Present	No
Zhang Yichen	Xinchen Capital Company Limited	Director	March 20, 2020	Present	No
Zhang Yichen	China Vanke Co., Ltd.	Independent non-executive director	June 30, 2020	Present	Yes
Zhang Yichen	AsialInfo Technologies Limited	Non-executive director	June 26, 2018	Present	No
Zhang Yichen	Xinchen Capital (Tianjin) Investment Management Co., Ltd.	Chairman	August 26, 2020	Present	No
Zhang Yichen	Harbin Pharmaceutical Group Co., Ltd.	Chairman	January 8, 2021	Present	No
Zhang Yichen	Trustar Capital Company Limited	Director	September 28, 2020	Present	No
Zhang Yichen	Doha Venture Capital LLC	Non-executive director	June 19, 2019	Present	No
Zhang Yichen	GNC Holdings, LLC	Chairman of the Board of Directors	January 4, 2021	Present	No
Zhang Yichen	Hong Kong Exchanges and Clearing Limited	Independent non-executive director	April 28, 2021	Present	Yes
Zhang Yichen	Yuanxin (Zhuhai) Private Equity Fund Management Co., Ltd.	Director	January 11, 2022	Present	No
Liu Chengwei	Suzhou Oriza Holdings Co., Ltd.	President, deputy chairman	March 22, 2016	Present	Yes
Liu Chengwei	China-Singapore Suzhou Industrial Park Ventures Co., Ltd.	Chairman, general manager	May 3, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Shahu Financial Services Co., Ltd.	Executive director	May 3, 2016	Present	No
Liu Chengwei	Cowin Venture Capital Co., Ltd.	Executive director, general manager	April 22, 2016	Present	No
Liu Chengwei	Suzhou Industry Zone Yuandian Venture Capital Co., Ltd.	Executive director, general manager	April 22, 2016	Present	No
Liu Chengwei	Oriza Equity Investment Fund Management Co., Ltd.	Chairman, general manager	April 22, 2016	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Liu Chengwei	China Development KeyWin Equity Investment Fund Management Co., Ltd.	Director	April 22, 2016	Present	No
Liu Chengwei	SINO-IC Capital LTD.	Director	April 22, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Chenkun Equity Investment Fund Management Center (Limited Partnership)	Representative of executive partner	April 22, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Yuandian Venture Capital Management Co., Ltd.	Chairman	April 22, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Chongyuan Equity Investment Fund Management Co., Ltd.	Chairman	April 22, 2016	Present	No
Liu Chengwei	Huayi Venture Capital Management (Suzhou) Co., Ltd.	Chairman	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Guochuang Venture Capital Co., Ltd.	Director, general manager	April 27, 2016	Present	No
Liu Chengwei	Suzhou Derui Hengfeng Venture Capital Co., Ltd.	Chairman	April 27, 2016	Present	No
Liu Chengwei	Tibet Kaifeng Enterprising Venture Capital Co., Ltd.	Director	April 27, 2016	Present	No
Liu Chengwei	Guochuang Yuanhe Venture Capital Fund (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Chongyuan Shunfeng Equity Investment Management Center (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Shunfeng Equity Investment Company (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Chongyuan M&A Equity Investment Fund Partnership (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Chongyuan Qijia Equity Investment Company (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Chongyuan M&A Equity Investment Management Center (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Bingsheng Equity Investment Fund Partnership (Limited Partnership)	Representative of executive partner	April 27, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Guochuang Oriza Phase II Venture Capital Co., Ltd.	Executive director	April 27, 2016	Present	No
Liu Chengwei	Infiniti-China-Singapore Venture Capital Firm	Joint Management Committee member	April 27, 2016	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Liu Chengwei	Suzhou Hewen Investment Management Co., Ltd.	Chairman	May 11, 2016	Present	No
Liu Chengwei	Suzhou Hewen Investment Partnership (Limited Partnership)	Representative of executive partner	May 11, 2016	Present	No
Liu Chengwei	Chinese Culture Limited Liability Company	Director	May 11, 2016	Present	No
Liu Chengwei	CMC Holdings Limited	Director	May 11, 2016	Present	No
Liu Chengwei	Huayuan Management Consulting (Hong Kong) Co., Ltd.	Executive director	August 29, 2016	Present	No
Liu Chengwei	Oriza Management Consulting (Hong Kong) Co., Ltd.	Executive director	October 18, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Chongyuan Youyun Equity Investment Management Center (Limited Partnership)	Representative of executive partner	December 28, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Chongyuan Youyun Venture Capital Enterprise (Limited Partnership)	Representative of executive partner	December 28, 2016	Present	No
Liu Chengwei	Suzhou Industrial Park Runxin Enterprise Management Consulting Co., Ltd.	Executive director	July 22, 2017	July 17, 2021	No
Liu Chengwei	Tongcheng Holdings Co., Ltd.	Director	November 1, 2017	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Emerging Industry Investment Management Co., Ltd.	Executive director	September 27, 2017	Present	No
Liu Chengwei	Yuanhe Houwang (Suzhou) Investment Management Co., Ltd.	Chairman	September 22, 2017	Present	No
Liu Chengwei	Yuanhe Puhua (Suzhou) Investment Management Co., Ltd.	Chairman	January 10, 2018	Present	No
Liu Chengwei	Jiangsu Jiequan Yuanhe IPR Science and Technology Fund (Limited Partnership)	Representative of executive partner	February 26, 2019	Present	No
Liu Chengwei	Zhongji InnoLight Co., Ltd.	Director	June 9, 2020	Present	No
Liu Chengwei	Zhongxin Oriza (Suzhou) S&T Innovation Investment Fund Partnership (Limited Partnership)	Representative of executive partner	December 31, 2019	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Shangtang Venture Capital Partnership (Limited Partnership)	Representative of executive partner	August 20, 2020	Present	No
Liu Chengwei	Suzhou Industrial Park Oriza Star Venture Capital Partnership (Limited Partnership)	Representative of executive partner	October 29, 2020	Present	No
Liu Chengwei	Suzhou Tongcheng Lujin Technology Co., Ltd.	Director	March 1, 2021	Present	No
Liu Chengwei	Suzhou Tongcheng Air Travel Technology Co., Ltd.	Director	February 26, 2021	Present	No

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Liu Chengwei	Suzhou Centec Communication Co., Ltd.	Director	December 1, 2020	Present	No
Liu Chengwei	Yuanhe Puhua Tongxin (Suzhou) Investment Management Co., Ltd.	Chairman	November 17, 2020	Present	No
Deng Weidong	Chongqing Globalbill Cross-border Technology Co., Ltd.	Director	April 23, 2014	Present	No
Deng Weidong	China Merchants Energy Shipping Co. Ltd.	Director	April 26, 2019	Present	No
Deng Weidong	China Merchants Investment Development Co., Ltd.	General manager	April 13, 2020	Present	No
Deng Weidong	China Merchants Taipingwan Development & Investment Co., Ltd.	Director	April 28, 2020	Present	No
Deng Weidong	Shenzhen Zhaoguang Investment Co., Ltd.	Chairman, general manager	May 14, 2020	Present	No
Deng Weidong	China International Marine Containers (Group) Co., Ltd.	Director	October 9, 2020	Present	No
Deng Weidong	Sinomarine Limited	General manager, executive director, legal representative	February 20, 2021	Present	No
Deng Weidong	China Merchants Venture Capital Management Co., Ltd.	Director	August 16, 2021	Present	No
Deng Weidong	China Merchants Shekou Industrial Zone Holdings Co., Ltd.	Director	October 19, 2021	Present	No
Deng Weidong	China Merchants Port Holdings Company Limited	Executive director	October 28, 2021	Present	No
Deng Weidong	Sinotrans Limited	Director	November 2, 2021	Present	No
Deng Weidong	China Merchants Group Gangtong Development (Shenzhen) Co., Ltd.	Executive director, general manager	January 16, 2018	March 30, 2021	No
Deng Weidong	China Merchants Property Operation & Services Co., Ltd.	Director	December 12, 2019	April 1, 2021	No
Deng Weidong	China Merchants (Liaoning) Port Development Co., Ltd.	Executive director, general manager	May 16, 2018	January 8, 2021	No
Deng Weidong	Rainbow Giant Limited	Director	February 9, 2018	February 25, 2021	No
Lo Sai Lai	Jolokia Partner Limited	Director	May 12, 2012	Present	No
Lo Sai Lai	Jolokia Holding Limited	Director	April 10, 2013	Present	No
Ho Chit	China Great Wall Securities Co., Ltd.	Independent director	March 31, 2015	Present	Yes
Ho Chit	Fox Financial Technology Group Limited	Director	April 4, 2014	Present	No
Shum Tze Leung	Kings (HK) International Limited	Director	February 1, 2019	Present	No
Shum Tze Leung	Kin Shun Information Technology Holdings Limited	Director	February 1, 2019	Present	No
Shum Tze Leung	Kin Shun Information Technology Limited	Director	February 1, 2019	Present	No
Zhou Zhonghui	Shanghai Fudan Zhangjiang Biopharmaceutical Co., Ltd.	Independent non-executive director	May 30, 2013	Present	Yes

Name	Name of the other company	Position in the other company	Start date	End date	Receives payment from the other company?
Zhou Zhonghui	COSCO SHIPPING Holdings Co., Ltd.	Independent non-executive director	May 25, 2017	Present	Yes
Zhou Zhonghui	Goldman Sachs Gao Hua Securities Company Limited	Independent non-executive director	September 19, 2017	November 11, 2021	Yes
Zhou Zhonghui	CITIC Securities Company Limited	Independent non-executive director	May 27, 2019	Present	Yes
Zhou Zhonghui	CloudWalk Technology Co., Ltd.	Director	November 30, 2019	Present	Yes
Zhou Zhonghui	Suzhou Oriza Holdings Corporation	Director	March 1, 2020	Present	Yes
Chow Wing Kin Anthony	Guantao Law Firm (Hong Kong)	Senior consultant	February 1, 2016	Present	Yes
Chow Wing Kin Anthony	Hong Kong Railway Company Limited	Independent non-executive director	May 18, 2016	Present	Yes
Chow Wing Kin Anthony	Ping An Healthcare and Technology Company Limited	Independent non-executive director	May 3, 2018	Present	Yes
Chow Wing Kin Anthony	Kingmaker Footwear Holdings Limited	Non-executive director	June 10, 1994	Present	Yes
Chow Wing Kin Anthony	OneConnect Financial Technology Co., Ltd.	Independent non-executive director	October 1, 2020	Present	Yes
Chow Wing Kin Anthony	Beijing North Star Company Limited	Independent non-executive director	May 13, 2021	Present	Yes
Jin Li	CITIC aiBank Corporation Limited	Independent director	September 5, 2017	Present	Yes
Jin Li	Da Cheng Fund Management CO., LTD.	Director	April 25, 2016	Present	Yes
Jin Li	Ping An Insurance (Group) Company of China, Ltd.	Independent non-executive director	August 20, 2021	Present	Yes
Dicky Perter Yip	Sun Hung Kai Properties Limited	Independent non-executive director	September 28, 2004	Present	Yes
Dicky Perter Yip	Ping An OneConnect Bank (Hong Kong) Limited	Independent non-executive director	August 30, 2019	November 10, 2021	Yes
Chan Fei	Hubei International Aviation Industry New Town Development Co., Ltd.	Director	December 8, 2016	July 2, 2021	No
Li Sheng	SF Charity Foundation	Director	October 26, 2016	Present	No
Xu Zhijun	CR-SF International Express Co., Ltd.	Deputy chairman	June 28, 2018	Present	No
Gan Ling	Sunrise Capital Feeder Fund Ltd.	Director	April 16, 2015	Present	No
Description of posts held in other companies	N/A				

Penalties imposed by securities regulatory bodies on the Company's current and dismissed directors, supervisors, and senior executives during the reporting period in the past three years

Applicable Not applicable

3. Remuneration for Directors, Supervisors, and Senior Managers

Decision-making procedure, basis of determination, and actual payment of remuneration for directors, supervisors, and senior managers

With a view to further improving the remuneration management system for the Company's directors, supervisors, and senior executives, establishing an incentive and restraint mechanism compatible with modern enterprise system which helps match responsibilities with rights, and fully incentivizing the Company's directors, supervisors, and senior executives, the Company formulated the Management System of Remuneration of Directors, Supervisors, and Senior Executives, which was reviewed and approved on the Company's 2017 Second Extraordinary General Meeting of Shareholders, and the amendment was reviewed and approved on the Company's 2020 First Extraordinary General Meeting of Shareholder.

According to the Management System of Remuneration of Directors, Supervisors, and Senior Executives, the Company pays allowances to independent directors each year. The amount of the allowances is determined at the Company's Shareholders' General Meeting. The allowances for independent directors are issued from the following month after their appointment resolutions are passed at the Shareholders' General Meeting.

The Company does not provide separate allowances for external directors, internal directors, external supervisors, or internal supervisors. Internal directors and internal supervisors receive remuneration according to the corresponding remuneration for senior executive or other positions concurrently held by them and appraisal management approach.

The remuneration determination mechanism of the Company's senior management: the Remuneration Management Committee under the Board of Directors of the Company formulates and reviews the appraisal method and remuneration plan for the senior management, appraises the performance and behavior of the senior management, and submits appraisal results to the Board of Directors for approval. The Company determines the annual remuneration of the senior management with reference to the income level of the industry and the region, taking into account factors such as the Company's operating performance and their contribution. For our senior management, the Company adopts the annual salary system, in which the fixed salary is determined with reference to factors including market rate and individual contribution, while the annual bonus is a floating incentive determined by the performances of both the Company and individuals.

The remuneration of the Company's internal directors, internal supervisors and senior executives is paid according to the Company's salary system.

Remuneration of directors, supervisors and senior executives during the reporting period

Unit: RMB'000

Name	Position	Gender	Age	Tenure status	Total Pre-tax Remuneration Gained from the Company in 2021 ¹		Whether Gained Remuneration from the Related Parties of the Company
					Wages and bonus etc.	Other benefits	
Wang Wei	Chairman and General Manager	Male	52	Current	1,122.00	0.00	No
Lin Zheyang	Deputy Chairman	Male	58	Current	-	-	Yes
Zhang Yichen	Director	Male	59	Current	-	-	Yes
Deng Weidong	Director	Male	55	Current	-	-	Yes
Liu Chengwei	Director	Male	52	Current	-	-	Yes
Ho Chit ²	Director, Deputy General Manager, CFO	Male	47	Current	1,745.74	4.94	No
Chan Fei ²	Director and Deputy General Manager	Male	47	Current	6,258.03	77.76	No
Lo Sai Lai	Director	Male	60	Current	-	-	No
NG Wai Ting	Former Director, Former Deputy General Manager, Former CFO	Female	51	Resigned	2,901.20	51.85	No
Zhou Zhonghui	Independent Director	Male	75	Current	680.00	-	Yes
Jin Li	Independent Director	Male	52	Current	680.00	-	Yes

Name	Position	Gender	Age	Tenure status	Total Pre-tax Remuneration Gained from the Company in 2021 ¹		Whether Gained Remuneration from the Related Parties of the Company
					Wages and bonus etc.	Other benefits	
Dicky Peter Yip	Independent Director	Male	75	Current	680.00	–	No
Chow Wing Kin Anthony	Independent Director	Male	72	Current	680.00	–	Yes
Sun Xun	Former Chairman of the Board of Supervisors	Male	45	Resigned	126.19	20.73	No
Li Li	Former Employee Representative Supervisor	Female	50	Resigned	843.64	14.60	No
Liu Jilu	Supervisor	Male	75	Current	–	–	Yes
Shum Tze Leung	Chairman of the Board of Supervisors	Male	57	Current	1,171.61	72.76	No
Li Juhua	Supervisor	Female	43	Current	1,261.31	20.93	No
Wang Jia	Supervisor	Female	43	Current	523.78	14.74	No
Chu Yan	Supervisor	Female	44	Current	666.63	41.25	No
Li Sheng	Deputy General Manager	Male	56	Current	3,880.80	48.55	No
Xu Zhijun	Deputy General Manager	Male	46	Current	2,607.95	71.33	No
Gan Ling	Deputy General Manager and Secretary of the Board	Female	48	Current	2,167.20	31.97	No
Total					27,996.08	471.41	

Note 1: The total pre-tax remuneration refers to the remuneration received by the above-mentioned personnel during their tenure as a director, supervisor, or senior executive of the Company in 2021, including wages, bonuses, benefits, etc.

Note 2: In the above table, the amount of "Wages and bonus etc." that Mr. Ho Chit and Mr. Chan Fei received from the Company during the reporting period included the director's fees that they received from subsidiary Kerry Logistics.

VI. Performance of Directors During the Reporting Period

1. Board of Directors during the reporting period

Meeting	Date Convened	Disclosure Date	Meeting Resolutions
10th meeting of the 5th Board of Directors	January 7, 2021	January 8, 2021	For details, refer to the "Announcement of the Resolutions of the 10th Session of the 5th Board of Directors" (announcement No.: 2021-004) disclosed by the Company on Cninfo (www.cninfo.com.cn).
11th meeting of the 5th Board of Directors	February 8, 2021	February 10, 2021	For details, refer to the "Announcement of the Resolutions of the 11th Session of the 5th Board of Directors" (announcement No.: 2021-013) disclosed by the Company on Cninfo (www.cninfo.com.cn) by the Company.
12th meeting of the 5th Board of Directors	March 17, 2021	March 18, 2021	For details, refer to the "Announcement of the Resolutions of the 12th Session of the 5th Board of Directors" (announcement No.: 2021-027) disclosed by the Company on Cninfo (www.cninfo.com.cn).
13th meeting of the 5th Board of Directors	April 22, 2021	–	The "Full Text and Main Text of the 2021 First Quarter Report of the Company" was reviewed and approved.
14th meeting of the 5th Board of Directors	April 27, 2021	April 29, 2021	For details, refer to the "Announcement of the Resolutions of the 14th Session of the 5th Board of Directors" (announcement No.: 2021-057) disclosed by the Company on Cninfo (www.cninfo.com.cn).

Meeting	Date Convened	Disclosure Date	Meeting Resolutions
15th meeting of the 5th Board of Directors	May 13, 2021	May 14, 2021	For details, refer to the "Announcement of the Resolutions of the 15th Session of the 5th Board of Directors" (announcement No.: 2021-061) disclosed by the Company on Cninfo (www.cninfo.com.cn).
16th meeting of the 5th Board of Directors	May 28, 2021	May 29, 2021	For details, refer to the "Announcement of the Resolutions of the 16th Session of the 5th Board of Directors" (announcement No.: 2021-070) disclosed by the Company on Cninfo (www.cninfo.com.cn).
17th meeting of the 5th Board of Directors	August 20, 2021	-	Reviewed and approved the "Full Text and Summary of the 2021 Semiannual Report of the Company".
18th meeting of the 5th Board of Directors	September 29, 2021	September 30, 2021	For details, refer to the "Announcement of the Resolutions of the 18th Session of the 5th Board of Directors" (announcement No.: 2021-109) disclosed by the Company on Cninfo (www.cninfo.com.cn).
19th meeting of the 5th Board of Directors	October 28, 2021	October 29, 2021	For details, refer to the "Announcement of the Resolutions of the 19th Session of the 5th Board of Directors" (announcement No.: 2021-115) disclosed by the Company on Cninfo (www.cninfo.com.cn).
20th meeting of the 5th Board of Directors	December 31, 2021	January 1, 2022	For details, refer to the "Announcement of the Resolutions of the 20th Session of the 5th Board of Directors" (announcement No.: 2022-001) disclosed by the Company on Cninfo (www.cninfo.com.cn).

2. Details of director attendance at board sessions and shareholders' general meetings

Details of director attendance at board sessions and shareholders' general meetings							
Name of director	Sessions required to attend during the reporting period (times)	Attendance in person (times)	Attendance by way of telecommunication (times)	Entrusted presence (times)	Absence (times)	Nonattendance in person for two consecutive times	Attendance in shareholders' meeting
Wang Wei	11	0	11	0	0	No	3
Lin Zheyang	11	0	11	0	0	No	3
Zhang Yichen	11	0	11	0	0	No	0
Deng Weidong	11	0	11	0	0	No	1
Liu Chengwei	11	0	11	0	0	No	0
Ho Chit	1	0	1	0	0	No	0
Chan Fei	11	0	11	0	0	No	5
Lo Sai Lai	11	0	11	0	0	No	4
Zhou Zhonghui	11	0	11	0	0	No	5
Jin Li	11	0	11	0	0	No	1
Dicky Peter Yip	11	0	11	0	0	No	5
Chow Wing Kin Anthony	11	0	11	0	0	No	3
NG Wai Ting	8	0	8	0	0	No	3

Information about directors who do not attend in-person two board meetings in a row.

N/A

3. Details of directors objecting to relevant events of the Company

During the reporting period, no directors objected to relevant events of the Company.

4. Other details about the performance of directors

Was the directors' advice to the Company adopted?

Yes No

During the reporting period, the directors of the Company duly and diligently fulfilled their duties. The Company's Board of Directors held a total of 11 sessions, during which all directors attended in-person on time, and none of them attended the meetings by proxy or were absent. The directors learned in detail the overall production and operation of the Company, carefully considered the various topics of the sessions of the Board of Directors, actively expressed their opinions, and implemented the legal and effective decision-making procedures for major matters. The Company's independent directors were able to exercise their duties and perform their duties as independent directors. They put forward many guiding opinions and sound suggestions on the Company's development strategy and standardized operation and voiced independent opinions on major matters. For details about the independent opinions of independent directors, please refer to the 2021 Independent Directors' Debriefing Report published on www.cninfo.com on the same day as this Annual Report.

VII. Details of Special Committees under the Board of Directors During the Reporting Period

Name of Committee	Members	Number of Meetings Held	Date Convened	Meeting Content	Important Opinions and Suggestions Proposed	Other Duty Performance	Objection Details (If Any)
Audit Committee	Zhou Zhonghui, Jin Li, NG Wai Ting	5	February 4, 2021	Review of the <i>2020 Internal Control Audit Findings and Key Audit Matter Communication</i> , and <i>2020 Annual Internal Audit Work Summary and 2021 Work Plan</i>	1. The company has added a large number of listed subsidiaries this year, and the new type of business is constantly developing, so it is necessary to pay attention to whether the internal control system fully covers these new organizations, and whether it is promptly updated; IT audit needs to be stepped up as well in order to cope with an increasing number of new systems; 2. The Company scaled up business operations at an accelerating pace, with huge capital demands and also a lot of capital operations; it is necessary to have proper short-term, medium-term and long-term capital planning according to the future business development plan, to ensure the Company's healthy capital structure; 3. The Company saw greater fluctuations in earnings results this year, and the rapid growth of new products and new businesses brings pressure on profitability. As such, the Company needs to take network integration into consideration, adjust the operating model, refine cost control, and optimize the cost structure of new products.	Not applicable	No
			March 16, 2021	Review of the <i>Company's 2020 Annual Audit Report and Other Special Reports, Proposal of Continued Engagement of PricewaterhouseCoopers Zhong Tian LLP as the Company's auditor for 2021, Company's Final Account Report for 2020, and Self-appraisal Report on Internal Controls of the Company for 2020</i>		Not applicable	No
			April 21, 2021	Review of the <i>Company's 2021 First Quarter Report and Company's 2021 First Quarter Internal Audit Work Report</i>		Not applicable	No
	August 19, 2021		Review of the <i>Company's 2021 Semiannual Review Report, Company's 2021 Semiannual Financial Report, and Company's 2021 Second Quarter Internal Audit Work Report</i>	Not applicable		No	
	October 26, 2021		Review of the <i>Company's 2021 Annual Audit Report Work Plan, Company's 2021 Third Quarter Financial Report, and Company's 2021 Third Quarter Internal Audit Work Report</i>	Not applicable		No	
	Zhou Zhonghui, Jin Li						

Name of Committee	Members	Number of Meetings Held	Date Convened	Meeting Content	Important Opinions and Suggestions Proposed	Other Duty Performance	Objection Details (If Any)
Nomination Committee	Chow Wing Kin Anthony, Dicky Peter Yip, Wang Wei	2	September 26, 2021	Review of <i>the Proposal of Adding Non-independent Director Candidates of the Company and Proposal of Hiring a Deputy General Manager and Financial Head</i>	-	Not applicable	No
			December 28, 2021	Review of <i>the Proposal of Adding Members to the Audit Committee of the 5th Board of Directors</i>		Not applicable	No
Remuneration and Appraisal Committee	Dicky Peter Yip, Zhou Zhonghui, Lo Sai Lai	1	March 17, 2021	Review of the <i>Proposal of Confirming Remuneration of Directors, Supervisors, and Senior Executives Disclosed in the 2020 Annual Report of the Company</i> ; review of the <i>Proposal of the 2021 Salary Plan for Senior Executives</i>	It is suggested that the Company develops a complete and long-term incentive plan according to the market situation and its own situation, and review it on a regular basis.	Not applicable	No
Strategy Committee	Jin Li, Chow Wing Kin Anthony, Chan Fei	1	March 17, 2021	Review of the <i>Company's Final Account Report for 2020 and Company's Financial Budget Report for 2021</i> .	Recognized and agreed with the strategic positioning of the Company: The business model of SF is a long-term sustainable business model, which dovetails with national development and economic development planning.	Not applicable	No
Risk Management Committee	Wang Wei, Dicky Peter Yip, Zhou Zhonghui	1	March 2, 2021	Review of the <i>Company's Risk Control Work Summary for 2020 and Company's Risk Control Work Plan for 2021</i> .	Intelligent risk control is the general trend, SF service scenarios are extensive, and intelligent identification technology is crucial for future development. It is suggested that the Company continues to increase investment in science and technology.	Not applicable	No

VIII. Details of the Work of the Supervisory Committee

The Board of Supervisors raised no objection to matters under supervision during the reporting period.

IX. Employees of the Company

1. Number of employees, role type, and educational background

Number of employees of the parent company at the end of the reporting period (person)	–
Number of employees of major subsidiaries at the end of the reporting period (person)	177,129
Total number of in-service employees at the end of the reporting period (person)	177,129
Total number of employees receiving a salary during the reporting period (person)	177,129

Role type

Category	Number (person)
Operations personnel	108,545
Professional personnel	44,048
Management personnel	24,536
Total	177,129

Educational background

Category	Number (person)
Doctorate	45
Master' degree	4,150
Bachelor' degree	42,145
Associate' degree	36,911
High school and below	93,878
Total	177,129

2. Remuneration policy

Upholding the remuneration concept of excellent performance yielding fruitful payment, SF sees value creation as a guideline of incentive. For employees with high value contributions, the Company provides a competitive remuneration system to ensure the internal driving force for the Company's sustainable development. Remuneration is determined by employees' position, and its level is market-oriented. At the same time, through differentiated and diversified long-term and short-term incentive mechanisms, the Company attracts and retains core talents, and align their interests with the interests of shareholders and the Company more closely, so as to drive the continuous growth of the long-term operation results of the Company.

3. Training plan

SF has always upheld the belief that "talent is the primary productive force", always put people's needs first, and put a premium on the growth and development of employees in the process. The overall training plan for 2022 will focus on "alignment of strategies with earnings performance" as the main theme, pay due attention to the common growth and sustainable development of employees and the Company, and will continue to increase the investment budget for employee training. As regards the formulation of training plans, each organization took into consideration the core work in 2022, strategic undertaking projects and personnel shortcoming analysis to develop training plans in alignment with the organizations. The specific people covered and the training priorities are as follows:

(1) Managerial training: For the Company's frontline managers (such as outlet managers, operation supervisors, etc.), medium-level managers (such as branch managers, area managers, etc.), senior managers (such as regional managers, department heads), the Company has established a leadership training system of different dimensions, such as "Lighthouse Action – On-the-job Senior Executive Training Camp", "Fengyun Plan – Training Plan for Back-up Functional Department Head", "Qidian Alliance – Outlet Leader Training Program", etc., which advocate the integration of training and practice, and "on-the-job learning" and "on-the-job practice" have been materialized through job rotation and project entry, and built an elite management echelon to help employees sharpen their own leadership skills and business competence in practice, in an effort to promote the Company's strategic transformation and support business operations.

(2) Professional training: Aside from the leadership training system, the Company provides professionals with the development path of "specialist, senior specialist, expert", offers personalized training on professional expertise, such as prospective expert training, expert lectures, knowledge and learning contests, and provides excellent classes and learning resources covering the general workplace ability and professional ability to help employees make continuous progress in their fields of expertise and also comprehensively improve their general workplace ability and meet the needs of long-term development for service personnel.

(3) Frontline staff training: The Company places great emphasis on the training of service awareness, safety awareness and communication skills for different staff groups such as couriers, warehouse keepers, customer service staff and sales staff. For sales personnel, in particular, the Company offers multi-level training according to their capabilities to improve sales skills, customized solution and business negotiation ability. While focusing on improving personnel performance, SF also emphasizes the sustainable development of personnel. Leveraging the stress relief training for mental health, "SF is My College" and other programs, SF helps Frontline staff improve their educational backgrounds, and keeps a close watch on their long-term personal development.

SF also pays attention to the online transformation in personnel training, and its budget for the online training platform reaches nearly RMB10 million for 2022. Guided by the principle of “facilitating outstanding talent development”, the “Online School” is a one-stop solution platform for talent cultivation built by S.F. Group that integrates learning management, class management, course management, teacher guidance management, lecturer management, and other functions. It provides online learning, examination and evaluation, class assessment, homework and various other learning functions, covering all enterprise training scenarios. In the meantime, the platform provides employees with various learning resources (such as audio and video, documents, pictures, information, etc.) to meet the learning needs of employees anytime and anywhere.

4. Labor outsourcing

Not applicable

X. Profit Distribution & Increase of Share Capital due to Conversion of Capital Reserves

Information on the formulation, execution, or adjustments made to profit distribution policies, especially the cash dividend policy, during the reporting period

On April 9, 2021, the Company held the 2020 Annual Shareholders' General Meeting and reviewed and approved the 2020 Profit Distribution Plan. Based on a total amount of 4,545,429,726 shares in its share capital (calculated by deducting the 11,010,729 shares in the Company's repurchase special accounts from the total number of 4,556,440,455 shares as of March 17, 2021), the Company distributed a cash dividend of RMB3.30 (including tax) for every 10 shares to all shareholders. The total amount of the cash dividend was RMB1,499,991,809.58. The remaining undistributed profits were carried forward to the following year. No capital reserves were converted into share capital, and no bonus shares were distributed during the year. The profit distribution plan was fully completed on April 20, 2021.

Special Explanation of Cash Dividend Policy

Does it comply with the requirements of the Company's regulations or the resolutions of the shareholders' meeting?	Yes
Are the dividend criteria and proportions specific and clear?	Yes
Are relevant decision-making procedures and mechanisms complete?	Yes
Do independent directors perform their duties and play their due role?	Yes
Do minority shareholders have the opportunity to fully express their opinions and appeals, and are their legitimate rights and interests fully protected?	Yes
Are the conditions and procedures compliant with relevant rules and transparent when the cash dividend policy was adjusted or changed?	N/A

The Company made a profit in the reporting period and the profit distributable to the shareholders of the Company was positive, but the Company did not put forward a proposed plan for cash dividend distribution

Not applicable

Profit distribution & increase of share capital due to conversion of capital reserves during the reporting period

Number of bonus shares per 10 shares (share(s))	0
Dividend distribution per 10 shares (RMB) (including tax)	1.80
Conversion of capital reserves into share capital per 10 shares (share(s))	0
Share base of the distribution proposal (share(s))	Total share capital at the registration date on which the 2021 annual profit distribution plan is to be implemented less the special shares repurchased by the Company
Cash dividend amount (RMB) (including tax)	On the basis of the total share capital at the registration date on which the 2021 annual profit distribution plan is to be implemented less the special shares repurchased by the Company, a cash dividend of RMB1.80 (including tax) will be distributed for every 10 shares held.
Cash dividend amount (RMB) in other forms (such as share repurchase)	0
Total cash dividends (in all forms) (RMB)	On the basis of the total share capital at the registration date on which the 2021 annual profit distribution plan is to be implemented less the special shares repurchased by the Company, a cash dividend of RMB1.80 (including tax) will be distributed for every 10 shares held.
Distributable profits (RMB'000)	1,885,321
Total cash dividends (including other ways) as a percentage of total of distributed profits (%)	100%

Cash dividend

If the company's development stage is unclear, but substantial capital expenditure has been arranged, cash dividend shall represent at least 20% of the profit distribution for the current year.

Particulars of proposal for profit distribution or conversion of capital reserves into share capital

As per the earnings results audited by PricewaterhouseCoopers Zhong Tian LLP, the parent company registered a net profit of RMB2,027,321 thousand in 2021. The Company appropriated 10% of its net profit (RMB202,732 thousand) for the year 2021 to the statutory surplus reserve. Factoring in retained earnings of RMB1,560,724 thousand at the beginning of the year, and after deducting the actual cash dividend of RMB1,499,992 thousand in 2021, profit of the parent company available for distribution to the shareholders was RMB1,885,321 thousand as of December 31, 2021.

The Company's proposed profit distribution plan for 2021 was as follows: on the basis of the total share capital at the registration date on which the 2021 annual profit distribution plan is to be implemented less the special shares repurchased by the Company, a cash dividend of RMB1.80 (including tax) will be distributed for every 10 shares held. The remaining undistributed profits will be carried forward to the following year. The capital reserves will not be converted into share capital, and no bonus shares will be distributed during the year.

XI. Execution of Stock Incentive Plan, Employee Share Ownership Plan, or Other Employee Incentives

No stock incentive plan, employee share ownership plan and other employee incentives were carried out for the Company during the reporting period.

XII. Internal Control System Development and Implementation During the Reporting Period

1. Internal control development and implementation

The Company has always been committed to developing and optimizing its corporate internal control system. Based on its own development needs, in line with external regulatory requirements, the Company has set up and continuously improved its internal control system, from such perspectives as system structure, process, authorization and information system development, to ensure effective implementation of the Company's internal control initiatives.

In terms of the development of the internal control system and the supervision and assessment of the implementation, the Board of Directors of the Company is responsible for the formulation and effective implementation of the Company's internal control system. Independent supervision departments, e.g. Internal Audit and Internal Control, have been set up under the Audit Committee of the Board of Directors, and they are responsible for inspecting and evaluating the integrity, rationality and implementation effectiveness of the internal control system of the listed company's internal institutions, holding subsidiaries and the participating companies that have a significant impact on the listed company, and for evaluating the accounting data and other core business process data, as well as the legality, compliance, authenticity and completeness of financial revenue and expenditures and related economic activities reflected. The Company's Internal Audit, Internal Control and other departments regularly report to the Audit Committee on a quarterly basis on issues detected in internal control and internal audit operation and progress made in rectification of problems found. Meanwhile, the Company has established a sound anti-fraud mechanism, set up an anti-fraud hotline, complaint mailbox, etc., and assigned dedicated personnel to follow up on various complaints and reports. In view of the key areas and key links where fraud is prone to occur, the Company exercises due care to watch out for possible fraudulent behavior in the process of carrying out internal audits and internal control inspections.

In terms of institutional setup, the Company has set up the Shareholders' General Meeting, Board of Directors, Board of Supervisors, and the management board in accordance with the requirements of relevant national laws, regulations and institutional norms. The supreme governing body of the Company is the Shareholders' General Meeting, the Board of Directors is responsible to the Shareholders' General Meeting, and the Board of Supervisors is responsible for supervising the work of the directors and senior executives. The Board of Directors consists of the Strategy Committee, Audit Committee, Risk Management Committee, Remuneration and Appraisal Committee, and Nomination Committee. Based on the characteristics of the industry and the needs of its own business development, the Company has set up functional departments such as Strategic Management, Investment Management, Human Resource Management, Sales Management, Operation Management, Engineering Management, Procurement Management, Comprehensive Management, Financial Management and Internal Audit in accordance with the requirements of functional management. The Company's internal control system workflow laid down clear provisions regarding the division of responsibilities, work processes and authorization and approval permissions across the departments, thereby ensuring that each functional department performs its duties, with clear division of responsibilities, mutual supervision, and mutual restriction.

In the development of the internal control process system, the Company has formulated standardized governance systems such as the Articles of Association, the Rules of Procedure for the Shareholders' General Meeting, the Rules of Procedure for the Board of Directors, the Rules of Procedure for the Board of Supervisors, the Rules of Procedure for the Audit Committee of the Board of Directors, the Rules of Procedure for the Risk Management Committee of the Board of Directors, the Rules of Procedure for the Remuneration and Appraisal Committee of the Board of Directors, the Rules of Procedure for the Strategy Committee of the Board of Directors, and the Rules of Procedure for the Nomination Committee of the Board of Directors, to ensure the standardized operation of the organizations at the corporate governance level with regard to systems, as well as the effective implementation of decision-making and independent supervision functions. At the operational level, a set of systematic internal control systems encompassing capital management, investment and financing management, human resources management, information system management, information disclosure, related party transactions, budget management, contract management, asset management, procurement management, sales management, cost and expense management and financial management have been formulated to standardize the Company's routine operation and management to achieve the Company's internal control objectives.

With regard to information technology system development, the Company continues to step up the construction of the technological management basis, and has made forward-looking arrangements and investment in artificial intelligence, big data, Internet of Things, information security, etc., to improve and enhance the efficiency and effectiveness of internal operation and management, build on its customer service capabilities, and risk forecast, early warning, prevention and control capabilities, and help the enterprise continue to develop healthily.

2. Details of material weakness found in the Company's internal control during the reporting period

Yes No

XIII. The Company's Management and Control over Its Subsidiaries during the Reporting Period

During the reporting period, the Company, in accordance with the requirements of standard operation of listed companies and governance systems such as External Investment Management System, External Guaranty Management System, Internal Control and Decision-Making System for Related Transactions, Financial Management System, Management System for Externally Providing Financial Support, Major Information Internal Report System, and Internal Audit System, managed the standard operation, investment, finance, personnel, information disclosure and other matters of subsidiaries, and managed and supervised the internal control of subsidiaries according to the internal control evaluation system of listed companies.

During the reporting period, the partial offer to acquire Kerry Logistics Network Limited, as a listed company of the Hong Kong Stock Exchange, was completed by the Company. On the basis of following the A Share and H Share listing rules and other relevant regulatory systems, the Company and Kerry Logistics carried out the integration of corporate governance, information disclosure, business cooperation and other aspects. Since October 2021, Mr. Wang Wei, chairman of the board of directors of the Company, served as the chairman of the board of directors and a non-executive director of Kerry Logistics, while directors Mr. Ho Chit and Mr. Chan Fei served as non-executive directors of Kerry Logistics to participate in corporate governance and major business decision-making of Kerry Logistics. At the same time, both sides cooperated closely in corporate governance and information disclosure to ensure that information disclosure of both sides conforms to the regulatory rules of A-share and H-share listed companies. In addition, both sides continued to explore cooperation space in business, fully realizing complementation of advantages and jointly expanding their presence in the global logistics market.

XIV. Self-appraisal Report on Internal Controls or Audit Report on Internal Controls

1. Self-appraisal report on internal controls

Disclosure date of the Appraisal Report on Internal Control	March 31, 2022
Disclosure index of the Appraisal Report on Internal Control	www.cninfo.com.cn
Proportion of total assets included in evaluation scope to total assets of the Company's consolidated financial statement	81%
Proportion of operating revenue included in evaluation scope to operating revenue of the Company's consolidated financial statement	90%

Deficiency Standards

Category	Financial Report	Non-financial Report
Qualitative criteria	<p>Material Weakness: A deficiency, or a combination of deficiencies results in a failure to prevent or detect and correct a material misstatement or omission in the financial report in time. Those with the following characteristics should be identified as material weakness:</p> <p>Identification of fraud, on the part of board of directors, supervisors, senior management;</p> <p>Correction of previously issued financial reports;</p> <p>Identification by the certified public accountant of a material misstatement in the financial report in the current period in circumstances that indicate that the misstatement would not have been detected by the Company's internal control;</p> <p>Ineffective oversight of the Company's internal control by the Company's audit committee and internal audit.</p> <p>Significant Deficiency: A deficiency or a combination of deficiencies results in a failure to prevent or detect and correct a misstatement or omission in the financial report in time, that is less severe than a material weakness, yet important enough to merit attention by board of directors and senior management.</p> <p>Control Deficiency: Other internal control deficiencies that do not meet the criteria of material weakness or significant deficiency.</p>	<p>Material Weakness: A deficiency, or a combination of deficiencies causes material losses or has a significant negative impact on the Company. Those with the following characteristics should be identified as material weakness:</p> <p>Unreasonable decision-making process of the Company; Violation of national laws and regulations; Frequent negative media coverage;</p> <p>Lack of policy for major business or the policy operated ineffectively.</p> <p>Significant Deficiency: A deficiency or a combination of deficiencies results in a failure to prevent a misstatement in time, probably causing losses or negative impact that is less severe than a material weakness, yet important enough to merit attention by board of directors and senior management.</p> <p>Control Deficiency: Other internal control deficiencies that do not meet the criteria of material weakness or significant deficiency.</p>
Quantitative criteria	<p>Material Weakness: A deficiency or a combination of deficiencies may result in misstatements and omission in the financial report that accounts for more than 5% (inclusive) of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p> <p>Significant Deficiency: A deficiency, or a combination of deficiencies may result in misstatements of or omission in the financial report accounting for 3% (inclusive) to 5% of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p> <p>Control Deficiency: A deficiency, or a combination of deficiencies may result in misstatements of or omission in the financial report accounting for less than 3% of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p>	<p>Material weakness: A deficiency, or a combination of deficiencies may result in losses that account for more than 5% (inclusive) of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p> <p>Significant deficiency: A deficiency, or a combination of deficiencies may result in losses accounting for 3% (inclusive) to 5% of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p> <p>Control Deficiency: A deficiency, or a combination of deficiencies that may result in losses accounting for less than 3% of the Company's pre-tax profit as shown in the consolidated financial statements of the current period.</p>
Number of material weaknesses in the financial report		0
Number of material weaknesses of the non-financial report		0
Number of significant deficiencies in the financial report		0
Number of significant deficiencies of the non-financial report		0

2. Audit Report on Internal Controls

Audit Opinion in the Audit Report on Internal Controls

In our opinion, SF Holding maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in C-SOX and relevant regulations.

Particulars about Audit Report on Internal Controls	Disclosure
Disclosure date of the Audit Report on Internal Controls	March 31, 2022
Disclosure Index of the Audit Report on Internal Controls	www.cninfo.com.cn
Type of Opinion in the Audit Report on Internal Controls	Unqualified Opinion
Is there a material weakness in the non-financial report	No

Did the auditor issue an Audit Report on Internal Controls with a non-standard opinion?

Yes No

Is the Audit Report on Internal Controls from the auditor consistent with the Self-appraisal Report from the Board?

Yes No

XV. Rectification of Problems Discovered in the Self-examination for the Special Actions of the Governance of the Listed Company

With a view to effectively adopting the Opinions of the State Council for Further Improving the Governance of Listed Companies and aligning with the work of the CSRC, the Company conducted a special self-examination for the governance of the listed company as required. Findings of the self-examination indicate that the Company had formulated the Articles of Association and other rules and regulations for the internal control, built a perfect structure of internal corporate governance as well as a sound internal management system to provide an adequate basis for independent directors and supervisors to perform their duties, attached great importance to shareholder returns and proactively performed its social responsibilities, in strict accordance with the laws and regulations such as the Company Law and the Securities Law, as well as the standard operation requirements of the Code of Corporate Governance for Listed Companies in China, Rules Governing the Listing of Shares on Shenzhen Stock Exchange, etc. The Company's governance structure meets the requirements of the CSRC on the governance of listed companies.

In the self-examination, the Company found that some problems remain to be rectified. For example, the Company's Articles of Association did not contain a mandatory provision that "if a single shareholder and its persons acting in concert are interested in 30% or more of the shares, the cumulative voting system should be adopted". During the reporting period, the Company has modified the relevant provisions of the Articles of Association to complete the rectification.

Through the special self-examination, the Company and its management further enhanced the awareness of compliance management. As the main role of the capital market construction, the listed company should bear missions of the age, keep in mind its original aspiration, embrace responsibilities with courage, be honest and trustworthy, standardize its operation, and needs to take the market, the rule of law, the professionals and the investors seriously. The Company will focus on its main business and healthy operation, and continue to improve the structure of its internal corporate governance, step up prevention and control of non-compliances, build a sound internal management system, improve the corporate governance level and enhance its management level for high-quality development.

I. Environmental protection

The listed company and its subsidiaries are not the major pollutant discharge units announced by the Ministry of Ecology and Environment.

Measures taken to reduce carbon emissions and the effect during the Reporting Period

SF is deeply aware of the significance of green practices. As an enterprise with a sense of social responsibility, SF has been committed to building sustainable supply chain services. We hope to set a good example and have a positive influence on the entire industry and even the entire society through the optimization and transformation of corporate operations.

1. Set carbon reduction targets

Confronted with the challenges brought by the global climate change, as a responsible leader in the logistics industry we set and developed more ambitious carbon reduction targets and strategic plans based on past carbon reduction achievements, and released the S.F. Holding Co., Ltd. Carbon Target White Paper 2021 on June 5, 2021, the World Environment Day. The Company undertakes to drive carbon green evolution through its technology advantages, with a target to improve carbon efficiency by 55% in 2030 compared to 2021. Meanwhile, in order to build climate-friendly express delivery services, the carbon footprint of each express parcel will be reduced by 70% in 2030 compared to 2021.

We have formulated a 10-year carbon reduction action plan to facilitate the fulfilment of the targets. Based on business growth forecasts, the amount of carbon emissions that need to be reduced will increase year by year. We intend to achieve carbon reduction goals by adjusting the energy structure, upgrading transportation and business models, thoroughly applying technological means, and other means such as forestry carbon sinks and carbon trading.

Furthermore, we created a new carbon emission management platform "Fenghe" to overcome various challenges such as the extensive business scope, numerous fragmented scenarios, various interworking systems and complex data bases, integrate the Group's carbon emission and carbon emission reduction data, and covered multiple processes including packaging, transport, transit, and delivery, digitalizing carbon emission data control and assisting in tracking the progress of carbon target fulfilment, in an effort to help SF achieve the carbon reduction targets.

2. Practice sustainable packaging

SF continuously customized an express package recycling ecosystem and actively cooperated with the upstream and downstream industrial chains to jointly promote the process of sustainable packaging development. By engaging in all links from packaging material manufacturers to logistics enterprises, from consumers to recycling enterprises, the recycling of green packaging was promoted in the entire society, and the green R&D and green operation were practiced in the full life-cycle of recycling package.

- Green packaging:** In line with the development trend of green packaging, SF continuously promoted the implementation of the green packaging plan. We refined the instructions of packaging operation for different types of content, and enforced the requirements of green packaging. We also conducted consumption minimization-oriented standardized and scenario-oriented innovative R&D of eight categories of materials such as plastic bags, adhesive paper, stickers and seals to achieve the refined modifying innovation adapted to packaging materials. In 2021, the proportion of packaging with narrow tape reached 99.87%, and non-secondary packaging ratio for e-commerce express reached 99%. Throughout the year, a total of about 34,000 tons of raw paper was saved, about 6,200 tons of plastics was saved, and carbon emission was reduced by 73,000 tons.
- Recycling packaging:** SF provided customers inside and outside the industry with integrated recycling packaging solution through the recycling packaging and carrier operation management platform, and used various fully-developed products such as confidential transport boxes, airport recycling boxes, fragile goods recycling transfer items, food recycling boxes and solar photovoltaic panel recycling packaging for different scenarios. In 2021, on the basis of the original Feng-box, SF launched a carbon-neutral product π -box, which uses single material PP honeycomb sheets that are easier to recycle, are easy to clean, resist puncture, and strengthen the protection of express consignments. The π -box was put into pilot operation on July 1, and by the end of December, 720,000 π -boxes had been put into operation, realizing 2.8 million cycles of use.

SF has continuously injected technology into its operations to improve the resource utilization efficiency and reduce carbon emissions in various business activities, promoted the green and low-carbon transformation with the power of science and technology, improved and reshaped the logistics operations within the supply chain. Striving to extend the green value to the supply chain, SF advocates and joins hands with upstream and downstream partners and customers to promote the green transformation and upgrading of the industry through technological business enablement, and jointly fulfill the responsibility of protecting the earth, making us partners to achieve zero carbon emissions.

II. Social Responsibilities

As a leading integrated express logistics service provider in China, SF has always assumed and strived to fulfil social responsibilities regarding the sustainable development of the commercial society. We are always customer-oriented and provide customers with high-quality services in a bid to help them create value; build a win-win ecosystem with customers, suppliers, communities and other stakeholders to achieve common development; actively promote the development of green logistics and make unremitting efforts for environmental protection and sustainable

development; create a dream platform for hundreds of thousands of SF employees, provide channels for employees' development and effectively safeguard their rights and interests; give back to our shareholders through well-regulated business operations, and protect the interests of all shareholders and stakeholders; stay true to our aspiration of public welfare, and actively participate in public welfare activities to give back to the society via the SF Foundation.

The year 2021 marked the 100th anniversary of the founding of the Communist Party of China, the inauguration of the 14th "Five-Year Plan" and the start of a new journey toward building a modern socialist country in all aspects, and was also a year for SF to forge ahead and showcase its assumption of corporate responsibility. When Henan, Ningbo and other regions suffered serious floods, SF immediately mobilized the emergency resources of the entire network to support flood control and disaster relief work and the relief work for people in need. As regards rural revitalization, SF continued to optimize the complete industrial chain solution of intelligent agriculture, assisted the government in implementing the agricultural assistance work, and joined hands with employees and value chain partners to empower new industries, invigorate industries, and jointly create wonderful life. For the dual carbon targets proposed by the State, SF established a carbon emission management system, set feasible carbon emission reduction targets and strategic planning, deployed green solutions in all links including collection, transit, transportation, and delivery, and continuously strived to achieve these goals through energy consumption structure adjustment, upgrade of transportation and business models, thorough application of technology, and other methods. In the future, SF will be practical in pursuing its long-term objectives, fulfill its commitment to each stakeholder, and provide convenient, reliable, and considerate services to global consumers.

For details of performance of social responsibilities by SF, please refer to 2021 S.F. Holding Co., Ltd. Sustainability Report disclosed by the Company on www.cninfo.com.cn on March 31, 2022.

III. Achievements on Consolidation and Extension of Poverty Alleviation and Rural Revitalization

SF is the first domestic logistics company to deliver fresh agricultural products directly from farmers to urban consumers in the form of express delivery. Since then, we have established a business model for delivering agricultural goods directly from "farms" to the end-consumers. For a long time, many high-quality agricultural products have encountered problems in the delivery process such as vulnerability, difficulty in packaging, prolonged transportation process and limited economies of scale. They are also faced with marketing-related problems such as limited number of channels available, formal homogeneity, limited target audience size and limited branding effect. For

many years, farmers have been struggling to increase their income, but found it practically impossible to achieve profitability by selling agricultural products. SF adhered to the concept of distributing quality agricultural products across the country and promoting better brands of agricultural products.

By setting up agricultural produce collection points in farmfields, developing and investing in mobile sorting vehicles suitable for small-batch allocation, launching fresh products pretreatment centers close to the place of origin, customizing design for the packaging of various fresh products, deploying specialized refrigerated vehicles during the harvest season of characteristic agricultural products, exclusive all-cargo aircrafts and other transportation resources, SF continuously set new records on the delivery speed of agricultural products, and innovated fresh-preserving methods in delivery processes, helping farmers to transport quality agricultural products from the farmfields to kitchens in cities. With a robust logistics network, top-notch packaging technology, and exceptional delivery capability, SF overcame the express transportation of each thorny category, including hairy crabs, beef and mutton, live fish, seafood, lychee, strawberry, peach and matsutak, to establish a direct delivery model with Chinese characteristics and nationwide coverage. SF Holding persevered with the diversification of its services and business scenarios through logistics model innovation, efficiency enhancement through cost reduction, and market-based pricing. In addition to providing efficient logistics and distribution, SF actively assisted local governments in building regional agricultural brands to make more agricultural products known to consumers, provided an array of technical services such as traceability and residue testing of agricultural products for rural revitalization, allowing the Chinese public to know, taste, and recognize more local brands of characteristic agricultural products.

As of the end of 2021, the upstream service network of agricultural products benefitting from SF's services covered more than 2,800 cities and more than 4,000 fresh products across the country. In 2021, SF delivered 3.746 million tons and 715 million shipments of characteristic agricultural products, representing an increase of 30% compared with 2020, generating an estimated RMB100 billion of income for local farmers.

The year 2021 marked the comprehensive promotion of rural revitalization. In order to actively support the national strategy, SF has continuously consolidated and expanded the integration of effective poverty alleviation efforts and rural revitalization. We set up a special fund subsidy mechanism for rural revitalization, and continued to promote the special assistance subsidy program for rural revitalization for all the 832 state-level poverty-stricken counties and more than 240 provincial poverty-stricken counties that have been lifted out of poverty. On the basis of logistics subsidies in 2020, we extended the packaging materials customization subsidies and traceability subsidies for regional brands to 424 merchants with an investment of RMB13 million in special fund, delivering a total of 12.49 million packages and achieving a revenue of about RMB610 million for local farmers, with the aim of helping poverty-stricken villages achieve sustainability development.

I. Fulfillment of Commitments

1. Commitments made by the Company's actual controllers, shareholders, related parties, purchasers, and others that were fulfilled during the reporting period and those not fulfilled as of the end of the reporting period

√ Applicable □ Not applicable

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
Commitments made during the major asset restructuring	Wang Wei, Mingde Holding, Jiaqiang Shunfeng (Shenzhen) Equity Investment Partnership (Limited Partnership), Shenzhen Zhaoguang Investment Co., Ltd., Suzhou Industrial Park Oriza Shunfeng Equity Investment Company (Limited Partnership), Suzhou Guyu Qiuchuang Equity Investment Partnership (Limited Partnership), Ningbo Shunda Fengrun Investment Management Partnership (Limited Partnership), Ningbo Shunxin Fenghe Investment Management Partnership (Limited Partnership)	Regulating and reducing related-party transactions	<p>1. The company/the enterprise/I and the companies, enterprises or economic organizations under the control or ultimate control of the company/the enterprise/me (excluding the companies controlled by the listed company), hereinafter collectively referred to as "the affiliates of the company/the enterprise/mine" will strictly execute the rights of shareholders in accordance with the provisions of laws, regulations, and other normative documents, perform the obligations of shareholders, and maintain the independence of the listed company in terms of assets, finances, personnel, operations, and institutions.</p> <p>2. The company/the enterprise/I or the affiliates of the company/the enterprise/mine will not use the status of the shareholders to promote the shareholders' meeting or the Board of Directors of the listed company to make resolutions that infringe on the legal rights of minority shareholders.</p> <p>3. The company/the enterprise/I or the affiliates of the company/the enterprise/mine will not appropriate the funds of the listed company by means of borrowing, repaying debt or prepayment on behalf of the company/the enterprise/I or the affiliates of the company/the enterprise/mine, or any other way.</p> <p>4. The company/the enterprise/I or the affiliates of the company/the enterprise/mine will try to avoid related-party transactions with the listed company. For unavoidable related party transactions with the listed company, the company/the enterprise/I or the affiliates of the company/the enterprise/mine will prompt the controlled entity to conduct the transactions in accordance with fair, reasonable, and normal commercial transaction conditions, and will not require or accept conditions given by the listed company that are more favorable than any fair market transaction, and will rigorously perform various related-party transaction agreements executed with the listed company in good faith.</p> <p>5. The company/the enterprise/I or the affiliates of the company/the enterprise/mine will strictly perform the related-party transaction decision-making procedures and the corresponding information disclosure obligations in accordance with the listed company's Articles of Association and relevant laws and regulations.</p> <p>6. The company/the enterprise/I or the affiliates of the company/the enterprise/mine will ensure that the entity itself and the controlling entity will not seek special interests beyond the above-mentioned requirements through related-party transactions with the listed company and will not carry out related-party transactions that impair the interests of the listed company and their small and medium shareholders. If the above commitments are violated, the company/the enterprise/I will jointly and severally assume corresponding legal liabilities, including but not limited to, individual and joint legal liabilities for the total losses caused to the listed company and its small and medium shareholders.</p>	January 23, 2017	Long-term	Normal

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
	Wang Wei, Mingde Holding	Avoiding horizontal competition	<p>1. After the completion of this restructuring, in the case that the company/I has/have direct or indirect control over, or significant influence on the listed company, the company/I and other companies/enterprises directly or indirectly controlled by the company/me (hereinafter referred to as the "companies controlled by the company/me") except for the listed company and its subsidiaries will not engage in any business that poses substantial competition to the listed company's current or future business.</p> <p>2. After the completion of this restructuring, if the company/I and the companies controlled by the company/me may be in substantial competition with the listed company in the future or have a conflict of interest with the listed company, the company/I will abandon or cause the companies controlled by the company/me to abandon any business opportunities that may pose peer competition, or inject all businesses of the company/I and the companies controlled by the company/me that pose peer competition to the listed company at a fair and equitable market price at the appropriate time.</p> <p>3. The company/I will not use any information known or learned from the listed company to assist any third party to engage in or participate in any business activities that pose substantial competition or potential competition to the listed company.</p> <p>4. If the company/I or the companies controlled by the company/me violates the above commitments and causes the rights and interests of the listed Company to be damaged, the company/I will bear the corresponding liability for compensation according to laws.</p>	January 23, 2017	Long-term	Normal
	Mingde Holding	Social insurance, housing fund, and other related issues	<p>1. If an employee has recourse to Taisen Holding and its subsidiaries for social insurance or housing provident funds, resulting in litigation or arbitration, or if Taisen Holding and its subsidiaries are subject to administrative penalties from the relevant administrative authorities, the company will assume the corresponding compensation liabilities: If the social insurance and housing provident fund authorities request Taisen Holding and its subsidiaries to repay previous years' employee contributions to social insurance and housing provident fund, the company will use the amount approved by the competent authority to make up the contributions for free on behalf of Taisen Holding and its subsidiaries; if Taisen Holding and its subsidiaries bring any other expenses and economic losses due to failing to pay social insurance and housing provident fund contributions in accordance with the regulations, the company will make up the contributions for Taisen Holding and its subsidiaries for free.</p> <p>2. As regards Taisen Holding and its subsidiaries' own properties, it is committed that the company will bear the corresponding liability for compensation if Taisen Holding and its subsidiaries are punished by the relevant administrative authority because Taisen Holding and its subsidiaries fail to handle the land use rights certificate and/or the building ownership certificate. If Taisen Holding cannot continue to use the relevant land/house, the company will bear all expenses and economic losses resulting from this for free.</p> <p>3. If Taisen Holding and its subsidiaries and branch companies fail to use the rented venues and/or houses which are non-standard and the relevant enterprises need to relocate, the company will bear any losses and expenses sustained by Taisen Holding and its subsidiaries and branch companies.</p>	January 23, 2017	Long-term	Normal

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
	Wang Wei, Mingde Holding	Maintaining the independence of the listed company	<p>I. Independence of the personnel of the listed company</p> <p>1. The senior management personnel of the listed company (General Manager, Deputy General Manager, Secretary of the Board of Directors, Head of Finance, etc.) work full-time for the listed company and receive remuneration from the listed company. They do not hold any positions in the company other than Director and do not retain duties other than Director and Supervisor in other controlled failure to by me or the enterprise other than Dingtai New Materials and its subsidiaries (hereinafter referred to as the "other enterprises controlled by the company/me").</p> <p>2. Financial officers of the listed company do not work part-time for the company/me or other enterprises controlled by the company/me.</p> <p>3. The listed company's personnel relations and labor relations are independent of the company/me and other enterprises controlled by the company/me.</p> <p>4. The company/I will only exercise shareholder rights indirectly through shareholders' meetings and recommend candidates for directors, supervisors, and senior management personnel of the listed company in accordance with the laws and regulations or the provisions of the listed company's Articles of Association and other rules and regulations. The company/I will not intervene in the personnel appointments or dismissals of the listed company beyond the shareholders' meetings or Board of Directors.</p> <p>II. Independence of the assets of the listed company</p> <p>1. The listed company has independent and complete assets. The assets of the listed company are all under the control of the listed company and are owned and operated independently by the listed company.</p> <p>2. The company/I and other enterprises controlled by the company/me will not illegally occupy the capital and assets of the listed company in any way.</p> <p>3. No guarantees will be provided for the debt of the company/mine and other enterprises controlled by the company/me using assets of the listed company.</p> <p>III. Financial independence of the listed company</p> <p>1. The listed company and its holding subsidiaries have independent financial accounting departments and establish independent financial accounting systems and financial management systems.</p> <p>2. The listed company and its holding subsidiaries can independently make financial decisions. The company/I will not intervene in the use of funds of the listed company beyond the shareholders' meetings or Board of Directors.</p> <p>3. The listed company and its holding subsidiaries can independently open bank accounts. The company and other enterprises controlled by the company/me will not share bank accounts with the listed company and its holding subsidiaries.</p> <p>4. The listed company and its holding subsidiaries shall pay taxes independently.</p>	January 23, 2017	Long-term	Normal

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
			<p>IV. Independence of the organizations of the listed company</p> <p>1. The listed company has established and improved a corporate governance structure in accordance with the laws, established an independent and complete organizational structure, and has separated them completely from those of the company/my organizations. The listed company will not use office organizations or business premises together with the company/me and other enterprises controlled by the company/me.</p> <p>2. The listed company operates independently and autonomously. The company/I will not intervene in the management of the listed company beyond the Shareholders' General Meeting and Board of Directors.</p> <p>V. Independence of the business of the listed company</p> <p>1. The listed company independently owns the assets, personnel, and qualifications to carry out business activities after the completion of the restructuring and has the ability to operate independently in the market.</p> <p>2. The company/I and other enterprises controlled by the company/me will avoid engaging in businesses competing with the listed company and its holding subsidiaries in the same industry.</p> <p>3. The company/I will not illegally occupy funds or assets of the listed company. The company/I will strictly abide by the listed company's related-party transaction management system, regulate and minimize the occurrence of related-party transactions with the listed company. For unavoidable related-party transactions with the listed company, the company/I will prompt the other enterprises controlled by the company/me to conduct the transactions in accordance with fair, reasonable, and normal commercial transaction conditions, and will not require or accept conditions given by the listed company that are more favorable than any fair market transaction, and will rigorously perform various related-party transaction agreements executed with the listed company in good faith. The company/I will strictly perform the related-party transaction decision-making procedures and the corresponding information disclosure obligations in accordance with the listed company's Articles of Association and relevant laws and regulations. The company/I will strictly abide by the relevant provisions of the China Securities Regulatory Commission on the independence of listed companies, will not use the controlling shareholder/factual controller's status to violate the listed company's standardized operating procedures, will not overpower the listed company's and its subsidiaries' operations and management activities, will not invade the interests of the listed company and its holding subsidiaries, and will not harm the legitimate rights and interests of the listed company and other shareholders.</p>			
Commitments undertaken by the Company on the public issuance of convertible bonds	Mingde Holding	Commitments relating to defects of land and property titles	<p>1. Regarding the listed company and its subsidiary's own real estate, Mingde Holding will undertake to assume any liabilities to compensate SF Holding and its subsidiaries for any loss arising from any administrative penalties which is or may be imposed by the relevant administrative authorities presently and in the future arising from the latter's failure to obtain a land use right certificate and/or a real estate ownership certificate for any land or property in use. Mingde Holding will also, without charge, bear any other expenses and economic losses caused to SF Holding in case that SF Holding is unable to continue to use the relevant land/property as a result;</p> <p>2. If SF Holding and its subsidiaries and branches are affected by the non-standard rented premises and/or property which lead to suspension of the use of the same and relocation, Mingde Holding will bear any losses and expenses sustained by SF Holding and its subsidiaries and branches as a result.</p>	May 9, 2019	Long-term	Normal

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
Commitments on non-public offering	Wang Wei, Lin Zheyang, Zhang Yichen, Deng Weidong, Liu Chengwei, Lo Sai Lai, Chan Fei, Ng Wai Ting, Zhou Zhonghui, Jin Li, Dicky Peter Yip, Chow Wing Kin Anthony, Li Sheng, Xu Zhijun, Gan Ling, all being directors or senior management members of the Company	Commitments on the Company for the due performance of the remedial measures for the dilution of current returns	1. I make a commitment that I will not transfer interests to other institutions or individuals without compensation or under unfair conditions, or cause damage to the interests of the listed company in other ways;	February 8, 2021	February 8, 2021- May 18, 2022	Being fulfilled
			2. I make a commitment that I will constrain the consumption if it is business related;			
			3. I make a commitment that I will not invest with or spend the listed company's assets outside the performance of my duties;			
			4. I make a commitment that I will, within the scope of my duties and competence, do my best to ensure that the remuneration system developed by the Board or the remuneration committee for the Company is linked to progress in the implementation of the remedial measures for the returns taken by the listed company;			
			5. I make a commitment that I will, within the scope of my duties and competence, do my best to ensure that the exercise condition of the stock option incentive of the Company that the Company intends to announce is linked to the implementation status of the remedial measures for the returns taken by the listed company;			
			6. I make a commitment that I will make any supplemental commitments in accordance with the relevant requirements. If the regulator sets any other requirements for the provisions on the remedial measures for the returns and on my commitment, and the above commitments fail to meet any requirements set by the regulator, after the issue date of these commitments;			
			7. I undertake to strictly implement the aforementioned commitments. In case of violation of these commitments, I will indemnify the listed company or investors in respect of any losses incurred in accordance with the law.			
	Mingde Holding, Wang Wei	Commitments on the Company for the due performance of the remedial measures for the dilution of current returns	The Company/I guarantees/guarantee that it/I shall not overstep its/my authority to intervene in the management activities of the listed company or encroach on the listed company's interests. As one of the main responsible entities for the remedial measures for the returns, in the event that the Company/I breaches/ breach, or refuses/refuse to implement the above-mentioned commitments, the Company/I gives/give consent that the relevant penalties or relevant administrative measures shall be imposed by securities regulatory agencies including the CSRC and Shenzhen Stock Exchange in accordance with the relevant regulations and rules formulated or issued by them, and will bear the relevant legal liabilities.	February 8, 2021	February 8, 2021- May 18, 2022	Being fulfilled
	Mingde Holding	Commitments on matters concerning the defect of the property leased	If the listed company and its subsidiaries and branches have to relocate before the expiry of the lease term under the lease contract on the corresponding premises and/or property leased due to the defects in such properties leased disclosed in this issued declaration document, and the issuer and its subsidiaries and branches sustain the additional economic losses or additional legal liabilities after taking various remedial measures, the Company will be responsible for the additional losses and expenses to the issuer and its subsidiaries and branches arising therefrom.	April 23, 2021	Long-term	Being fulfilled
	The listed company	Financial input-related commitments	The Company undertakes not to invest more funds (including various forms of capital injection such as capital increase, loans) in quasi-financial businesses until the proceeds raised are used up and within the 36 months after the receipt of the proceeds.	May 11, 2021	Until the proceeds raised are used up or within the 36 months after the receipt of the proceeds	Being fulfilled

Commitment	Committed by	Commitment Type	Commitment Details	Committed Time	Commitment Period	Fulfillment Status
	The listed company	Commitments on the matters concerning the quasi-financial businesses	Within 6 months from the date of signing this letter of commitment, the Company will ensure that it will withdraw from the commercial factoring business by external transfer of equities, cancellation, change of the business scope of Shenzhen Shuncheng Lefeng Factoring Co., Ltd. and Shunyuan Commercial Factoring (Tianjin) Co., Ltd., etc. In the process of withdrawal from the above factoring business, the Company will strictly comply with the requirements of the relevant laws, regulations and normative documents and fulfill the necessary formalities.	August 3, 2021	August 3, 2021-February 2, 2022	Fulfilled
	Subscribers such as Yuanhai Investment Co., Ltd., Macquarie Bank Limited, Shenwan Hongyuan Securities Co., Ltd., Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategy Caizhi Fund, Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategy Yingzhi Fund, Guotai Junan Securities Co., Ltd., UBS AG, Barclays Bank PLC, Norges Bank, Caisse de depot et placement du Quebec, FullGoal Fund Management Co., Ltd., Guotai Asset Management Co., Ltd., Shanghai Greenwoods Asset Management Co., Ltd. - Jinglin Jingtai Fengshou Private Securities Investment Fund, Bank of Communications Schroder Fund Management Co., Ltd., Allianz Global Investors Singapore Limited, GIC Private Limited, Shenzhen Yuanzhi Ruixin Mixed Reform Equity Investment Fund Partnership (Limited Partnership), Caitong Fund Management Co., Ltd., Schroder Investment Management (Hong Kong) Limited, Shanghai Greenwoods Asset Management Co., Ltd. - Jinglin Jiazhi Fund, China Pacific Life Insurance Co., Ltd. -Dividend -Individual Dividend, E Fund Management Co., Ltd.	Commitments on restricted shares	None of the above shares subscribed by the Company will be transferred within 6 months from the listing date of non-public issuance of shares in SF Holding.	October 26, 2021	November 19, 2021-May 18, 2022	Being fulfilled
Are the commitments fulfilled on time?						Yes
If a commitment is not fulfilled before the expiry, the specific reasons for the incomplete performance and next work plan should be specified.						N/A

2. Where there had been a profit forecast for an asset or project and the reporting period falls within the profit forecast period, the Company makes an explanation on such asset or project reaching the original profit forecast and the reasons for it

Applicable Not applicable

II. Status of Capital of the Listed Company Used for Non-operating Purposes by the Controlling Shareholder and Other Related Parties

Applicable Not applicable

In the reporting period, no controlling shareholder or other related party used capital of the listed company for non-operating purposes.

III. Illegal Provision of External Guarantees

Applicable Not applicable

There was no illegal provision of external guarantees of the Company during the reporting period.

IV. Explanations Provided by the Board of Directors Regarding the Latest "Non-standard Audit Report"

Applicable Not applicable

V. Explanations Provided by the Board of Directors, Supervisory Committee and Independent Directors (If Any) Regarding the "Non-standard Audit Report" Issued by the Auditor for the Reporting Period

Applicable Not applicable

VI. Changes in Accounting Policy or Accounting Estimate, or Correction of Material Accounting Error Compared with the Financial Report of the Previous Year

Applicable Not applicable

For details, please refer to "(30) Significant changes in accounting policies" in "2. Summary of significant accounting policies and accounting estimates" of "Chapter 10 Financial Statements".

VII. Changes in the Scope of Consolidated Statements Compared with the Financial Report of the Previous Year

Applicable Not applicable

For details of the changes in the Company's scope of consolidation in 2021, please refer to "5. Changes in the consolidation scope" of "Chapter 10 Financial Statements".

VIII. Details Regarding Engagement and Disengagement of Auditor

Auditor engaged at present

Name of domestic auditor	PricewaterhouseCoopers Zhong Tian LLP
Remuneration for domestic auditor (RMB'000)	22,445.93
Consecutive years of audit services provided by the domestic auditor	6 years
Names of the certified public accountants from auditor	Chen Anqiang, Liu Jingping
Consecutive years of audit services provided by the certified public accountants of domestic auditor	4 years

Has the auditor changed during the reporting period?

Yes No

Status of auditor of internal controls, financial adviser, or sponsor engaged:

Applicable Not applicable

The Company engaged PricewaterhouseCoopers Zhong Tian LLP as the Company's internal control auditor for 2021. The remuneration for internal control audit during the reporting period was included in the remuneration specified in the table above. During the reporting period, due to the non-public issuance of shares, the Company appointed Huatai United Securities Co., Ltd. and China International Capital Corporation Limited as sponsors, and paid a total of RMB2.12 million as a sponsorship fee.

IX. Possibility of Delisting after Disclosure of this Annual Report

Applicable Not applicable

X. Bankruptcy and Reorganization

Applicable Not applicable

XI. Significant Lawsuit or Arbitration

Applicable Not applicable

As of December 31, 2021, legal proceedings of the listed company and its subsidiaries were as follows:

1. The total amount involved in legal cases resolved during the reporting period was RMB404,832 thousand.
2. Cases not yet resolved during the reporting period include: Cases involving the Company and its subsidiaries as defendants amounted to RMB131,244 thousand, accounting for 0.16% of audited net assets attributable to shareholders of the listed company at the end of 2021. The above-mentioned litigation matters include a number of independent traffic accident cases and transportation claims with small amounts involved. The Company and its subsidiaries have already purchased commercial insurance for operating vehicles, transportation and other business activities. Based on the historical experience, the insurance purchased can essentially cover the losses caused by the case. Cases involving the Company and its subsidiaries as plaintiffs amounted to RMB320,254 thousand, accounting for 0.39% of audited net assets attributable to shareholders of the listed company at the end of 2021. The described legal proceedings will not have a material adverse effect on the Company's financial status and ability to continue operations.

XII. Punishment and Rectification

Applicable Not applicable

There was no such situation during the reporting period.

XIII. Integrity of the Company, Its Controlling Shareholders, and Actual Controller

Applicable Not applicable

XIV. Significant Related-party Transactions

1. Related-party transactions relevant to routine operations

√ Applicable □ Not applicable

Related Party	Relationship	Type of related-party transaction	Details of related-party transaction	Pricing principle of the related-party transaction	Related-party transaction price	Transaction amount (RMB' 000)	Proportion of same category of transactions	Approved transaction quota (RMB' 000)	Was the approved quota exceeded?	Related-party transaction settlement method	Market price of similar transactions available	Disclosure date	Disclosure index
Mingde Holding and its subsidiaries	Controlling shareholder of the Company	Provide services to related parties	Courier service, communication service, technology development service, etc.	Fair pricing based on market prices following the principle of independent transactions.	Contract price	119,462	0.06%	300,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
Mingde Holding and its subsidiaries	Controlling shareholder of the Company	Receive services from related parties	Agent service fees, etc.	Fair pricing based on market prices following the principle of independent transactions.	Contract price	290,038	0.16%	450,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
Mingde Holding and its subsidiaries	Controlling shareholder of the Company	Purchase of goods/equipment from related parties	Purchase of goods/equipment	Fair pricing based on market prices following the principle of independent transactions.	Contract price	217,375	0.12%	300,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
Mingde Holding and its subsidiaries	Controlling shareholder of the Company	Lease of premises from related parties	Lease of premises	Fair pricing based on market prices following the principle of independent transactions.	Contract price	97,939	0.05%	100,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
CR-SF International Express Co., Ltd.	A senior manager of the Company serves as a director of CR-SF International Express Co., Ltd.	Provide services to related parties	Transportation services	Fair pricing based on market prices following the principle of independent transactions.	Contract price	127,101	0.06%	550,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
CR-SF International Express Co., Ltd.	A senior manager of the Company serves as a director of CR-SF International Express Co., Ltd.	Receive services from related parties	Transportation services	Fair pricing based on market prices following the principle of independent transactions.	Contract price	613,849	0.34%	900,000	No	Settlement based on the settlement period and terms in the contract	N/A	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)

Related Party	Relationship	Type of related-party transaction	Details of related-party transaction	Pricing principle of the related-party transaction	Related-party transaction price	Transaction amount (RMB' 000)	Proportion of same category of transactions	Approved transaction quota (RMB' 000)	Was the approved quota exceeded?	Related-party transaction settlement method	Market price of similar transactions available	Disclosure date	Disclosure index
M China Management Limited and its subsidiaries and its franchisees	A director of the Company serves as a director of the parent company of M China Management Limited	Provide services to related parties	Supply chain service and distribution service	Fair pricing based on market prices following the principle of independent transactions.	Contract price	1,620,689	0.78%	1,550,000	Yes	Settlement based on the settlement period and terms in the contract	NA	January 8, 2021	Announcement on the "Proposal on Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-007) released by the company on the Cninfo website (www.cninfo.com.cn)
China International Marine Containers (Group) Co., Ltd. and its subsidiaries	A director of the Company serves as a director of China International Marine Containers (Group) Co., Ltd.	Purchase of goods/equipment from related parties	Purchase of equipment	Fair pricing based on market prices following the principle of independent transactions.	Contract price	621,322	0.34%	1,400,000	No	Settlement based on the settlement period and terms in the contract	NA	May 29, 2021	Announcement on the "Proposal on the Increase of Estimated Routine Related-party Transaction Amount in 2021" (Announcement No. 2021-074) released by the company on the Cninfo website(www.cninfo.com.cn)
Total				-	-	3,707,775	-	5,550,000	-	-	-	-	-
Details of large amount of sales returns	NA												
Actual performance in the reporting period versus predicted total amount of routine related-party transactions, by types (if any)	The Company's tenth meeting of the fifth Board of Directors and the tenth meeting of the fifth Board of Supervisors on January 7, 2021 and the First Extraordinary General Meeting of Shareholders of 2021 on January 27, 2021 reviewed and approved the "Proposal on Estimated Routine Related-party Transaction Amount in 2021." The sixteenth meeting of the fifth Board of Directors and the fifteenth meeting of the fifth Board of Supervisors on May 28, 2021 reviewed and approved the Proposal on the Increase of Estimated Routine Related-party Transaction Amount in 2021. The actual amount incurred by aforementioned related-party transactions except for individual ones is within the estimated range, and that of individual ones exceeds the estimated amount, but the excess is below the minimum threshold set by the Board.												
Reason for significant discrepancy between the transaction price and the market price (if applicable)	NA												

2. Related-party transactions relevant to purchases and sales of assets or equities

Applicable Not applicable

Unit: RMB'000

Related Party	Relationship	Type of related-party transaction	Details of related-party transaction	Pricing principle of the related-party transaction	Book value of the transferred asset	Estimated value of the transferred asset	Transfer price	Related-party transaction settlement method	Transaction profit and loss	Disclosure date	Disclosure index
Shenzhen Mingde Holding Development Co., Ltd.	Controlling shareholder	Sale of equity	59.3596% equity of Guangdong Fengming Zhitu Technology Co., Ltd.	Fair pricing based on the appraisal results of assets appraisal statement	167,207	878,522	878,522	Make the payment of the equity transfer in 2 installments according to the agreement	711,315	October 29, 2021	Announcement on the "Proposal on the Sale of Equity in a Holding Subsidiary and Related-party Transaction" (2021-120) released by the company on the Cninfo website (www.cninfo.com.cn)
Reason for significant discrepancy between the transfer price and the book value or estimated value (if any)	N/A										
Impact on the Company's operating results and financial status	Pre-tax equity investment income from this transaction is about RMB711,315 thousand.										
Where related transactions involve an agreement on earnings targets, fulfilment of such target in the reporting period	N/A										

3. Related-party transactions with joint investments

Applicable Not applicable

There was no related-party transaction with joint investment of the Company during the reporting period.

4. Credits and liabilities with related parties

Applicable Not applicable

There were no credits and liabilities with related parties of the Company during the reporting period.

5. Transactions between the Company and financial companies that have associated relationship

Applicable Not applicable

6. Transactions between financial companies controlled by the Company and related parties

Applicable Not applicable

7. Other significant related-party transactions

Applicable Not applicable

(1) Waiver of preemptive rights on the capital increase of an investee company

With a view to expanding the network structure, promptly seizing an advantageous position in the last-mile express logistics market, providing better services and experience for consumers, and improving efficiency, Hive Box Holdings Limited (“Hive Box”), an investee company of the Company, intended to introduce strategic investors for a financing deal of US\$400 million (the “Financing Deal”). The existing shareholders of Hive Box will not participate in the subscription for new shares. After the completion of the Financing Deal, the Company’s shareholdings in Hive Box will be diluted from 10.06% to 8.73%.

In view of the fact that the Financing Deal involves the Company waiving its preemptive rights on the capital increase of Hive Box, according to the Stock Listing Rules of Shenzhen Stock Exchange and other related regulations, Hive Box is a related party of the Company, and therefore the Company’s waiver of preemptive rights on the capital increase of its investee company constitutes a related party transaction.

On January 7, 2021, the Company’s waiver of the preemptive rights on the capital increase of its investee company Hive Box was reviewed and approved at the tenth meeting of the fifth Board of Directors and the tenth meeting of the fifth board of supervisors of the Company respectively, the contents of which are detailed in the Company’s “Announcement on Waiver of Preemptive Rights on Capital Increase of an Investee Company and Related Party Transaction” (2021-006) released by the Company on the Cninfo website.

(2) Related-party transactions on capital increase to SF INTRA-CITY

With a view to accelerating the implementation of the last mile strategy, building on the Company’s barriers to competitors, and further enhancing its core competitiveness, the Company intends to contribute increased capital to Hangzhou SF Intra-city Industrial Co., Ltd. (“SF INTRA-CITY”), a subsidiary, through Taisen Holding, a wholly-owned subsidiary, and Taisen Holding intends to enter into the Capital Increase Agreement with SF INTRA-CITY, for which both parties agree that the amount of the capital increase is RMB409 million. Other shareholders of SF INTRA-CITY will not participate in the subscription of the additional shares. Upon completion of the capital increase, the Company’s aggregate shareholding in SF INTRA-CITY will increase from 65.46% to 66.76%.

In light of the fact that Zhang Yichen has been appointed as a representative for the executive partner of Beijing Xinrunheng Equity Investment Partnership (Limited Partnership) (“Beijing Xinrunheng”), a shareholder of SF INTRA-CITY, and he concurrently serves as a director of the Company, according to the Stock Listing Rules of Shenzhen Stock Exchange and other related regulations, Beijing Xinrunheng is a related party of the Company, and the capital increase to subsidiary constitutes a related party transaction.

On March 17, 2021, the capital increase to subsidiary was considered and approved at the 12th meeting of the fifth Board of Directors and the 12th meeting of the fifth board of supervisors respectively. The contents of which are detailed in the “Announcement on Capital Increase to Subsidiary and Related Party Transaction” (2021-036) released by the Company on the Cninfo website.

Major related-party transactions were disclosed on the following websites

Announcement	Disclosure Date	Disclosure Website
Announcement on Waiver of Preemptive Rights on Capital Increase of an Investee Company and Related Party Transaction (2021-006)	January 8, 2021	www.cninfo.com.cn
Announcement on Capital Increase to Subsidiary and Related Party Transaction (2021-036)	March 18, 2021	www.cninfo.com.cn

XV. Significant Contracts and Their Execution

1. Trusteeships, Contracts, and Leases

(1) Trusteeships

Applicable Not applicable

(2) Contracts

Applicable Not applicable

(3) Leases

Applicable Not applicable

2. Significant guarantees

Applicable Not applicable

Unit: RMB'000

The Company and its subsidiaries' guarantees to external parties (Guarantees to subsidiaries are not included)										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guaranteed quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
DHL Weiheng (Zhuhai) Supply Chain Management Co., Ltd.	2020/3/24	147,000	2020/12/31	126,420	Joint liability guarantee	Land for Zhuhai project	Yes	2020/12/31-2033/12/23	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	25,300	Joint liability guarantee	None	None	2021/9/29-2055/4/29	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	50,600	Joint liability guarantee	None	None	2021/11/30-2055/4/29	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	20,700	Joint liability guarantee	None	None	2021/10/8-2055/4/29	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	96,600	Joint liability guarantee	None	None	2021/11/29-2055/4/29	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	36,800	Joint liability guarantee	None	None	2021/12/1-2055/4/29	No	No
Hubei International Logistics Airport Co., Ltd.	2020/3/24	3,500,000	2021/2/25	46,000	Joint liability guarantee	None	None	2021/12/3-2055/4/29	No	No
Compañía Auxiliar al Cargo Expres, S.A.	N/A	22,589	2020/12/29	22,589	Joint liability guarantee	None	None	2020/12/29-2022/12/29	No	No
Compañía Auxiliar al Cargo Expres, S.A.	N/A	14,434	2020/12/29	14,434	Joint liability guarantee	None	None	2020/12/29-2022/12/29	No	No
Compañía Auxiliar al Cargo Expres, S.A.	N/A	3,608	2020/12/29	3,608	Joint liability guarantee	None	None	2020/12/29-2022/12/29	No	No
Total guarantee quota approved for external parties during the reporting period (A1)			100,000		Total actual amount of guarantees for external parties during the reporting period (A2)					276,000
Total guarantee quota approved for external parties at the end of the reporting period (A3)			3,433,231		Total actual guarantee balance for external parties at the end of the reporting period (A4)					443,051

The Company's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
SF HOLDING INVESTMENT LIMITED	2017/12/28	3,186,550	2018/7/26	3,186,550	Joint liability guarantee	None	None	2018/7/26-2023/7/26	No	No
SF HOLDING INVESTMENT LIMITED	2019/1/4	6,000,000	2020/2/20	4,461,170	Joint liability guarantee	None	None	2020/2/20-2030/2/20	No	No
SF HOLDING LIMITED	2021/3/18	6,721,100	2021/6/8	326,848	Joint liability guarantee	None	None	2021/11/29-2022/1/31	No	No
SF HOLDING LIMITED	2021/2/10	19,610,880	2021/2/9	6,782,096	Joint liability guarantee	None	None	2021/9/23-2022/9/22	No	No
SF HOLDING LIMITED	2021/2/10	19,610,880	2021/2/9	2,124,512	Joint liability guarantee	None	None	2021/9/23-2021/9/23	Yes	No
SF HOLDING LIMITED	2021/2/10	19,610,880	2021/2/9	5,801,552	Joint liability guarantee	None	None	2021/9/23-2021/11/25	Yes	No
SF Holding Investment 2021 Limited	2021/2/10	18,000,000	2021/11/17	2,549,240	Joint liability guarantee	None	None	2021/11/17-2026/11/17	No	No
SF Holding Investment 2021 Limited	2021/2/10	18,000,000	2021/11/17	1,911,930	Joint liability guarantee	None	None	2021/11/17-2028/11/17	No	No
SF Holding Investment 2021 Limited	2021/2/10	18,000,000	2021/11/17	3,186,550	Joint liability guarantee	None	None	2021/11/17-2031/11/17	No	No
Total guarantee quota approved for subsidiaries during the reporting period (B1)			37,660,880	Total actual amount of guarantees for subsidiaries during the reporting period (B2)						22,682,728
Total guarantee quota approved for the subsidiaries at the end of the reporting period (B3)			37,382,536	Total actual guarantee balance for subsidiaries at the end of the reporting period (B4)						22,404,384

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	10,000	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2018/10/19-2021/4/20	Yes	No
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	10,000	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2018/10/19-2021/10/20	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	28,770	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2018/10/19-2033/10/19	No	No
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	22,000	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2018/11/9-2033/10/19	No	No
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	11,000	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2018/12/19-2033/10/19	No	No
Tianjin SF Fengtai E-commerce Industrial Park Co., Ltd.	2018/3/14	280,000	2018/10/19	21,500	Joint liability guarantee	Land for Tianjin SF Fengtai project	None	2019/1/28-2033/10/19	No	No
Shunyuan Financial Lease (Tianjin) Co., Ltd.	2019/3/16	700,000	2019/4/22	20,000	Joint liability guarantee	None	None	2019/5/10-2021/4/20	Yes	No
Shunyuan Financial Lease (Tianjin) Co., Ltd.	2019/3/16	700,000	2019/4/22	20,000	Joint liability guarantee	None	None	2019/5/10-2021/10/20	Yes	No
Shunyuan Financial Lease (Tianjin) Co., Ltd.	2019/3/16	700,000	2019/4/22	100,000	Joint liability guarantee	None	None	2019/5/10-2024/1/24	No	No
HAVI Logistics (Dongguan) Co., Ltd.	2019/3/16	64,000	2019/5/10	45,000	Joint liability guarantee	None	None	2019/5/10-2021/4/18	Yes	No
SF Holding Limited	2020/3/24	8,247,600	2020/5/25	81,712	Joint liability guarantee	None	None	2020/5/25-2021/6/30	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2019/3/16	10,000	2020/4/14	10,000	Joint liability guarantee	None	None	2020/4/23-2021/4/23	Yes	No
Shenzhen Shunlu Air Freight Forwarding Co., Ltd.	2019/3/16	10,000	2020/4/14	10,000	Joint liability guarantee	None	None	2020/4/22-2021/4/22	Yes	No
SF Holding Limited	2020/3/24	5,707,600	2020/11/6	163,424	Joint liability guarantee	None	None	2020/11/6-2021/6/2	Yes	No
SF Holding Limited	2020/3/24	5,707,600	2020/11/27	163,424	Joint liability guarantee	None	None	2020/11/27-2021/6/2	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2018/3/14	15,000	2018/10/10	272	Joint liability guarantee	None	None	2018/10/10-2021/7/30	Yes	No
Shanghai Fengtaiyuanxing Property Management Service Co., Ltd.	2018/3/14	100,000	2018/9/1	45,783	Joint liability guarantee	None	None	2018/9/1-2021/8/31	Yes	No
SF Airlines Company Limited	2018/3/14	580,000	2018/12/25	25,000	Joint liability guarantee	None	None	2019/2/7-2021/2/7	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	82,000	2019/4/26	124	Joint liability guarantee	None	None	2019/4/26-2021/5/15	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	82,000	2019/5/23	817	Joint liability guarantee	None	None	2019/5/23-2022/5/31	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	82,000	2019/5/23	1,378	Joint liability guarantee	None	None	2019/5/23-2022/5/31	No	No
Changchun Fengtai E-commerce Industrial Park Management Co., Ltd.	2019/3/16	6,000	2019/7/16	2,090	Joint liability guarantee	None	None	2019/7/16-2021/7/23	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	132,000	2019/7/4	241	Joint liability guarantee	None	None	2019/7/4-2021/2/19	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2019/8/23	50,000	Joint liability guarantee	None	None	2019/8/23-2021/8/15	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2019/8/22	30,000	Joint liability guarantee	None	None	2019/8/22-2021/8/15	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2019/3/16	25,000	2019/9/3	300	Joint liability guarantee	None	None	2019/9/3-2021/1/31	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	132,000	2019/10/2	196	Joint liability guarantee	None	None	2019/10/2-2022/7/14	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	132,000	2019/10/2	103	Joint liability guarantee	None	None	2019/10/2-2021/8/25	Yes	No
Weihai S.F. Express Co., Ltd.	2019/3/16	1,000	2019/11/15	10	Joint liability guarantee	None	None	2019/11/15-2021/1/31	Yes	No
Weihai S.F. Express Co., Ltd.	2019/3/16	1,000	2019/11/15	10	Joint liability guarantee	None	None	2019/11/15-2021/1/31	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2019/3/16	51,000	2019/12/2	532	Joint liability guarantee	None	None	2019/12/2-2021/2/28	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2019/3/16	51,000	2019/12/27	3	Joint liability guarantee	None	None	2019/12/27-2021/2/28	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2019/3/16	40,000	2019/12/30	82	Joint liability guarantee	None	None	2019/12/30-2021/1/4	Yes	No
Shenzhen Fengtai E-commerce Industrial Park Property Service Co., Ltd.	2019/3/16	37,000	2019/8/1	33,426	Joint liability guarantee	None	None	2019/8/1-2022/7/31	No	No
Yiwu Fengyutai Enterprise Management Co., Ltd.	2019/3/16	14,000	2019/8/1	12,394	Joint liability guarantee	None	None	2019/8/1-2022/7/31	No	No
Huai'an Fengtai Enterprise Management Co., Ltd.	2019/3/16	4,000	2019/8/1	3,155	Joint liability guarantee	None	None	2019/8/1-2022/7/31	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2019/3/16	119,000	2020/1/17	368	Joint liability guarantee	None	None	2020/1/17-2021/1/20	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. EXPRESS (CHINA) LIMITED	2019/3/16	40,000	2020/1/8	817	Joint liability guarantee	None	None	2020/1/8-2021/1/14	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2019/3/16	4,000	2020/1/19	584	Joint liability guarantee	None	None	2020/1/19-2021/1/10	Yes	No
Xinjiang SF Express Co.,LTD.	2019/3/16	1,000	2020/1/19	20	Joint liability guarantee	None	None	2020/1/19-2021/1/17	Yes	No
Jiangsu S.F. Express Co., Ltd.	2019/3/16	3,000	2020/1/20	674	Joint liability guarantee	None	None	2020/1/20-2021/1/10	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2019/3/16	20,000	2020/1/17	52	Joint liability guarantee	None	None	2020/1/17-2021/2/28	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2019/3/16	119,000	2020/1/10	1,201	Joint liability guarantee	None	None	2020/1/10-2021/2/28	Yes	No
TIANJIN S.F. EXPRESS CO., LTD.	2019/3/16	8,000	2020/1/17	809	Joint liability guarantee	None	None	2020/1/17-2021/12/31	Yes	No
Wenzhou Shunheng Express Co., Ltd.	2019/3/16	2,000	2020/1/17	1,100	Joint liability guarantee	None	None	2020/1/17-2021/1/10	Yes	No
Guangxi ShunFeng Express Co., Ltd.	2019/3/16	2,000	2020/2/19	1,000	Joint liability guarantee	None	None	2020/2/19-2021/1/31	Yes	No
Guizhou S.F. Express Co., Ltd.	2019/3/16	2,000	2020/2/19	127	Joint liability guarantee	None	None	2020/2/19-2021/2/28	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2020/2/24	20	Joint liability guarantee	None	None	2020/2/24-2021/2/21	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2020/2/24	220	Joint liability guarantee	None	None	2020/2/24-2021/3/6	Yes	No
Yantai S.F. Express Co., Ltd.	2019/3/16	2,000	2020/2/24	650	Joint liability guarantee	None	None	2020/2/24-2021/1/31	Yes	No
Zhanjiang S.F. Express Co., Ltd.	2019/3/16	500	2020/2/19	250	Joint liability guarantee	None	None	2020/2/19-2021/8/5	Yes	No
Chongqing Huiyifeng Logistics Co., Ltd.	2019/3/16	28,000	2020/2/14	15,000	Joint liability guarantee	None	None	2020/2/14-2021/1/21	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2020/3/3	166	Joint liability guarantee	None	None	2020/3/3-2021/2/24	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2019/3/16	119,000	2020/3/5	6,000	Joint liability guarantee	None	None	2020/3/5-2021/2/28	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2019/3/16	25,000	2020/3/5	1,000	Joint liability guarantee	None	None	2020/3/5-2021/1/31	Yes	No
Suzhou S.F. Express Corporation	2019/3/16	19,000	2020/3/5	500	Joint liability guarantee	None	None	2020/3/5-2021/2/28	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Shunlu Logistics Co., Ltd.	2019/3/16	21,000	2020/3/16	1,000	Joint liability guarantee	None	None	2020/3/16-2021/4/15	Yes	No
Shenzhen Shunlu Logistics Co., Ltd.	2019/3/16	21,000	2020/3/16	800	Joint liability guarantee	None	None	2020/3/16-2021/6/30	Yes	No
S.F. Express (Shenyang) Co., Ltd	2019/3/16	6,000	2020/3/16	454	Joint liability guarantee	None	None	2020/3/16-2021/3/9	Yes	No
Beijing S.F. Express Co., LTD.	2019/3/16	15,000	2020/3/16	1,000	Joint liability guarantee	None	None	2020/3/16-2021/4/20	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2019/3/16	59,000	2020/3/19	200	Joint liability guarantee	None	None	2020/3/19-2021/3/31	Yes	No
S.F. Express Co., Ltd.	2019/3/16	250,000	2020/3/3	5,000	Joint liability guarantee	None	None	2020/3/3-2021/3/1	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2019/3/16	40,000	2020/3/19	490	Joint liability guarantee	None	None	2020/3/19-2021/3/31	Yes	No
Chengdu Shunrifeng Pharmaceutical Co., Ltd.	2019/3/16	1,000	2020/3/20	436	Joint liability guarantee	None	None	2020/3/20-2021/3/12	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2019/3/16	50,000	2020/3/30	3,500	Joint liability guarantee	None	None	2020/3/30-2021/3/12	Yes	No
Xi'an Shunlu Logistics Co., Ltd.	2019/3/16	13,000	2020/3/30	2,309	Joint liability guarantee	None	None	2020/3/30-2021/3/27	Yes	No
Sichuan S.F. Express Co., Ltd.	2019/3/16	5,000	2020/3/26	50	Joint liability guarantee	None	None	2020/3/26-2021/1/31	Yes	No
S.F. Express Co., Ltd.	2019/3/16	250,000	2020/3/23	30,000	Joint liability guarantee	None	None	2020/3/23-2021/3/11	Yes	No
S.F. Express (Huizhou) Co., Ltd.	2019/3/16	4,500	2020/3/23	196	Joint liability guarantee	None	None	2020/3/23-2021/6/30	Yes	No
SF Airlines Company Limited	2019/3/16	260,000	2020/3/23	578	Joint liability guarantee	None	None	2020/3/23-2021/3/12	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2019/3/16	20,000	2020/3/23	228	Joint liability guarantee	None	None	2020/3/23-2021/2/28	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2019/3/16	132,000	2020/3/25	637	Joint liability guarantee	None	None	2020/3/25-2021/5/26	Yes	No
SF-Express(Ningxia)Co.,Ltd	2019/3/16	2,000	2020/3/31	1,000	Joint liability guarantee	None	None	2020/3/31-2021/1/31	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2019/3/16	27,000	2020/4/3	1,734	Joint liability guarantee	None	None	2020/4/3-2022/7/31	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2019/3/16	27,000	2020/4/3	3,289	Joint liability guarantee	None	None	2020/4/3-2022/7/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
EXEL LOGISTICS CHINA CO.,LTD.	2019/3/16	27,000	2020/4/3	5,000	Joint liability guarantee	None	None	2020/4/3-2023/4/3	No	No
XI'AN S.F EXPRESS CO.,LTD	2019/3/16	6,000	2020/4/10	569	Joint liability guarantee	None	None	2020/4/10-2021/3/19	Yes	No
Suzhou S.F. Express Corporation	2019/3/16	19,000	2020/4/15	284	Joint liability guarantee	None	None	2020/4/15-2021/6/30	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/4/28	704	Joint liability guarantee	None	None	2020/4/28-2022/9/30	No	No
S.F. EXPRESS (AUSTRALIA) PTY LTD	2020/3/24	15,000	2020/4/21	173	Joint liability guarantee	None	None	2020/4/21-2021/3/31	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/4/29	100	Joint liability guarantee	None	None	2020/4/29-2021/4/21	Yes	No
Chengdu Taishun Logistics Co., Ltd.	2020/3/24	20,000	2020/4/28	1,000	Joint liability guarantee	None	None	2020/4/28-2021/1/31	Yes	No
FS ELECTRONIC TECHNOLOGY CO., LIMITED	2020/3/24	10,000	2020/4/16	2,845	Joint liability guarantee	None	None	2020/4/16-2021/7/31	Yes	No
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2020/4/29	650	Joint liability guarantee	None	None	2020/4/29-2021/4/21	Yes	No
Hebei S.F. Express Co., Ltd.	2020/3/24	4,000	2020/4/16	127	Joint liability guarantee	None	None	2020/4/16-2021/4/10	Yes	No
Hubei S.F. Transportation Co., Ltd.	2020/3/24	7,000	2020/4/28	3,233	Joint liability guarantee	None	None	2020/4/28-2021/4/15	Yes	No
Jiangxi S.F. Express Co., Ltd.	2020/3/24	10,000	2020/4/16	2,234	Joint liability guarantee	None	None	2020/4/16-2021/4/10	Yes	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2020/3/24	30,000	2020/4/16	5,500	Joint liability guarantee	None	None	2020/4/16-2021/5/7	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/4/16	300	Joint liability guarantee	None	None	2020/4/16-2021/1/31	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/4/29	3,097	Joint liability guarantee	None	None	2020/4/29-2021/4/21	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	30,000	2020/4/26	1,074	Joint liability guarantee	None	None	2020/4/26-2021/4/15	Yes	No
Shenzhen SF Fix Technology Co., Ltd.	2020/3/24	100,000	2020/4/23	4,000	Joint liability guarantee	None	None	2020/4/23-2021/1/31	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/4/29	5,000	Joint liability guarantee	None	None	2020/4/29-2021/4/26	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/4/16	2,300	Joint liability guarantee	None	None	2020/4/16-2021/4/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/4/29	5,000	Joint liability guarantee	None	None	2020/4/29-2021/3/27	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/4/29	5,000	Joint liability guarantee	None	None	2020/4/29-2021/5/5	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/4/23	600	Joint liability guarantee	None	None	2020/4/23-2021/4/14	Yes	No
SF Airlines Company Limited	2020/3/24	200,000	2020/4/16	20,000	Joint liability guarantee	None	None	2020/4/16-2021/4/15	Yes	No
S.F.Express(Dong Guan)Limited	2020/3/24	30,000	2020/4/29	150	Joint liability guarantee	None	None	2020/4/29-2021/4/24	Yes	No
S.F. Express Group (Shanghai) Co., Ltd.	2020/3/24	12,000	2020/4/28	1,000	Joint liability guarantee	None	None	2020/4/28-2021/10/31	Yes	No
SF Express ChongQing CO.LTD	2020/3/24	10,000	2020/4/26	1,690	Joint liability guarantee	None	None	2020/4/26-2021/4/15	Yes	No
SF Pharmaceutical Supply Chain Hubei Co., Ltd.	2020/3/24	1,000	2020/4/23	50	Joint liability guarantee	None	None	2020/4/23-2021/3/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	5,000	2020/4/27	116	Joint liability guarantee	None	None	2020/4/27-2021/4/21	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	15,000	2020/4/16	200	Joint liability guarantee	None	None	2020/4/16-2021/4/7	Yes	No
Zhejiang Shunhefeng Freight Co., Ltd.	2020/3/24	7,000	2020/4/29	100	Joint liability guarantee	None	None	2020/4/29-2021/4/21	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2020/3/24	30,000	2020/4/28	7,493	Joint liability guarantee	None	None	2020/4/28-2021/4/21	Yes	No
S.F. Transportation (Changzhou) Co., Ltd.	2020/3/24	2,000	2020/4/30	748	Joint liability guarantee	None	None	2020/4/30-2021/4/21	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	12,000	2020/5/26	180	Joint liability guarantee	None	None	2020/5/26-2021/4/30	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2020/5/19	10,869	Joint liability guarantee	None	None	2020/5/19-2022/12/14	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	12,000	2020/5/29	6,928	Joint liability guarantee	None	None	2020/5/29-2021/4/30	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/5/18	589	Joint liability guarantee	None	None	2020/5/18-2022/7/31	No	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/5/18	2,379	Joint liability guarantee	None	None	2020/5/18-2022/7/31	No	No
Shaanxi SF Freight Co., Ltd.	2020/3/24	4,000	2020/5/13	595	Joint liability guarantee	None	None	2020/5/13-2021/7/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	20,000	2020/5/12	817	Joint liability guarantee	None	None	2020/5/12-2021/5/21	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/5/28	316	Joint liability guarantee	None	None	2020/5/28-2021/5/25	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/5/28	947	Joint liability guarantee	None	None	2020/5/28-2021/5/15	Yes	No
Chengdu Taishun Logistics Co., Ltd.	2020/3/24	20,000	2020/5/19	9,000	Joint liability guarantee	None	None	2020/5/19-2021/4/30	Yes	No
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2020/5/19	123	Joint liability guarantee	None	None	2020/5/19-2021/5/8	Yes	No
Hebei S.F. Express Co., Ltd.	2020/3/24	4,000	2020/5/20	900	Joint liability guarantee	None	None	2020/5/20-2021/3/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	4,500	2020/5/20	603	Joint liability guarantee	None	None	2020/5/20-2021/5/14	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	55,000	2020/5/19	750	Joint liability guarantee	None	None	2020/5/19-2021/3/31	Yes	No
Shenzhen Shunlu Logistics Co., Ltd.	2020/3/24	20,000	2020/5/19	3,912	Joint liability guarantee	None	None	2020/5/19-2021/1/31	Yes	No
Liaoning Shunlu Logistics Co., Ltd.	2020/3/24	10,000	2020/5/28	1,913	Joint liability guarantee	None	None	2020/5/28-2021/4/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/6/1	500	Joint liability guarantee	None	None	2020/6/1-2021/4/15	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/6/1	249	Joint liability guarantee	None	None	2020/6/1-2021/4/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/6/10	18,250	Joint liability guarantee	None	None	2020/6/10-2021/2/28	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	7,000	2020/6/10	1,697	Joint liability guarantee	None	None	2020/6/10-2021/3/31	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/6/10	5,196	Joint liability guarantee	None	None	2020/6/10-2021/12/31	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/6/10	1,166	Joint liability guarantee	None	None	2020/6/10-2021/12/31	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/6/11	249	Joint liability guarantee	None	None	2020/6/11-2022/7/31	No	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/6/29	1,800	Joint liability guarantee	None	None	2020/6/29-2021/5/31	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/6/8	597	Joint liability guarantee	None	None	2020/6/8-2021/5/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/6/29	994	Joint liability guarantee	None	None	2020/6/29-2021/6/30	Yes	No
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2020/6/1	114	Joint liability guarantee	None	None	2020/6/1-2021/4/30	Yes	No
HaiNan S.F. Express LTD.	2020/3/24	5,000	2020/6/29	350	Joint liability guarantee	None	None	2020/6/29-2021/1/31	Yes	No
Hangzhou SF Zhida Logistics Co., Ltd.	2020/3/24	5,500	2020/6/1	2,566	Joint liability guarantee	None	None	2020/6/1-2021/5/19	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/6/29	249	Joint liability guarantee	None	None	2020/6/29-2021/7/30	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/6/1	800	Joint liability guarantee	None	None	2020/6/1-2021/5/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	4,500	2020/6/17	30	Joint liability guarantee	None	None	2020/6/17-2021/6/14	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	4,500	2020/6/1	823	Joint liability guarantee	None	None	2020/6/1-2021/5/31	Yes	No
Jinhua S.F. Express Co., Ltd.	2020/3/24	2,000	2020/6/1	50	Joint liability guarantee	None	None	2020/6/1-2021/4/30	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2020/3/24	5,000	2020/6/1	70	Joint liability guarantee	None	None	2020/6/1-2021/4/30	Yes	No
Nantong S.F. Express Co., Ltd.	2020/3/24	1,000	2020/6/1	123	Joint liability guarantee	None	None	2020/6/1-2021/5/18	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/6/1	1,500	Joint liability guarantee	None	None	2020/6/1-2021/5/31	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	15,000	2020/6/1	20	Joint liability guarantee	None	None	2020/6/1-2021/5/14	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/6/10	304	Joint liability guarantee	None	None	2020/6/10-2021/5/25	Yes	No
Shanghai Shuncheng Logistics Co., Ltd.	2020/3/24	15,000	2020/6/12	4,000	Joint liability guarantee	None	None	2020/6/12-2021/9/30	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	2,000	2020/6/10	145	Joint liability guarantee	None	None	2020/6/10-2021/5/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	2,000	2020/6/30	230	Joint liability guarantee	None	None	2020/6/30-2021/5/31	Yes	No
SF Airlines Company Limited	2020/3/24	200,000	2020/6/24	12,000	Joint liability guarantee	None	None	2020/6/24-2021/5/13	Yes	No
SF Airlines Company Limited	2020/3/24	200,000	2020/6/8	94	Joint liability guarantee	None	None	2020/6/8-2021/4/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
SF Airlines Company Limited	2020/3/24	200,000	2020/6/22	956	Joint liability guarantee	None	None	2020/6/22-2021/3/31	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2020/6/8	1,000	Joint liability guarantee	None	None	2020/6/8-2021/4/30	Yes	No
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2020/6/4	434	Joint liability guarantee	None	None	2020/6/4-2021/5/31	Yes	No
Wuxi S.F. Express Co., Ltd.	2020/3/24	5,000	2020/6/3	200	Joint liability guarantee	None	None	2020/6/3-2021/5/23	Yes	No
Xinjiang SF Express Co., LTD.	2020/3/24	2,100	2020/6/29	1,048	Joint liability guarantee	None	None	2020/6/29-2021/6/19	Yes	No
Zhaoqing S.F. Express Co., Ltd.	2020/3/24	1,000	2020/6/10	162	Joint liability guarantee	None	None	2020/6/10-2021/6/5	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/6/11	217	Joint liability guarantee	None	None	2020/6/11-2021/11/30	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2020/3/24	30,000	2020/6/8	400	Joint liability guarantee	None	None	2020/6/8-2021/5/28	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/6/24	50	Joint liability guarantee	None	None	2020/6/24-2021/6/15	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/6/24	10	Joint liability guarantee	None	None	2020/6/24-2021/6/19	Yes	No
Shenzhen SF Freight Co., Ltd.	2020/3/24	20,000	2020/6/24	3,252	Joint liability guarantee	None	None	2020/6/24-2021/6/11	Yes	No
SF Airlines Company Limited	2020/3/24	200,000	2020/6/19	32	Joint liability guarantee	None	None	2020/6/19-2021/6/20	Yes	No
SF Airlines Company Limited	2020/3/24	200,000	2020/6/19	127	Joint liability guarantee	None	None	2020/6/19-2021/6/28	Yes	No
TIANJIN S.F. EXPRESS CO., LTD.	2020/3/24	7,000	2020/6/29	1,300	Joint liability guarantee	None	None	2020/6/29-2021/7/29	Yes	No
Tibet S.F. Express Co., Ltd.	2020/3/24	1,000	2020/6/24	50	Joint liability guarantee	None	None	2020/6/24-2021/3/31	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2020/3/24	30,000	2020/6/24	1,000	Joint liability guarantee	None	None	2020/6/24-2021/5/31	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2020/6/24	452	Joint liability guarantee	None	None	2020/6/24-2021/6/9	Yes	No
Liaoning Shunlu Logistics Co., Ltd.	2020/3/24	10,000	2020/6/24	1,721	Joint liability guarantee	None	None	2020/6/24-2021/6/11	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	20,000	2020/6/18	409	Joint liability guarantee	None	None	2020/6/18-2021/7/6	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/7/17	250	Joint liability guarantee	None	None	2020/7/17-2021/7/3	Yes	No
Hunan SF Freight Co., Ltd.	2020/3/24	2,000	2020/7/17	66	Joint liability guarantee	None	None	2020/7/17-2021/5/14	Yes	No
S.F. Express Corporation	2020/3/24	10,000	2020/7/22	1,275	Joint liability guarantee	None	None	2020/7/22-2021/5/26	Yes	No
Shanghai Shuncheng Logistics Co., Ltd.	2020/3/24	15,000	2020/7/14	3,800	Joint liability guarantee	None	None	2020/7/14-2021/5/31	Yes	No
Qinghai SF Juyi Supply Chain Management Co., Ltd.	2020/3/24	1,000	2020/7/14	183	Joint liability guarantee	None	None	2020/7/14-2021/7/10	Yes	No
Heilongjiang S.F. Express Co., Ltd.	2020/3/24	3,000	2020/7/14	1,172	Joint liability guarantee	None	None	2020/7/14-2021/6/30	Yes	No
Zhejiang Shunhefeng Freight Co., Ltd.	2020/3/24	7,000	2020/7/14	50	Joint liability guarantee	None	None	2020/7/14-2021/6/30	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/7/10	272	Joint liability guarantee	None	None	2020/7/10-2021/3/31	Yes	No
XI'AN S.F. EXPRESS CO.,LTD	2020/3/24	5,000	2020/7/22	1,257	Joint liability guarantee	None	None	2020/7/22-2021/7/6	Yes	No
Xi'an Shunlu Logistics Co., Ltd.	2020/3/24	15,000	2020/7/10	94	Joint liability guarantee	None	None	2020/7/10-2021/8/31	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/7/28	1,000	Joint liability guarantee	None	None	2020/7/28-2021/9/30	Yes	No
Beijing S.F. Express Co., LTD.	2020/3/24	30,000	2020/7/22	2,000	Joint liability guarantee	None	None	2020/7/22-2021/4/29	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/7/22	464	Joint liability guarantee	None	None	2020/7/22-2021/7/9	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/7/3	142	Joint liability guarantee	None	None	2020/7/3-2021/6/1	Yes	No
Shenzhen Shunlu Logistics Co., Ltd.	2020/3/24	20,000	2020/7/30	1,400	Joint liability guarantee	None	None	2020/7/30-2021/8/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/7/14	3,000	Joint liability guarantee	None	None	2020/7/14-2021/6/14	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/7/2	5,000	Joint liability guarantee	None	None	2020/7/2-2021/3/31	Yes	No
SF Airlines Company Limited	2020/3/24	2,200,000	2020/7/23	229	Joint liability guarantee	None	None	2020/7/23-2021/6/29	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/7/30	473	Joint liability guarantee	None	None	2020/7/30-2021/7/14	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
SF Transportation (Nanjing) Co., Ltd.	2020/3/24	6,000	2020/7/29	1,000	Joint liability guarantee	None	None	2020/7/29-2021/6/15	Yes	No
Guang Zhou S.F. Express Co., Ltd.	2020/3/24	60,000	2020/7/27	12,000	Joint liability guarantee	None	None	2020/7/27-2021/8/8	Yes	No
Guang Zhou S.F. Express Co., Ltd.	2020/3/24	60,000	2020/7/27	15,000	Joint liability guarantee	None	None	2020/7/27-2021/8/8	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/7/10	1,100	Joint liability guarantee	None	None	2020/7/10-2021/6/11	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/7/30	731	Joint liability guarantee	None	None	2020/7/30-2021/6/30	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2020/3/24	5,000	2020/7/30	366	Joint liability guarantee	None	None	2020/7/30-2021/7/15	Yes	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2020/3/24	5,000	2020/7/28	1,000	Joint liability guarantee	None	None	2020/7/28-2021/7/31	Yes	No
Shanghai SF Freight Co., Ltd.	2020/3/24	15,000	2020/7/27	4,182	Joint liability guarantee	None	None	2020/7/27-2021/7/22	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/7/28	1,065	Joint liability guarantee	None	None	2020/7/28-2021/7/20	Yes	No
Shenzhen SF Freight Co., Ltd.	2020/3/24	20,000	2020/7/28	4,328	Joint liability guarantee	None	None	2020/7/28-2021/7/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/7/30	131	Joint liability guarantee	None	None	2020/7/30-2021/7/20	Yes	No
Yangzhou Shunfeng Express Transport Co., Ltd.	2020/3/24	3,000	2020/7/27	909	Joint liability guarantee	None	None	2020/7/27-2021/7/22	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/7/30	282	Joint liability guarantee	None	None	2020/7/30-2021/7/14	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/7/14	395	Joint liability guarantee	None	None	2020/7/14-2021/7/6	Yes	No
Shanghai SF Freight Co., Ltd.	2020/3/24	15,000	2020/8/3	4,182	Joint liability guarantee	None	None	2020/8/3-2021/7/9	Yes	No
Guang Zhou S.F. Express Co., Ltd.	2020/3/24	60,000	2020/8/6	12,000	Joint liability guarantee	None	None	2020/8/6-2021/8/8	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/8/5	291	Joint liability guarantee	None	None	2020/8/5-2021/7/20	Yes	No
Jiangxi S.F. Express Co., Ltd.	2020/3/24	10,000	2020/8/5	1,130	Joint liability guarantee	None	None	2020/8/5-2021/7/14	Yes	No
Fengrongliantong Technology (Shenzhen) Co., Ltd.	2020/3/24	150,000	2020/8/7	25,000	Joint liability guarantee	None	None	2020/8/7-2021/8/4	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/8/7	1,100	Joint liability guarantee	None	None	2020/8/7-2021/7/31	Yes	No
Shandong SF Freight Co., Ltd.	2020/3/24	10,000	2020/8/12	750	Joint liability guarantee	None	None	2020/8/12-2021/7/31	Yes	No
Yunnan Shunhe Freight Co., Ltd.	2020/3/24	2,500	2020/8/12	940	Joint liability guarantee	None	None	2020/8/12-2021/7/29	Yes	No
Guangxi SF Freight Co., Ltd.	2020/3/24	2,500	2020/8/14	300	Joint liability guarantee	None	None	2020/8/14-2021/8/5	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/8/12	100	Joint liability guarantee	None	None	2020/8/12-2021/7/31	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/8/14	3,500	Joint liability guarantee	None	None	2020/8/14-2021/1/31	Yes	No
Fujian Shunhe Supply Chain Management Co., Ltd.	2020/3/24	4,000	2020/8/18	264	Joint liability guarantee	None	None	2020/8/18-2021/7/20	Yes	No
Fujian Shunhe Supply Chain Management Co., Ltd.	2020/3/24	4,000	2020/8/18	759	Joint liability guarantee	None	None	2020/8/18-2021/7/20	Yes	No
SF Airlines Company Limited	2020/3/24	2,200,000	2020/8/4	87	Joint liability guarantee	None	None	2020/8/4-2021/6/30	Yes	No
Hunan,S.F.Express(Group)Co., Ltd.	2020/3/24	15,000	2020/8/12	120	Joint liability guarantee	None	None	2020/8/12-2021/5/31	Yes	No
S.F. Express Corporation	2020/3/24	10,000	2020/8/19	1,679	Joint liability guarantee	None	None	2020/8/19-2021/8/3	Yes	No
SF Express (Europe) Co.Ltd	2020/3/24	39,000	2020/8/7	31,648	Joint liability guarantee	None	None	2020/8/7-2025/7/16	No	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/8/20	3,000	Joint liability guarantee	None	None	2020/8/20-2021/5/31	Yes	No
Hebei S.F. Express Co., Ltd.	2020/3/24	4,000	2020/8/12	300	Joint liability guarantee	None	None	2020/8/12-2021/7/31	Yes	No
Jiangsu Huihai Logistics Co., Ltd.	2020/3/24	1,000	2020/8/19	200	Joint liability guarantee	None	None	2020/8/19-2021/10/14	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/8/21	57	Joint liability guarantee	None	None	2020/8/21-2021/8/13	Yes	No
Lanzhou S.F. Express Co., Ltd.	2020/3/24	1,000	2020/8/20	150	Joint liability guarantee	None	None	2020/8/20-2021/6/30	Yes	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2020/3/24	30,000	2020/8/20	95	Joint liability guarantee	None	None	2020/8/20-2021/7/30	Yes	No
QUANZHOU SHUNFENG TRANSPORTATION COMPANY LIMITED	2020/3/24	8,500	2020/8/12	5,000	Joint liability guarantee	None	None	2020/8/12-2021/7/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Quanzhou Shunlu Logistics Co., Ltd.	2020/3/24	13,000	2020/8/21	1,056	Joint liability guarantee	None	None	2020/8/21-2021/8/5	Yes	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2020/3/24	5,000	2020/8/12	1,500	Joint liability guarantee	None	None	2020/8/12-2021/7/31	Yes	No
SF Airlines Company Limited	2020/3/24	2,200,000	2020/8/26	1,918	Joint liability guarantee	None	None	2020/8/26-2021/8/31	Yes	No
Tibet S.F. Express Co., Ltd.	2020/3/24	1,000	2020/8/21	100	Joint liability guarantee	None	None	2020/8/21-2021/5/30	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2020/8/31	534	Joint liability guarantee	None	None	2020/8/31-2022/12/31	No	No
Yunnan S.F. Express Co., Ltd.	2020/3/24	5,000	2020/8/20	2,219	Joint liability guarantee	None	None	2020/8/20-2021/7/31	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/8/14	800	Joint liability guarantee	None	None	2020/8/14-2021/7/30	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2020/3/24	330,000	2020/8/21	100	Joint liability guarantee	None	None	2020/8/21-2021/4/30	Yes	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2020/3/24	51,000	2020/8/19	2,367	Joint liability guarantee	None	None	2020/8/19-2021/2/13	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/9/3	505	Joint liability guarantee	None	None	2020/9/3-2021/8/12	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2020/3/24	100,000	2020/9/1	412	Joint liability guarantee	None	None	2020/9/1-2022/9/30	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/9/3	66	Joint liability guarantee	None	None	2020/9/3-2021/10/31	Yes	No
Hubei Shunhefeng Freight Co., Ltd.	2020/3/24	2,000	2020/9/3	30	Joint liability guarantee	None	None	2020/9/3-2021/8/25	Yes	No
Shanghai FONPAI Supply Chain Co., Ltd.	2020/3/24	1,000	2020/9/3	30	Joint liability guarantee	None	None	2020/9/3-2021/8/13	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2020/9/11	1,151	Joint liability guarantee	None	None	2020/9/11-2021/8/14	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/9/11	100	Joint liability guarantee	None	None	2020/9/11-2021/9/3	Yes	No
Tianjin SF Zhida Logistics Co., Ltd.	2020/3/24	2,000	2020/9/11	200	Joint liability guarantee	None	None	2020/9/11-2021/7/14	Yes	No
Shenzhen S.F. Intra-city Logistics Co., Ltd.	2020/3/24	5,000	2020/9/11	150	Joint liability guarantee	None	None	2020/9/11-2021/4/30	Yes	No
Shenzhen S.F. Intra-city Logistics Co., Ltd.	2020/3/24	5,000	2020/9/11	150	Joint liability guarantee	None	None	2020/9/11-2021/4/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
SF Supply Chain (Hong Kong) Limited	2020/3/24	21,000	2020/9/29	8,373	Joint liability guarantee	None	None	2020/9/29-2024/1/29	No	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	23,000	2020/9/22	245	Joint liability guarantee	None	None	2020/9/22-2021/9/30	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/9/28	30	Joint liability guarantee	None	None	2020/9/28-2021/9/22	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2020/9/29	10	Joint liability guarantee	None	None	2020/9/29-2021/9/29	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/9/17	5,000	Joint liability guarantee	None	None	2020/9/17-2021/6/30	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/9/17	13,000	Joint liability guarantee	None	None	2020/9/17-2021/6/30	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/9/28	5,706	Joint liability guarantee	None	None	2020/9/28-2021/9/30	Yes	No
Beijing S.F. Express Co., LTD.	2020/3/24	30,000	2020/9/30	4,649	Joint liability guarantee	None	None	2020/9/30-2021/9/22	Yes	No
Dongguan DHL Supply Chain Co., Ltd.	2020/3/24	33,000	2020/9/25	1,486	Joint liability guarantee	None	None	2020/9/25-2021/9/29	Yes	No
Foshan S.F. Express Co., Ltd.	2020/3/24	9,000	2020/9/17	5,289	Joint liability guarantee	None	None	2020/9/17-2021/8/31	Yes	No
Guizhou SF Zhida Freight Co., Ltd.	2020/3/24	3,000	2020/9/27	986	Joint liability guarantee	None	None	2020/9/27-2021/9/14	Yes	No
Hangzhou SF Zhida Logistics Co., Ltd.	2020/3/24	13,500	2020/9/29	2,566	Joint liability guarantee	None	None	2020/9/29-2021/5/19	Yes	No
Hangzhou ZhenTai Asset Management Co., Ltd.	2020/3/24	35,000	2020/9/3	2,266	Joint liability guarantee	None	None	2020/9/3-2021/8/31	Yes	No
Hangzhou ZhenTai Asset Management Co., Ltd.	2020/3/24	35,000	2020/9/3	2,901	Joint liability guarantee	None	None	2020/9/3-2021/8/31	Yes	No
Hangzhou ZhenTai Asset Management Co., Ltd.	2020/3/24	35,000	2020/9/3	1,832	Joint liability guarantee	None	None	2020/9/3-2021/8/31	Yes	No
Hangzhou ZhenTai Asset Management Co., Ltd.	2020/3/24	35,000	2020/9/3	1,832	Joint liability guarantee	None	None	2020/9/3-2021/8/31	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/9/18	161	Joint liability guarantee	None	None	2020/9/18-2021/8/25	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/9/30	1,082	Joint liability guarantee	None	None	2020/9/30-2021/3/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/9/17	50	Joint liability guarantee	None	None	2020/9/17-2021/9/14	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/9/2	80	Joint liability guarantee	None	None	2020/9/2-2021/8/13	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/9/27	300	Joint liability guarantee	None	None	2020/9/27-2021/9/15	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/7/28	222	Joint liability guarantee	None	None	2020/7/28-2021/7/17	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/9/27	277	Joint liability guarantee	None	None	2020/9/27-2021/9/18	Yes	No
Jiangxi S.F. Express Co., Ltd.	2020/3/24	10,000	2020/9/18	150	Joint liability guarantee	None	None	2020/9/18-2021/9/14	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2020/9/28	394	Joint liability guarantee	None	None	2020/9/28-2021/8/31	Yes	No
Lanzhou S.F. Express Co., Ltd.	2020/3/24	1,000	2020/9/30	300	Joint liability guarantee	None	None	2020/9/30-2021/9/21	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/9/30	1,393	Joint liability guarantee	None	None	2020/9/30-2021/5/14	Yes	No
Nantong S.F. Express Co., Ltd.	2020/3/24	2,000	2020/9/30	743	Joint liability guarantee	None	None	2020/9/30-2021/1/9	Yes	No
S.F. Express Group (Shanghai) Co., Ltd.	2020/3/24	21,000	2020/9/29	2,000	Joint liability guarantee	None	None	2020/9/29-2021/10/31	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/9/4	3,000	Joint liability guarantee	None	None	2020/9/4-2021/8/31	Yes	No
Qinghai Shunfeng Express Co., Ltd.	2020/3/24	2,000	2020/9/8	347	Joint liability guarantee	None	None	2020/9/8-2021/8/19	Yes	No
Shandong SF Freight Co., Ltd.	2020/3/24	10,000	2020/9/27	1,019	Joint liability guarantee	None	None	2020/9/27-2021/11/30	Yes	No
Shanghai Solution Plus Supply Chain Co., Ltd.	2020/3/24	10,000	2020/9/29	1,406	Joint liability guarantee	None	None	2020/9/29-2021/7/24	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/9/18	100	Joint liability guarantee	None	None	2020/9/18-2021/6/30	Yes	No
Shenzhen Fengnong Technology Co., Ltd.	2020/3/24	3,100	2020/9/28	70	Joint liability guarantee	None	None	2020/9/28-2021/7/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/9/27	366	Joint liability guarantee	None	None	2020/9/27-2021/9/18	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/9/22	170	Joint liability guarantee	None	None	2020/9/22-2021/12/31	Yes	No
S.F. Express (Huizhou) Co., Ltd.	2020/3/24	7,000	2020/9/17	3,789	Joint liability guarantee	None	None	2020/9/17-2021/8/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F.EXPRESS (TIANJIN) CO., LTD.	2020/3/24	3,000	2020/9/27	529	Joint liability guarantee	None	None	2020/9/27-2021/2/26	Yes	No
S.F. Express Group (Shanghai) Co., Ltd.	2020/3/24	21,000	2020/9/7	7,900	Joint liability guarantee	None	None	2020/9/7-2022/2/28	No	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2020/9/27	300	Joint liability guarantee	None	None	2020/9/27-2021/10/15	Yes	No
SF Express ChongQing CO.LTD	2020/3/24	10,000	2020/9/17	2,627	Joint liability guarantee	None	None	2020/9/17-2021/12/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/9/25	50	Joint liability guarantee	None	None	2020/9/25-2021/7/31	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/9/8	30	Joint liability guarantee	None	None	2020/9/8-2021/7/31	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/9/8	779	Joint liability guarantee	None	None	2020/9/8-2021/3/31	Yes	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/9/25	915	Joint liability guarantee	None	None	2020/9/25-2021/6/30	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/9/28	874	Joint liability guarantee	None	None	2020/9/28-2021/6/30	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/9/27	110	Joint liability guarantee	None	None	2020/9/27-2021/9/16	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/9/27	20	Joint liability guarantee	None	None	2020/9/27-2021/9/16	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/9/27	600	Joint liability guarantee	None	None	2020/9/27-2021/9/21	Yes	No
Zhejiang Shunhefeng Freight Co., Ltd.	2020/3/24	7,000	2020/9/29	50	Joint liability guarantee	None	None	2020/9/29-2021/9/3	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/9/3	1,000	Joint liability guarantee	None	None	2020/9/3-2021/5/31	Yes	No
HaiNan S.F.Express LTD.	2020/3/24	7,000	2020/9/2	1,773	Joint liability guarantee	None	None	2020/9/2-2021/8/31	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/9/2	800	Joint liability guarantee	None	None	2020/9/2-2021/8/13	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/9/3	18	Joint liability guarantee	None	None	2020/9/3-2021/4/30	Yes	No
Quanzhou Shunlu Logistics Co., Ltd.	2020/3/24	13,000	2020/9/3	150	Joint liability guarantee	None	None	2020/9/3-2021/7/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/9/3	1,000	Joint liability guarantee	None	None	2020/9/3-2021/9/5	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Suzhou S.F. Express Corporation	2020/3/24	25,000	2020/9/3	2,052	Joint liability guarantee	None	None	2020/9/3-2021/9/23	Yes	No
Zhejiang Shun Feng Express Co., Ltd.	2020/3/24	20,000	2020/9/2	6,000	Joint liability guarantee	None	None	2020/9/2-2021/6/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/10/15	3,500	Joint liability guarantee	None	None	2020/10/15-2021/10/15	Yes	No
Chongqing SF Zhida Supply Chain Management Co., Ltd.	2020/3/24	6,500	2020/10/16	1,484	Joint liability guarantee	None	None	2020/10/16-2021/9/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/10/21	100	Joint liability guarantee	None	None	2020/10/21-2021/10/10	Yes	No
Shenzhen Fengnong Technology Co., Ltd.	2020/3/24	3,100	2020/10/19	179	Joint liability guarantee	None	None	2020/10/19-2021/7/31	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/10/20	5,000	Joint liability guarantee	None	None	2020/10/20-2021/10/10	Yes	No
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2020/10/22	148	Joint liability guarantee	None	None	2020/10/22-2021/10/15	Yes	No
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2020/10/22	151	Joint liability guarantee	None	None	2020/10/22-2021/10/15	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2020/10/22	2,246	Joint liability guarantee	None	None	2020/10/22-2021/9/30	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/10/12	50	Joint liability guarantee	None	None	2020/10/12-2021/8/31	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/10/28	5,635	Joint liability guarantee	None	None	2020/10/28-2021/10/26	Yes	No
Guangxi ShunFeng Express Co., Ltd.	2020/3/24	7,000	2020/10/29	500	Joint liability guarantee	None	None	2020/10/29-2021/10/15	Yes	No
Hebei S.F. Express Co., Ltd.	2020/3/24	4,000	2020/10/21	20	Joint liability guarantee	None	None	2020/10/21-2021/10/10	Yes	No
HENAN S.F.EXPRESS CO.,LTD	2020/3/24	6,000	2020/10/22	3,336	Joint liability guarantee	None	None	2020/10/22-2021/10/15	Yes	No
Hunan,S.F.Express(Group)Co., Ltd.	2020/3/24	15,000	2020/10/13	4,000	Joint liability guarantee	None	None	2020/10/13-2021/7/31	Yes	No
Hunan,S.F.Express(Group)Co., Ltd.	2020/3/24	15,000	2020/10/13	2,000	Joint liability guarantee	None	None	2020/10/13-2021/7/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/10/13	50	Joint liability guarantee	None	None	2020/10/13-2021/9/24	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/10/29	60	Joint liability guarantee	None	None	2020/10/29-2021/10/15	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2020/10/28	784	Joint liability guarantee	None	None	2020/10/28-2021/10/23	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/10/29	152	Joint liability guarantee	None	None	2020/10/29-2022/1/31	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/10/28	77	Joint liability guarantee	None	None	2020/10/28-2021/8/15	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/10/10	204	Joint liability guarantee	None	None	2020/10/10-2021/9/9	Yes	No
SF Airlines Company Limited	2020/3/24	2,200,000	2020/10/29	200	Joint liability guarantee	None	None	2020/10/29-2021/10/22	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2020/10/29	40	Joint liability guarantee	None	None	2020/10/29-2021/6/21	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2020/10/29	2,000	Joint liability guarantee	None	None	2020/10/29-2021/6/21	Yes	No
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2020/10/30	190	Joint liability guarantee	None	None	2020/10/30-2021/12/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/10/22	320	Joint liability guarantee	None	None	2020/10/22-2021/4/9	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/10/22	496	Joint liability guarantee	None	None	2020/10/22-2021/10/16	Yes	No
Xuzhou S.F. Express Co., Ltd.	2020/3/24	4,000	2020/10/13	1,957	Joint liability guarantee	None	None	2020/10/13-2021/9/30	Yes	No
ZHONGSHAN S.F. EXPRESS CO. LTD	2020/3/24	6,000	2020/10/23	211	Joint liability guarantee	None	None	2020/10/23-2021/5/14	Yes	No
Guangxi ShunFeng Express Co., Ltd.	2020/3/24	7,000	2020/11/4	500	Joint liability guarantee	None	None	2020/11/4-2021/11/30	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2020/11/10	125	Joint liability guarantee	None	None	2020/11/10-2021/10/27	Yes	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/11/6	281	Joint liability guarantee	None	None	2020/11/6-2023/10/31	No	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/11/5	1,358	Joint liability guarantee	None	None	2020/11/5-2023/10/31	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2020/11/20	1,534	Joint liability guarantee	None	None	2020/11/20-2021/3/31	Yes	No
Hubei Shunhefeng Freight Co., Ltd.	2020/3/24	2,000	2020/11/10	57	Joint liability guarantee	None	None	2020/11/10-2021/10/9	Yes	No
Hunan SF Freight Co., Ltd.	2020/3/24	2,000	2020/11/19	97	Joint liability guarantee	None	None	2020/11/19-2021/10/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/11/10	25	Joint liability guarantee	None	None	2020/11/10-2021/10/31	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2020/3/24	5,000	2020/11/10	20	Joint liability guarantee	None	None	2020/11/10-2021/10/31	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2020/3/24	5,000	2020/11/9	67	Joint liability guarantee	None	None	2020/11/9-2021/10/30	Yes	No
Qingdao SF Freight Co., Ltd.	2020/3/24	1,500	2020/11/17	541	Joint liability guarantee	None	None	2020/11/17-2021/10/31	Yes	No
Shandong SF Freight Co., Ltd.	2020/3/24	10,000	2020/11/9	1,019	Joint liability guarantee	None	None	2020/11/9-2022/5/31	No	No
Shaanxi SF Freight Co., Ltd.	2020/3/24	4,000	2020/11/17	211	Joint liability guarantee	None	None	2020/11/17-2021/6/30	Yes	No
Shenzhen SF Fix Technology Co., Ltd.	2020/3/24	100,000	2020/11/2	400	Joint liability guarantee	None	None	2020/11/2-2021/5/30	Yes	No
Shenzhen SF Fix Technology Co., Ltd.	2020/3/24	100,000	2020/11/2	2,000	Joint liability guarantee	None	None	2020/11/2-2021/5/31	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/11/11	1,837	Joint liability guarantee	None	None	2020/11/11-2021/10/17	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/11/11	4,000	Joint liability guarantee	None	None	2020/11/11-2021/11/30	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/11/6	4,104	Joint liability guarantee	None	None	2020/11/6-2021/3/27	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/11/9	500	Joint liability guarantee	None	None	2020/11/9-2021/5/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/11/2	1,000	Joint liability guarantee	None	None	2020/11/2-2021/8/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/11/9	1,200	Joint liability guarantee	None	None	2020/11/9-2021/8/31	Yes	No
Tianjin SF Freight Co., Ltd.	2020/3/24	1,000	2020/11/19	426	Joint liability guarantee	None	None	2020/11/19-2021/11/11	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/11/30	500	Joint liability guarantee	None	None	2020/11/30-2021/11/20	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	23,000	2020/11/23	981	Joint liability guarantee	None	None	2020/11/23-2021/11/30	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/11/10	50	Joint liability guarantee	None	None	2020/11/10-2021/9/30	Yes	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2020/11/4	800	Joint liability guarantee	None	None	2020/11/4-2021/8/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2020/11/10	122	Joint liability guarantee	None	None	2020/11/10-2021/10/31	Yes	No
Hunan,S.F.Express(Group)Co., Ltd.	2020/3/24	15,000	2020/11/17	50	Joint liability guarantee	None	None	2020/11/17-2021/7/31	Yes	No
Hunan,S.F.Express(Group)Co., Ltd.	2020/3/24	15,000	2020/11/10	877	Joint liability guarantee	None	None	2020/11/10-2021/10/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/11/18	60	Joint liability guarantee	None	None	2020/11/18-2021/12/31	Yes	No
Jieyang Shunfeng Express Co., Ltd.	2020/3/24	500	2020/11/9	40	Joint liability guarantee	None	None	2020/11/9-2021/10/12	Yes	No
Langfang S.F. Express Co., Ltd.	2020/3/24	500	2020/11/10	10	Joint liability guarantee	None	None	2020/11/10-2021/7/14	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/11/19	73	Joint liability guarantee	None	None	2020/11/19-2021/2/28	Yes	No
Lishui S.F. Express Co., Ltd.	2020/3/24	1,000	2020/11/20	406	Joint liability guarantee	None	None	2020/11/20-2021/12/15	Yes	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2020/3/24	30,000	2020/11/18	5,000	Joint liability guarantee	None	None	2020/11/18-2021/12/31	Yes	No
Qinghai Shunfeng Express Co., Ltd.	2020/3/24	2,000	2020/11/19	20	Joint liability guarantee	None	None	2020/11/19-2021/10/31	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/11/9	2,500	Joint liability guarantee	None	None	2020/11/9-2021/10/27	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/11/25	212	Joint liability guarantee	None	None	2020/11/25-2021/11/12	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/11/25	121	Joint liability guarantee	None	None	2020/11/25-2021/10/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/11/15	113	Joint liability guarantee	None	None	2020/11/15-2021/10/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/11/15	250	Joint liability guarantee	None	None	2020/11/15-2021/10/31	Yes	No
Hebei Shunhe Supply Chain Management Co., Ltd.	2020/3/24	1,500	2020/11/27	265	Joint liability guarantee	None	None	2020/11/27-2021/2/28	Yes	No
S.F.Express(Dong Guan)Limited	2020/3/24	40,000	2020/11/18	117	Joint liability guarantee	None	None	2020/11/18-2021/11/11	Yes	No
S.F.EXPRESS (TIANJIN) CO., LTD.	2020/3/24	3,000	2020/11/18	451	Joint liability guarantee	None	None	2020/11/18-2021/1/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/11/19	91	Joint liability guarantee	None	None	2020/11/19-2021/10/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/11/19	29	Joint liability guarantee	None	None	2020/11/19-2021/10/15	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/11/19	405	Joint liability guarantee	None	None	2020/11/19-2021/10/16	Yes	No
Wuxi S.F. Express Co., Ltd.	2020/3/24	5,000	2020/11/17	20	Joint liability guarantee	None	None	2020/11/17-2021/10/31	Yes	No
Zhejiang Shun Feng Express Co., Ltd.	2020/3/24	20,000	2020/11/18	3,000	Joint liability guarantee	None	None	2020/11/18-2021/12/7	Yes	No
XI'AN S.F. EXPRESS CO.,LTD	2020/3/24	5,000	2020/11/10	538	Joint liability guarantee	None	None	2020/11/10-2021/10/27	Yes	No
Shenzhen SF Fix Technology Co., Ltd.	2020/3/24	100,000	2020/11/23	16,000	Joint liability guarantee	None	None	2020/11/23-2021/6/30	Yes	No
Chongqing Huiyifeng Logistics Co., Ltd.	2020/3/24	30,000	2020/12/30	15,000	Joint liability guarantee	None	None	2020/12/30-2022/1/19	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/12/28	731	Joint liability guarantee	None	None	2020/12/28-2021/7/27	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2020/3/24	5,000	2020/12/30	1,159	Joint liability guarantee	None	None	2020/12/30-2021/12/15	Yes	No
Fujian Shunhe Supply Chain Management Co., Ltd.	2020/3/24	4,000	2020/12/30	605	Joint liability guarantee	None	None	2020/12/30-2022/2/28	No	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/12/25	100	Joint liability guarantee	None	None	2020/12/25-2021/9/27	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/12/30	1,065	Joint liability guarantee	None	None	2020/12/30-2021/12/29	Yes	No
Guangxi ShunFeng Express Co., Ltd.	2020/3/24	7,000	2020/12/29	1,000	Joint liability guarantee	None	None	2020/12/29-2022/1/31	No	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2020/3/24	5,000	2020/12/29	400	Joint liability guarantee	None	None	2020/12/29-2021/12/31	Yes	No
Jiangxi S.F. Express Co., Ltd.	2020/3/24	10,000	2020/12/29	173	Joint liability guarantee	None	None	2020/12/29-2021/12/23	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2020/12/25	2,000	Joint liability guarantee	None	None	2020/12/25-2021/3/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/12/25	220	Joint liability guarantee	None	None	2020/12/25-2022/3/31	No	No
Heilongjiang SF Juyi Supply Chain Management Co., Ltd.	2020/3/24	4,000	2020/12/17	516	Joint liability guarantee	None	None	2020/12/17-2021/11/30	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2020/12/11	769	Joint liability guarantee	None	None	2020/12/11-2021/11/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. Express (Shenyang) Co., Ltd	2020/3/24	10,000	2020/12/16	2,100	Joint liability guarantee	None	None	2020/12/16-2021/11/30	Yes	No
Shenzhen S.F. Intra-city Logistics Co., Ltd.	2020/3/24	5,000	2020/12/16	150	Joint liability guarantee	None	None	2020/12/16-2021/9/30	Yes	No
Shenzhen Shunlu Air Freight Forwarding Co., Ltd.	2020/3/24	65,000	2020/12/16	22,380	Joint liability guarantee	None	None	2020/12/16-2021/12/31	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/12/9	226	Joint liability guarantee	None	None	2020/12/9-2021/11/20	Yes	No
ZHONGSHAN S.F. EXPRESS CO. LTD	2020/3/24	6,000	2020/12/8	2,551	Joint liability guarantee	None	None	2020/12/8-2021/12/2	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/12/9	496	Joint liability guarantee	None	None	2020/12/9-2021/10/31	Yes	No
Shanxi S.F. Express Co., Ltd.	2020/3/24	1,000	2020/12/9	263	Joint liability guarantee	None	None	2020/12/9-2021/5/31	Yes	No
S.F. Transportation (Changzhou) Co., Ltd.	2020/3/24	2,000	2020/12/9	251	Joint liability guarantee	None	None	2020/12/9-2021/2/28	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2020/12/9	2,713	Joint liability guarantee	None	None	2020/12/9-2021/2/28	Yes	No
XI'AN S.F. EXPRESS CO.,LTD	2020/3/24	5,000	2020/12/9	14	Joint liability guarantee	None	None	2020/12/9-2021/10/31	Yes	No
Shenzhen S.F. Supply Chain Co., Ltd.	2020/3/24	100,000	2020/12/10	1,068	Joint liability guarantee	None	None	2020/12/10-2021/11/30	Yes	No
S.F. Express (Shenyang) Co., Ltd	2020/3/24	10,000	2020/12/8	1,078	Joint liability guarantee	None	None	2020/12/8-2021/11/30	Yes	No
S.F. Express (Shenyang) Co., Ltd	2020/3/24	10,000	2020/12/8	80	Joint liability guarantee	None	None	2020/12/8-2021/10/31	Yes	No
S.F.Express(Dong Guan)Limited	2020/3/24	40,000	2020/12/8	2,221	Joint liability guarantee	None	None	2020/12/8-2021/11/11	Yes	No
SF Express ChongQing CO.LTD	2020/3/24	10,000	2020/12/3	1,100	Joint liability guarantee	None	None	2020/12/3-2021/12/31	Yes	No
S.F. Express Group (Shanghai) Co., Ltd.	2020/3/24	21,000	2020/12/2	100	Joint liability guarantee	None	None	2020/12/2-2021/11/20	Yes	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2020/12/2	200	Joint liability guarantee	None	None	2020/12/2-2021/9/30	Yes	No
Wuxi S.F. Express Co., Ltd.	2020/3/24	5,000	2020/12/3	1,747	Joint liability guarantee	None	None	2020/12/3-2021/11/20	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/12/3	300	Joint liability guarantee	None	None	2020/12/3-2021/11/30	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
QINGDAO S.F.EXPRESS CO.,LTD.	2020/3/24	13,000	2020/12/3	2,600	Joint liability guarantee	None	None	2020/12/3-2021/11/30	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2020/12/3	6,000	Joint liability guarantee	None	None	2020/12/3-2021/11/25	Yes	No
Liaoning Shunlu Logistics Co., Ltd.	2020/3/24	18,000	2020/12/3	4,200	Joint liability guarantee	None	None	2020/12/3-2021/10/31	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/12/3	278	Joint liability guarantee	None	None	2020/12/3-2022/4/3	No	No
S.F. Express (Shenyang) Co., Ltd	2020/3/24	10,000	2020/12/3	464	Joint liability guarantee	None	None	2020/12/3-2021/11/31	Yes	No
Hunan SF Freight Co., Ltd.	2020/3/24	2,000	2020/12/3	377	Joint liability guarantee	None	None	2020/12/3-2021/11/30	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2020/12/3	20	Joint liability guarantee	None	None	2020/12/3-2021/11/20	Yes	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2020/12/3	512	Joint liability guarantee	None	None	2020/12/3-2021/11/20	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	23,000	2020/12/9	11,382	Joint liability guarantee	None	None	2020/12/9-2021/12/14	Yes	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	23,000	2020/12/24	82	Joint liability guarantee	None	None	2020/12/24-2022/1/4	No	No
S.F. EXPRESS (CHINA) LIMITED	2020/3/24	23,000	2020/12/24	123	Joint liability guarantee	None	None	2020/12/24-2022/1/4	No	No
DHL Logistics (Beijing) Co., Ltd.	2020/3/24	20,000	2020/12/10	709	Joint liability guarantee	None	None	2020/12/10-2021/11/4	Yes	No
Guizhou Fengtai E-commerce Industrial Park Management Co., Ltd.	2020/3/24	25,000	2020/12/18	23,205	Joint liability guarantee	None	None	2020/12/18-2021/5/1	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2020/12/30	68	Joint liability guarantee	None	None	2020/12/30-2021/12/23	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2020/12/28	770	Joint liability guarantee	None	None	2020/12/28-2021/11/15	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/12/8	1,357	Joint liability guarantee	None	None	2020/12/8-2021/12/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2020/12/8	1,185	Joint liability guarantee	None	None	2020/12/8-2021/11/30	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2020/12/23	51,000	Joint liability guarantee	None	None	2020/12/23-2021/10/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2020/3/24	7,500	2020/12/23	116	Joint liability guarantee	None	None	2020/12/23-2021/11/18	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Shunlu Air Freight Forwarding Co., Ltd.	2020/3/24	65,000	2020/12/29	18,500	Joint liability guarantee	None	None	2020/12/29-2021/12/31	Yes	No
S.F.Express(Dong Guan)Limited	2020/3/24	40,000	2020/12/25	9,932	Joint liability guarantee	None	None	2020/12/25-2021/12/20	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2020/12/29	1,612	Joint liability guarantee	None	None	2020/12/29-2022/3/31	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2020/12/30	588	Joint liability guarantee	None	None	2020/12/30-2022/4/30	No	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2020/12/31	1,000	Joint liability guarantee	None	None	2020/12/31-2021/10/15	Yes	No
SF LOGISTICS MEXICO SA de CV	2020/3/24	5,000	2020/7/21	1,912	Joint liability guarantee	None	None	2020/7/21-2021/7/20	Yes	No
Dongguan DHL Supply Chain Co., Ltd.	2020/3/24	33,000	2020/8/1	30,000	Joint liability guarantee	None	None	2020/8/1-2025/7/31	No	No
Yiwu Fengyutai Enterprise Management Co., Ltd.	2020/3/24	20,000	2020/9/1	12,915	Joint liability guarantee	None	None	2020/9/1-2023/8/31	No	No
Quanzhou Fengyutai Enterprise Management Co., Ltd.	2020/3/24	15,000	2020/9/1	11,325	Joint liability guarantee	None	None	2020/9/1-2023/8/31	No	No
Wuxi Jietai Enterprise Management Co., Ltd.	2020/3/24	16,500	2020/9/1	15,982	Joint liability guarantee	None	None	2020/9/1-2023/8/31	No	No
Huai'an Fengtai Enterprise Management Co., Ltd.	2020/3/24	5,300	2020/9/1	4,958	Joint liability guarantee	None	None	2020/9/1-2023/8/31	No	No
HaiNan S.F.Express LTD.	2020/3/24	7,000	2021/1/4	1,500	Joint liability guarantee	None	None	2021/01/04-2021/12/31	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/1/4	2,000	Joint liability guarantee	None	None	2021/01/04-2021/06/30	Yes	No
Xi'an Shunlu Logistics Co., Ltd.	2020/3/24	15,000	2021/1/4	5,478	Joint liability guarantee	None	None	2021/01/04-2021/12/31	Yes	No
Beijing S.F. Express Co., LTD.	2020/3/24	30,000	2021/1/5	3,500	Joint liability guarantee	None	None	2021/01/05-2021/12/31	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2020/3/24	80,000	2021/1/5	100	Joint liability guarantee	None	None	2021/01/05-2021/12/31	Yes	No
Zhejiang Shun Feng Express Co., Ltd.	2020/3/24	20,000	2021/1/11	560	Joint liability guarantee	None	None	2021/01/11-2021/07/31	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2021/1/13	1,000	Joint liability guarantee	None	None	2021/01/13-2021/05/11	Yes	No
QINGDAO S.F.EXPRESS CO.,LTD.	2020/3/24	13,000	2021/1/13	1,800	Joint liability guarantee	None	None	2021/01/13-2021/12/19	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2021/1/13	79	Joint liability guarantee	None	None	2021/01/13-2021/12/31	Yes	No
Haikou Fengtai Industrial Park Management Co., Ltd.	2020/3/24	5,100	2021/1/15	3,673	Joint liability guarantee	None	None	2021/01/16-2021/10/06	Yes	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2020/3/24	30,000	2021/1/15	1,185	Joint liability guarantee	None	None	2021/01/15-2021/12/31	Yes	No
Zhejiang Shun Feng Express Co., Ltd.	2020/3/24	20,000	2021/1/15	1,911	Joint liability guarantee	None	None	2021/01/15-2021/02/28	Yes	No
Anhui Shunhe Freight Co., Ltd.	2020/3/24	3,500	2021/1/18	234	Joint liability guarantee	None	None	2021/01/18-2021/12/31	Yes	No
QINGDAO S.F.EXPRESS CO.,LTD.	2020/3/24	13,000	2021/1/18	30	Joint liability guarantee	None	None	2021/01/18-2021/12/31	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/1/18	3,450	Joint liability guarantee	None	None	2021/01/18-2022/01/15	No	No
SF Airlines Company Limited	2020/3/24	2,200,000	2021/1/19	25,000	Joint liability guarantee	None	None	2021/01/19-2022/01/14	No	No
S.F.Express(Dong Guan)Limited	2020/3/24	40,000	2021/1/19	1,860	Joint liability guarantee	None	None	2021/01/19-2021/12/31	Yes	No
Guangxi ShunFeng Express Co., Ltd.	2020/3/24	7,000	2021/1/21	700	Joint liability guarantee	None	None	2021/01/21-2022/01/31	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/1/21	546	Joint liability guarantee	None	None	2021/01/21-2022/04/30	No	No
Beijing S.F. Express Co., LTD.	2020/3/24	30,000	2021/1/21	300	Joint liability guarantee	None	None	2021/01/21-2022/01/31	No	No
Guangxi ShunFeng Express Co., Ltd.	2020/3/24	7,000	2021/1/21	100	Joint liability guarantee	None	None	2021/01/21-2022/01/31	No	No
S.F.EXPRESS (TIANJIN) CO., LTD.	2020/3/24	3,000	2021/1/21	70	Joint liability guarantee	None	None	2021/01/21-2021/12/31	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/1/21	29	Joint liability guarantee	None	None	2021/01/21-2021/12/29	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2021/1/25	329	Joint liability guarantee	None	None	2021/01/25-2021/12/31	Yes	No
Shenzhen SF Fix Technology Co., Ltd.	2020/3/24	100,000	2021/1/26	2,500	Joint liability guarantee	None	None	2021/01/26-2021/12/31	Yes	No
Quanzhou Shunlu Logistics Co., Ltd.	2020/3/24	13,000	2021/1/28	4,000	Joint liability guarantee	None	None	2021/01/28-2021/12/31	Yes	No
Quanzhou Shunlu Logistics Co., Ltd.	2020/3/24	13,000	2021/1/28	3,000	Joint liability guarantee	None	None	2021/01/28-2021/12/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2021/1/28	464	Joint liability guarantee	None	None	2021/01/28-2022/02/28	No	No
Guangdong S.F. E-commerce Co., Ltd.	2020/3/24	5,000	2021/1/28	400	Joint liability guarantee	None	None	2021/01/28-2022/01/31	No	No
QINGDAO S.F.EXPRESS CO.,LTD.	2020/3/24	13,000	2021/1/28	400	Joint liability guarantee	None	None	2021/01/28-2021/11/30	Yes	No
Hangzhou SF Zhida Logistics Co., Ltd.	2020/3/24	13,500	2021/1/29	1,000	Joint liability guarantee	None	None	2021/01/29-2021/12/31	Yes	No
Shanghai Solution Plus Supply Chain Co., Ltd.	2020/3/24	10,000	2021/1/29	1,000	Joint liability guarantee	None	None	2021/01/29-2021/09/30	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/1/29	731	Joint liability guarantee	None	None	2021/01/29-2021/12/31	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/1/29	475	Joint liability guarantee	None	None	2021/01/29-2021/11/30	Yes	No
Chengdu Taishun Logistics Co., Ltd.	2020/3/24	20,000	2021/2/2	690	Joint liability guarantee	None	None	2021/02/02-2021/12/31	Yes	No
FS ELECTRONIC TECHNOLOGY CO., LIMITED	2020/3/24	10,000	2021/2/2	204	Joint liability guarantee	None	None	2021/02/02-2021/12/31	Yes	No
E COMMERCE FULFILLMENT COMPANY LTD	2020/3/24	1,000	2021/2/4	210	Joint liability guarantee	None	None	2021/02/04-2021/11/11	Yes	No
ZHONGSHAN S.F. EXPRESS CO. LTD	2020/3/24	6,000	2021/2/2	1,206	Joint liability guarantee	None	None	2021/02/02-2021/12/09	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2021/2/3	19,932	Joint liability guarantee	None	None	2021/02/03-2022/01/31	No	No
Sichuan S.F. Express Co., Ltd.	2020/3/24	10,000	2021/2/3	1,442	Joint liability guarantee	None	None	2021/02/03-2021/12/25	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2020/3/24	18,000	2021/2/3	30	Joint liability guarantee	None	None	2021/02/03-2021/12/31	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/2/4	1,258	Joint liability guarantee	None	None	2021/02/04-2022/01/27	No	No
Shandong SF Freight Co., Ltd.	2020/3/24	10,000	2021/2/4	943	Joint liability guarantee	None	None	2021/02/04-2022/04/30	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2021/2/4	350	Joint liability guarantee	None	None	2021/02/04-2021/04/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/2/4	100	Joint liability guarantee	None	None	2021/02/04-2021/11/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/2/4	600	Joint liability guarantee	None	None	2021/02/04-2022/01/15	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Wuhan SF Zhida Logistics Co., Ltd.	2020/3/24	3,000	2021/2/4	500	Joint liability guarantee	None	None	2021/02/04-2021/11/30	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2021/2/7	100	Joint liability guarantee	None	None	2021/02/07-2021/12/31	Yes	No
EXEL LOGISTICS CHINA CO.,LTD.	2020/3/24	10,000	2021/2/7	1,500	Joint liability guarantee	None	None	2021/02/07-2021/12/31	Yes	No
Weihai S.F. Express Co., Ltd.	2020/3/24	1,000	2021/2/7	10	Joint liability guarantee	None	None	2021/02/07-2021/12/31	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2021/2/26	5,000	Joint liability guarantee	None	None	2021/02/26-2022/03/01	No	No
Shaanxi SF Freight Co., Ltd.	2020/3/24	4,000	2021/2/26	65	Joint liability guarantee	None	None	2021/02/26-2022/02/07	No	No
DSC Logistics (Beijing) Co., Ltd	2020/3/24	20,000	2021/2/26	433	Joint liability guarantee	None	None	2021/02/26-2023/03/31	No	No
Dongguan DHL Supply Chain Co., Ltd.	2020/3/24	33,000	2021/2/26	3,727	Joint liability guarantee	None	None	2021/02/26-2022/02/28	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2020/3/24	16,000	2021/3/1	153	Joint liability guarantee	None	None	2021/03/01-2022/01/26	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2021/3/2	6,430	Joint liability guarantee	None	None	2021/03/02-2022/01/31	No	No
Shenzhen Shunlu Logistics Co., Ltd.	2020/3/24	20,000	2021/3/2	1,180	Joint liability guarantee	None	None	2021/03/02-2021/12/31	Yes	No
Qingdao SF Freight Co., Ltd.	2020/3/24	1,500	2021/3/8	558	Joint liability guarantee	None	None	2021/03/08-2022/01/31	No	No
Xinjiang SF Express Co.,LTD.	2020/3/24	2,100	2021/3/8	60	Joint liability guarantee	None	None	2021/03/08-2021/12/31	Yes	No
Yantai S.F. Express Co., Ltd.	2020/3/24	2,000	2021/3/8	850	Joint liability guarantee	None	None	2021/03/08-2022/01/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/3/9	100	Joint liability guarantee	None	None	2021/03/09-2021/11/30	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2021/3/9	454	Joint liability guarantee	None	None	2021/03/09-2022/02/28	No	No
SF GLOBAL EXPRESS (M) SDN BHD	2020/3/24	5,000	2021/3/9	229	Joint liability guarantee	None	None	2021/03/09-2022/04/15	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/5/18	2,000	Joint liability guarantee	None	None	2021/05/18-2022/11/11	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2021/3/9	155	Joint liability guarantee	None	None	2021/03/09-2021/12/25	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Sichuan Shunhefeng Freight Co., Ltd.	2020/3/24	3,000	2021/3/9	109	Joint liability guarantee	None	None	2021/03/09-2022/01/31	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2020/3/24	3,000	2021/3/9	400	Joint liability guarantee	None	None	2021/03/09-2021/12/31	Yes	No
Hubei S.F. Express Co., Ltd.	2020/3/24	10,000	2021/3/16	150	Joint liability guarantee	None	None	2021/03/16-2021/12/31	Yes	No
QINGDAO S.F.EXPRESS CO.,LTD.	2020/3/24	13,000	2021/3/16	1,500	Joint liability guarantee	None	None	2021/03/16-2022/03/09	No	No
Shandong S.F. Express Co., Ltd.	2020/3/24	20,000	2021/3/16	350	Joint liability guarantee	None	None	2021/03/16-2022/01/31	No	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2020/3/24	51,000	2021/3/16	3,214	Joint liability guarantee	None	None	2021/03/16-2022/03/10	No	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2020/3/24	51,000	2021/3/16	3,005	Joint liability guarantee	None	None	2021/03/16-2022/03/08	No	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2021/3/16	30,000	Joint liability guarantee	None	None	2021/03/16-2022/03/11	No	No
Nantong S.F. Express Co., Ltd.	2020/3/24	2,000	2021/3/19	743	Joint liability guarantee	None	None	2021/03/19-2021/06/30	Yes	No
Shanghai Shunheng Logistics Co., Ltd.	2020/3/24	50,000	2021/3/19	1,850	Joint liability guarantee	None	None	2021/03/19-2021/04/15	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2020/3/24	14,000	2021/3/19	183	Joint liability guarantee	None	None	2021/03/19-2021/11/30	Yes	No
SF Supply Chain (Hong Kong) Limited	2020/3/24	21,000	2021/3/23	947	Joint liability guarantee	None	None	2021/03/22-2024/07/20	No	No
Anhui S.F. Express Co., Ltd.	2020/3/24	12,000	2021/3/23	46	Joint liability guarantee	None	None	2021/03/23-2022/01/18	No	No
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2021/3/23	148	Joint liability guarantee	None	None	2021/03/23-2022/02/28	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2020/3/24	84,000	2021/3/23	1,000	Joint liability guarantee	None	None	2021/03/23-2021/12/31	Yes	No
Yunnan S.F. Express Co., Ltd.	2020/3/24	5,000	2021/3/23	1,635	Joint liability guarantee	None	None	2021/03/23-2022/02/17	No	No
Chengdu Shunyifeng Pharmaceutical Co., Ltd.	2020/3/24	1,000	2021/3/25	436	Joint liability guarantee	None	None	2021/03/25-2022/03/12	No	No
Suzhou S.F. Express Corporation	2020/3/24	25,000	2021/3/25	789	Joint liability guarantee	None	None	2021/03/25-2021/11/30	Yes	No
Xi'an Shunlu Logistics Co., Ltd.	2020/3/24	15,000	2021/3/25	2,030	Joint liability guarantee	None	None	2021/03/25-2022/01/27	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Guizhou S.F. Express Co., Ltd.	2020/3/24	3,000	2021/3/26	127	Joint liability guarantee	None	None	2021/03/26-2021/08/31	Yes	No
Wuhan SF Zhida Logistics Co., Ltd.	2020/3/24	3,000	2021/3/26	1,000	Joint liability guarantee	None	None	2021/03/26-2021/06/02	Yes	No
Xinjiang SF Express Co.,LTD.	2020/3/24	2,100	2021/3/26	20	Joint liability guarantee	None	None	2021/03/26-2021/12/31	Yes	No
S.F. Express Co., Ltd.	2020/3/24	173,000	2021/3/30	3,000	Joint liability guarantee	None	None	2021/03/30-2022/03/31	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2020/3/24	40,000	2021/3/31	767	Joint liability guarantee	None	None	2021/03/31-2021/06/09	Yes	No
XI'AN S.F EXPRESS CO.,LTD	2020/3/24	5,000	2021/3/30	569	Joint liability guarantee	None	None	2021/03/30-2022/03/09	No	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/4/8	5,000	Joint liability guarantee	None	None	2021/04/08-2022/02/28	No	No
Shenzhen Fengyi Technology Co., Ltd.	2020/3/24	100,000	2021/4/8	6,000	Joint liability guarantee	None	None	2021/04/08-2022/03/31	No	No
Hebei S.F. Express Co., Ltd.	2021/3/18	2,500	2021/4/9	300	Joint liability guarantee	None	None	2021/04/09-2021/12/31	Yes	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	16,000	2021/4/9	412	Joint liability guarantee	None	None	2021/04/09-2022/03/18	No	No
SF Express ChongQing CO.LTD	2021/3/18	10,000	2021/4/14	1,690	Joint liability guarantee	None	None	2021/04/14-2022/02/28	No	No
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/4/15	95	Joint liability guarantee	None	None	2021/04/15-2021/10/31	Yes	No
Yunnan Shunhe Freight Co., Ltd.	2021/3/18	5,000	2021/4/15	503	Joint liability guarantee	None	None	2021/04/15-2022/05/06	No	No
Shaanxi SF Freight Co., Ltd.	2021/3/18	3,000	2021/4/23	1,228	Joint liability guarantee	None	None	2021/04/23-2022/07/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	3,620	Joint liability guarantee	None	None	2021/04/23-2022/04/30	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	3,000	Joint liability guarantee	None	None	2021/04/23-2022/01/15	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	5,000	Joint liability guarantee	None	None	2021/04/23-2022/03/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	5,000	Joint liability guarantee	None	None	2021/04/23-2022/03/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	6,000	Joint liability guarantee	None	None	2021/04/23-2022/04/15	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	5,000	Joint liability guarantee	None	None	2021/04/23-2022/03/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/23	5,000	Joint liability guarantee	None	None	2021/04/23-2022/03/31	No	No
Tianjin SF Freight Co., Ltd.	2021/3/18	2,000	2021/4/15	358	Joint liability guarantee	None	None	2021/04/15-2022/01/14	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/4/14	100	Joint liability guarantee	None	None	2021/04/14-2022/05/31	No	No
Shenzhen SF Fix Technology Co., Ltd.	2021/3/18	200,000	2021/4/14	3,000	Joint liability guarantee	None	None	2021/04/14-2022/01/31	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	4,000	2021/4/14	650	Joint liability guarantee	None	None	2021/04/14-2022/03/31	No	No
Jiaying S.F. Transportation Co., Ltd.	2021/3/18	3,000	2021/4/14	1,136	Joint liability guarantee	None	None	2021/04/14-2022/06/30	No	No
Shaanxi SF Freight Co., Ltd.	2021/3/18	3,000	2021/4/14	29	Joint liability guarantee	None	None	2021/04/14-2022/04/04	No	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2021/3/18	15,000	2021/4/14	4,000	Joint liability guarantee	None	None	2021/04/14-2022/05/06	No	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2021/3/18	10,000	2021/4/14	1,000	Joint liability guarantee	None	None	2021/04/14-2021/07/31	Yes	No
Beijing S.F. Express Co., LTD.	2021/3/18	20,000	2021/4/14	1,000	Joint liability guarantee	None	None	2021/04/14-2022/04/20	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/4/14	620	Joint liability guarantee	None	None	2021/04/14-2022/02/28	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/4/14	3,000	Joint liability guarantee	None	None	2021/04/14-2022/03/31	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/4/15	7,200	Joint liability guarantee	None	None	2021/04/15-2021/10/30	Yes	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/4/15	50	Joint liability guarantee	None	None	2021/04/15-2021/05/31	Yes	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	10,000	2021/4/22	50	Joint liability guarantee	None	None	2021/04/22-2022/01/31	No	No
Guangzhou Huiyi Logistics Co., Ltd.	2021/3/18	26,000	2021/4/22	250	Joint liability guarantee	None	None	2021/04/22-2022/02/28	No	No
S.F. Express Co., Ltd.	2021/3/18	10,000	2021/5/31	471	Joint liability guarantee	None	None	2021/05/31-2022/01/14	No	No
Changchun SF Freight Co., Ltd.	2021/3/18	3,000	2021/4/28	490	Joint liability guarantee	None	None	2021/04/28-2021/10/21	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/4/30	500	Joint liability guarantee	None	None	2021/04/30-2022/04/22	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/4/30	200	Joint liability guarantee	None	None	2021/04/30-2022/04/22	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	10,000	2021/4/29	116	Joint liability guarantee	None	None	2021/04/29-2022/04/21	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/4/30	834	Joint liability guarantee	None	None	2021/04/30-2021/07/31	Yes	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/4/30	150	Joint liability guarantee	None	None	2021/04/30-2022/04/22	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/4/28	38	Joint liability guarantee	None	None	2021/04/28-2021/09/30	Yes	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/4/28	200	Joint liability guarantee	None	None	2021/04/28-2022/04/20	No	No
HENAN S.F.EXPRESS CO.,LTD	2021/3/18	5,000	2021/4/30	150	Joint liability guarantee	None	None	2021/04/30-2022/04/22	No	No
HaiNan S.F.Express LTD.	2021/3/18	6,000	2021/4/30	350	Joint liability guarantee	None	None	2021/04/30-2022/02/04	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2021/3/18	16,000	2021/4/30	1,332	Joint liability guarantee	None	None	2021/04/30-2024/04/30	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	4,000	2021/4/30	203	Joint liability guarantee	None	None	2021/04/30-2022/04/04	No	No
S.F. Express Group (Shanghai) Co., Ltd.	2021/3/18	20,000	2021/5/6	1,000	Joint liability guarantee	None	None	2021/05/06-2022/05/04	No	No
XI'AN S.F EXPRESS CO.,LTD	2021/3/18	1,500	2021/5/18	283	Joint liability guarantee	None	None	2021/05/18-2022/05/07	No	No
S.F. Express (Shenyang) Co., Ltd	2021/3/18	10,000	2021/5/20	168	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
SF Express ChongQing CO.LTD	2021/3/18	10,000	2021/5/18	1,690	Joint liability guarantee	None	None	2021/05/18-2021/12/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/5/20	38	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/5/20	10	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
HENAN S.F.EXPRESS CO.,LTD	2021/3/18	5,000	2021/5/20	330	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Liaoning Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/5/20	864	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F.EXPRESS OF DALIAN L.T.D	2021/3/18	5,000	2021/5/20	2,963	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Shenzhen SF Fix Technology Co., Ltd.	2021/3/18	200,000	2021/5/20	16,000	Joint liability guarantee	None	None	2021/05/20-2022/06/30	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/5/20	584	Joint liability guarantee	None	None	2021/05/20-2021/12/08	Yes	No
Wenzhou Shunheng Express Co., Ltd.	2021/3/18	10,000	2021/5/20	4,379	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Taizhou S.F. Express Co., Ltd.	2021/3/18	5,000	2021/5/20	3,050	Joint liability guarantee	None	None	2021/05/20-2022/05/13	No	No
Zhejiang Shunlu Logistics Co., Ltd.	2021/3/18	340,000	2021/5/20	1,088	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	4,000	2021/5/25	216	Joint liability guarantee	None	None	2021/05/25-2022/05/13	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/5/20	313	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/5/20	1,467	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/5/20	1,080	Joint liability guarantee	None	None	2021/05/20-2022/05/07	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/5/14	500	Joint liability guarantee	None	None	2021/05/14-2022/05/14	No	No
S.F. EXPRESS (CHINA) LIMITED	2021/3/18	250,000	2021/5/18	817	Joint liability guarantee	None	None	2021/05/21-2022/05/21	No	No
Hubei S.F. Express Co., Ltd.	2021/3/18	4,000	2021/5/25	269	Joint liability guarantee	None	None	2021/05/25-2022/04/30	No	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2021/3/18	20,000	2021/5/14	1,710	Joint liability guarantee	None	None	2021/05/14-2021/11/10	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/5/12	170	Joint liability guarantee	None	None	2021/05/12-2021/07/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/5/14	2,500	Joint liability guarantee	None	None	2021/05/14-2021/12/31	Yes	No
Huai'an S.F. Express Co., Ltd.	2021/3/18	2,000	2021/5/18	635	Joint liability guarantee	None	None	2021/05/18-2022/04/22	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	10,000	2021/5/18	3,212	Joint liability guarantee	None	None	2021/05/18-2022/05/07	No	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/5/18	4,123	Joint liability guarantee	None	None	2021/05/18-2022/05/07	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Wenzhou Shunheng Express Co., Ltd.	2021/3/18	10,000	2021/5/18	1,100	Joint liability guarantee	None	None	2021/05/18-2021/11/04	Yes	No
Wuhan SF Cold Chain Supply Chain Co., Ltd.	2021/3/18	600	2021/5/18	100	Joint liability guarantee	None	None	2021/05/18-2022/04/19	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/5/26	2,000	Joint liability guarantee	None	None	2021/05/26-2022/05/13	No	No
Shanxi S.F. Express Co., Ltd.	2021/3/18	1,000	2021/5/26	60	Joint liability guarantee	None	None	2021/05/26-2021/12/31	Yes	No
Shanxi S.F. Express Co., Ltd.	2021/3/18	1,000	2021/5/26	350	Joint liability guarantee	None	None	2021/05/26-2021/12/31	Yes	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/5/18	800	Joint liability guarantee	None	None	2021/05/18-2022/05/07	No	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/5/26	400	Joint liability guarantee	None	None	2021/05/26-2022/05/07	No	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/5/26	3,106	Joint liability guarantee	None	None	2021/05/26-2021/12/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	10,000	2021/5/27	218	Joint liability guarantee	None	None	2021/05/27-2022/05/15	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	50,000	2021/5/27	7,900	Joint liability guarantee	None	None	2021/05/27-2022/04/30	No	No
Hunan S.F. Express(Group)Co., Ltd.	2021/3/18	15,000	2021/5/27	2,176	Joint liability guarantee	None	None	2021/05/27-2022/05/13	No	No
Zhejiang Shunhefeng Freight Co., Ltd.	2021/3/18	8,000	2021/5/28	825	Joint liability guarantee	None	None	2021/05/28-2022/05/18	No	No
S.F. Express (Shenyang) Co., Ltd.	2021/3/18	10,000	2021/5/28	480	Joint liability guarantee	None	None	2021/05/28-2022/05/17	No	No
Tianjin SF Juyi Logistics Co., Ltd.	2021/3/18	6,000	2021/5/28	208	Joint liability guarantee	None	None	2021/05/28-2022/05/25	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/5/28	353	Joint liability guarantee	None	None	2021/05/28-2022/05/14	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/5/31	3,000	Joint liability guarantee	None	None	2021/05/31-2022/05/14	No	No
S.F. Express Co., Ltd.	2021/3/18	10,000	2021/5/31	4,707	Joint liability guarantee	None	None	2021/05/31-2022/06/30	No	No
Henan Huihai Logistics Co., Ltd.	2021/3/18	5,000	2021/5/28	1,498	Joint liability guarantee	None	None	2021/05/28-2022/05/07	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/6/4	19	Joint liability guarantee	None	None	2021/06/04-2022/03/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
SF Airlines Company Limited	2021/3/18	720,000	2021/6/8	166	Joint liability guarantee	None	None	2021/06/08-2021/12/31	Yes	No
SF Airlines Company Limited	2021/3/18	720,000	2021/6/8	8	Joint liability guarantee	None	None	2021/06/08-2022/05/07	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/6/8	90	Joint liability guarantee	None	None	2021/06/08-2022/05/07	No	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/6/1	615	Joint liability guarantee	None	None	2021/06/01-2022/06/30	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/6/1	1,800	Joint liability guarantee	None	None	2021/06/01-2022/05/31	No	No
Guang Zhou S.F. Express Co., Ltd.	2021/3/18	50,000	2021/6/3	2,679	Joint liability guarantee	None	None	2021/06/03-2021/12/31	Yes	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	4,000	2021/6/1	114	Joint liability guarantee	None	None	2021/06/01-2022/04/30	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	4,000	2021/6/1	123	Joint liability guarantee	None	None	2021/06/01-2022/04/30	No	No
Hangzhou SF Zhida Logistics Co., Ltd.	2021/3/18	10,000	2021/6/4	2,566	Joint liability guarantee	None	None	2021/06/04-2022/05/18	No	No
Shandong SF Freight Co., Ltd.	2021/3/18	6,000	2021/6/3	1,772	Joint liability guarantee	None	None	2021/06/03-2022/05/19	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/6/3	1,074	Joint liability guarantee	None	None	2021/06/03-2021/12/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	10,000	2021/6/8	600	Joint liability guarantee	None	None	2021/06/08-2021/07/31	Yes	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/6/8	4,560	Joint liability guarantee	None	None	2021/06/08-2022/06/30	No	No
SF-Express(Ningxia)Co.,Ltd	2021/3/18	1,000	2021/6/9	5	Joint liability guarantee	None	None	2021/06/09-2021/12/31	Yes	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/6/1	1,000	Joint liability guarantee	None	None	2021/06/01-2022/04/30	No	No
Zhanjiang S.F. Express Co., Ltd.	2021/3/18	10,000	2021/6/4	546	Joint liability guarantee	None	None	2021/06/04-2022/05/13	No	No
FS TECHNOLOGY MACAU CO.,LTD.	2021/3/18	700	2021/6/7	191	Joint liability guarantee	None	None	2021/06/07-2021/12/31	Yes	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/6/11	597	Joint liability guarantee	None	None	2021/06/11-2022/08/31	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/6/11	784	Joint liability guarantee	None	None	2021/06/11-2022/05/10	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/6/11	2,958	Joint liability guarantee	None	None	2021/06/11-2022/05/25	No	No
Shanghai Shuncheng Logistics Co., Ltd.	2021/3/18	12,000	2021/6/11	3,800	Joint liability guarantee	None	None	2021/06/11-2022/05/31	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/6/11	665	Joint liability guarantee	None	None	2021/06/11-2022/05/31	No	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/6/11	4,595	Joint liability guarantee	None	None	2021/06/11-2022/08/31	No	No
EXEL Technology Solution (Shanghai) Co., Ltd.	2021/3/18	30,000	2021/6/11	5,226	Joint liability guarantee	None	None	2021/06/11-2021/10/31	Yes	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/6/11	573	Joint liability guarantee	None	None	2021/06/11-2021/07/31	Yes	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/6/11	2,000	Joint liability guarantee	None	None	2021/06/11-2022/05/31	No	No
Hubei S.F. Transportation Co., Ltd.	2021/3/18	10,000	2021/6/9	3,233	Joint liability guarantee	None	None	2021/06/09-2022/05/09	No	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/6/11	603	Joint liability guarantee	None	None	2021/06/11-2022/08/31	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/6/17	994	Joint liability guarantee	None	None	2021/06/17-2022/05/31	No	No
Anhui Shunhe Freight Co., Ltd.	2021/3/18	55,000	2021/6/17	452	Joint liability guarantee	None	None	2021/06/17-2022/06/09	No	No
Beijing S.F. Express Co., LTD.	2021/3/18	20,000	2021/6/17	1,729	Joint liability guarantee	None	None	2021/06/17-2022/06/09	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/6/17	823	Joint liability guarantee	None	None	2021/06/17-2022/05/31	No	No
Guangxi ShunFeng Express Co., Ltd.	2021/3/18	5,000	2021/6/17	2,000	Joint liability guarantee	None	None	2021/06/17-2022/01/31	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/6/15	767	Joint liability guarantee	None	None	2021/06/15-2022/05/23	No	No
Henan Huihai Logistics Co., Ltd.	2021/3/18	5,000	2021/6/17	260	Joint liability guarantee	None	None	2021/06/17-2022/06/09	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/6/17	916	Joint liability guarantee	None	None	2021/06/17-2022/06/05	No	No
Xiamen Fengyutai Industrial Park Management Co., Ltd.	2021/3/18	10,000	2021/6/18	7,384	Joint liability guarantee	None	None	2021/06/18-2021/12/11	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/6/17	7,000	Joint liability guarantee	None	None	2021/06/17-2022/03/26	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	200,000	2021/6/17	1,000	Joint liability guarantee	None	None	2021/06/17-2022/06/09	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/6/17	956	Joint liability guarantee	None	None	2021/06/17-2021/12/31	Yes	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/6/18	466	Joint liability guarantee	None	None	2021/06/18-2022/05/31	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/6/18	6,928	Joint liability guarantee	None	None	2021/06/18-2022/06/05	No	No
Jinhua S.F. Express Co., Ltd.	2021/3/18	1,000	2021/6/18	50	Joint liability guarantee	None	None	2021/06/18-2022/04/30	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/6/18	70	Joint liability guarantee	None	None	2021/06/18-2022/04/30	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/6/18	316	Joint liability guarantee	None	None	2021/06/18-2022/06/09	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/6/18	947	Joint liability guarantee	None	None	2021/06/18-2022/06/09	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	10,000	2021/6/18	642	Joint liability guarantee	None	None	2021/06/18-2021/11/30	Yes	No
S.F.EXPRESS (TIANJIN) CO., LTD.	2021/3/18	3,000	2021/6/18	500	Joint liability guarantee	None	None	2021/06/18-2021/12/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/6/25	96	Joint liability guarantee	None	None	2021/06/25-2022/06/22	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/6/21	748	Joint liability guarantee	None	None	2021/06/21-2022/06/05	No	No
Jiangxi S.F. Express Co., Ltd.	2021/3/18	5,000	2021/6/21	2,234	Joint liability guarantee	None	None	2021/06/21-2022/10/13	No	No
Liaoning Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/6/25	1,721	Joint liability guarantee	None	None	2021/06/25-2022/06/12	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/6/25	1,850	Joint liability guarantee	None	None	2021/06/25-2022/01/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/6/11	956	Joint liability guarantee	None	None	2021/06/11-2021/12/31	Yes	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	10,000	2021/6/21	145	Joint liability guarantee	None	None	2021/06/21-2022/06/09	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/6/25	674	Joint liability guarantee	None	None	2021/06/25-2022/06/15	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/6/25	252	Joint liability guarantee	None	None	2021/06/25-2022/04/30	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/6/25	2,000	Joint liability guarantee	None	None	2021/06/25-2021/12/31	Yes	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/6/21	4,006	Joint liability guarantee	None	None	2021/06/21-2022/06/09	No	No
Chongqing SF Zhida Supply Chain Management Co., Ltd.	2021/3/18	4,000	2021/6/21	701	Joint liability guarantee	None	None	2021/06/21-2022/07/31	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/6/21	150	Joint liability guarantee	None	None	2021/06/21-2022/06/28	No	No
S.F.EXPRESS OF DALIAN L.T.D	2021/3/18	5,000	2021/6/30	796	Joint liability guarantee	None	None	2021/06/30-2021/08/13	Yes	No
SF Airlines Company Limited	2021/3/18	720,000	2021/4/23	115	Joint liability guarantee	None	None	2021/04/23-2022/04/15	No	No
HAVI Logistics (Dongguan) Co., Ltd.	2021/3/18	45,000	2021/4/16	3,750	Joint liability guarantee	None	None	2021/4/16-2021/10/18	Yes	No
HAVI Logistics (Dongguan) Co., Ltd.	2021/3/18	45,000	2021/4/16	33,750	Joint liability guarantee	None	None	2021/4/16-2026/4/16	No	No
SF Fengtai Industrial Park Holdings Limited	2021/3/18	5,501,000	2021/4/29	4,866,147	Joint liability guarantee	None	None	2021/4/29-2066/1/20	No	No
S.F. EXPRESS (CHINA) LIMITED	2021/3/18	250,000	2021/5/1	76,351	Joint liability guarantee	None	None	2021/5/1-2029/4/30	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/5/1	73,807	Joint liability guarantee	None	None	2021/5/1-2029/4/30	No	No
Foshan S.F. Express Co., Ltd.	2021/3/18	107,000	2021/5/1	51,719	Joint liability guarantee	None	None	2021/5/1-2029/4/30	No	No
Anhui Shunhe Freight Co., Ltd.	2021/3/18	55,000	2021/5/1	8,641	Joint liability guarantee	None	None	2021/5/1-2029/4/30	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/5/1	10,696	Joint liability guarantee	None	None	2021/5/1-2029/4/30	No	No
TIANJIN S.F. EXPRESS CO., LTD.	2021/3/18	7,000	2021/7/2	1,300	Joint liability guarantee	None	None	2021/07/02-2022/09/29	No	No
S.F. EXPRESS (CHINA) LIMITED	2021/3/18	250,000	2021/7/6	409	Joint liability guarantee	None	None	2021/07/06-2022/07/06	No	No
Beijing S.F. Express Co., LTD.	2021/3/18	20,000	2021/7/8	1,000	Joint liability guarantee	None	None	2021/07/08-2022/06/30	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/7/2	3,097	Joint liability guarantee	None	None	2021/07/02-2022/10/31	No	No
XI'AN S.F EXPRESS CO.,LTD	2021/3/18	5,500	2021/7/2	300	Joint liability guarantee	None	None	2021/07/02-2021/12/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/7/2	395	Joint liability guarantee	None	None	2021/07/07-2022/06/23	No	No
S.F. Express Corporation	2021/3/18	100,000	2021/7/7	510	Joint liability guarantee	None	None	2021/07/07-2022/04/30	No	No
Yunnan S.F. Express Co., Ltd.	2021/3/18	5,000	2021/7/9	201	Joint liability guarantee	None	None	2021/07/09-2022/06/23	No	No
S.F. Express Corporation	2021/3/18	100,000	2021/7/8	1,275	Joint liability guarantee	None	None	2021/07/08-2022/06/30	No	No
Tibet S.F. Express Co., Ltd.	2021/3/18	1,000	2021/7/2	50	Joint liability guarantee	None	None	2021/07/02-2022/05/18	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/7/9	125	Joint liability guarantee	None	None	2021/07/09-2021/11/30	Yes	No
Zhejiang Shunlu Logistics Co., Ltd.	2021/3/18	40,000	2021/7/2	400	Joint liability guarantee	None	None	2021/07/02-2022/05/01	No	No
Guangxi SF Freight Co., Ltd.	2021/3/18	2,000	2021/7/2	358	Joint liability guarantee	None	None	2021/07/02-2022/06/22	No	No
Qinghai SF Juyi Supply Chain Management Co., Ltd.	2021/3/18	1,000	2021/7/8	183	Joint liability guarantee	None	None	2021/07/08-2022/07/10	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/7/2	50	Joint liability guarantee	None	None	2021/07/02-2022/06/15	No	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/7/2	2,236	Joint liability guarantee	None	None	2021/07/02-2022/04/09	No	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/7/2	400	Joint liability guarantee	None	None	2021/07/02-2022/03/22	No	No
Hubei S.F. Express Co., Ltd.	2021/3/18	4,000	2021/7/2	19	Joint liability guarantee	None	None	2021/07/02-2022/04/30	No	No
Hunan S.F. Express(Group)Co., Ltd.	2021/3/18	15,000	2021/7/2	40	Joint liability guarantee	None	None	2021/07/02-2022/03/31	No	No
Hunan S.F. Express(Group)Co., Ltd.	2021/3/18	15,000	2021/7/2	804	Joint liability guarantee	None	None	2021/07/02-2022/06/07	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/7/2	1,671	Joint liability guarantee	None	None	2021/07/02-2021/05/31	Yes	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/7/2	50	Joint liability guarantee	None	None	2021/07/02-2022/06/17	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/7/2	214	Joint liability guarantee	None	None	2021/07/02-2022/06/17	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/2	6,600	Joint liability guarantee	None	None	2021/07/02-2022/02/07	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/7/2	2,000	Joint liability guarantee	None	None	2021/07/02-2022/06/30	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/7/2	400	Joint liability guarantee	None	None	2021/07/02-2022/06/30	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/7/2	222	Joint liability guarantee	None	None	2021/07/02-2022/05/18	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/7/2	100	Joint liability guarantee	None	None	2021/07/02-2022/06/18	No	No
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/7/2	333	Joint liability guarantee	None	None	2021/07/02-2022/03/31	No	No
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/7/2	134	Joint liability guarantee	None	None	2021/07/02-2022/05/15	No	No
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/7/2	1,048	Joint liability guarantee	None	None	2021/07/02-2022/06/18	No	No
Liaoning Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/7/15	1,913	Joint liability guarantee	None	None	2021/07/15-2022/06/30	No	No
Hubei S.F. Express Co., Ltd.	2021/3/18	4,000	2021/7/15	161	Joint liability guarantee	None	None	2021/07/15-2022/06/30	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/7/15	464	Joint liability guarantee	None	None	2021/07/15-2021/12/31	Yes	No
Wuxi S.F. Express Co., Ltd.	2021/3/18	15,000	2021/7/19	1,310	Joint liability guarantee	None	None	2021/07/19-2022/07/10	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/7/21	155	Joint liability guarantee	None	None	2021/07/21-2022/01/24	No	No
Shandong SF Freight Co., Ltd.	2021/3/18	6,000	2021/7/21	426	Joint liability guarantee	None	None	2021/07/21-2022/06/22	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/7/26	495	Joint liability guarantee	None	None	2021/07/26-2021/07/15	Yes	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	25,000	2021/7/19	587	Joint liability guarantee	None	None	2021/07/19-2021/12/31	Yes	No
Jiaxing S.F. Transportation Co., Ltd.	2021/3/18	3,000	2021/7/21	510	Joint liability guarantee	None	None	2021/07/21-2021/12/31	Yes	No
Hebei S.F. Express Co., Ltd.	2021/3/18	2,500	2021/7/19	900	Joint liability guarantee	None	None	2021/07/19-2022/07/10	No	No
Tibet S.F. Express Co., Ltd.	2021/3/18	1,000	2021/7/26	100	Joint liability guarantee	None	None	2021/07/26-2022/05/18	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/21	1,000	Joint liability guarantee	None	None	2021/07/21-2022/06/23	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/7/21	20	Joint liability guarantee	None	None	2021/07/21-2022/07/15	No	No
Fengtu Technology (Shenzhen) Co., Ltd.	2021/3/18	2,000	2021/7/21	1,221	Joint liability guarantee	None	None	2021/07/21-2021/09/30	Yes	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/19	3,000	Joint liability guarantee	None	None	2021/07/19-2022/08/24	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/7/15	1,000	Joint liability guarantee	None	None	2021/07/15-2022/05/31	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/19	5,000	Joint liability guarantee	None	None	2021/07/19-2022/02/28	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/7/26	800	Joint liability guarantee	None	None	2021/07/26-2022/07/31	No	No
S.F. Express Group (Shanghai) Co., Ltd.	2021/3/18	20,000	2021/7/19	246	Joint liability guarantee	None	None	2021/07/19-2022/06/30	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/7/19	66	Joint liability guarantee	None	None	2021/08/01-2022/10/31	No	No
Yangzhou Shunfeng Express Transport Co., Ltd.	2021/3/18	2,000	2021/7/21	909	Joint liability guarantee	None	None	2021/07/21-2022/06/30	No	No
Yunnan S.F. Express Co., Ltd.	2021/3/18	5,000	2021/7/15	252	Joint liability guarantee	None	None	2021/07/15-2022/06/23	No	No
Lanzhou S.F. Express Co., Ltd.	2021/3/18	1,500	2021/7/15	600	Joint liability guarantee	None	None	2021/07/15-2022/06/15	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/7/26	1,308	Joint liability guarantee	None	None	2021/07/26-2022/07/15	No	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2021/3/18	10,000	2021/7/19	2,000	Joint liability guarantee	None	None	2021/08/01-2022/07/31	No	No
XIAMEN SHUNFENG EXPRESS CO.,LTD.	2021/3/18	10,000	2021/7/19	1,500	Joint liability guarantee	None	None	2021/08/01-2022/07/31	No	No
Shenzhen SF Freight Co., Ltd.	2021/3/18	22,000	2021/7/19	4,328	Joint liability guarantee	None	None	2021/07/19-2022/07/31	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/7/21	10	Joint liability guarantee	None	None	2021/07/21-2022/06/30	No	No
Shaanxi SF Freight Co., Ltd.	2021/3/18	3,000	2021/7/15	296	Joint liability guarantee	None	None	2021/07/15-2022/06/30	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/20	500	Joint liability guarantee	None	None	2021/07/20-2022/06/30	No	No
Shandong SF Freight Co., Ltd.	2021/3/18	6,000	2021/7/9	215	Joint liability guarantee	None	None	2021/07/09-2022/06/23	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/7/8	813	Joint liability guarantee	None	None	2021/07/08-2021/12/31	Yes	No
Tianjin SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/7/8	500	Joint liability guarantee	None	None	2021/07/08-2022/06/21	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/7/8	6,000	Joint liability guarantee	None	None	2021/07/08-2022/06/30	No	No
Hunan SF Freight Co., Ltd.	2021/3/18	2,000	2021/7/27	61	Joint liability guarantee	None	None	2021/07/27-2022/05/14	No	No
Zhuhai Shunfeng Express Co., Ltd.	2021/3/18	2,000	2021/7/27	903	Joint liability guarantee	None	None	2021/07/27-2022/06/30	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/7/27	242	Joint liability guarantee	None	None	2021/07/27-2022/05/31	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/7/27	230	Joint liability guarantee	None	None	2021/07/27-2022/05/31	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/7/27	214	Joint liability guarantee	None	None	2021/07/27-2022/07/07	No	No
Guizhou SF Zhida Freight Co., Ltd.	2021/3/18	4,000	2021/7/27	676	Joint liability guarantee	None	None	2021/07/27-2022/06/30	No	No
Shenzhen Fengwang Express Co., Ltd.	2021/3/18	40,000	2021/7/27	834	Joint liability guarantee	None	None	2021/07/27-2022/07/15	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/7/14	124	Joint liability guarantee	None	None	2021/04/01-2021/08/28	Yes	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/7/21	605	Joint liability guarantee	None	None	2021/07/21-2022/02/28	No	No
Hebei Shunhe Supply Chain Management Co., Ltd.	2021/3/18	17,000	2021/7/6	66	Joint liability guarantee	None	None	2021/07/06-2021/10/15	Yes	No
Hubei S.F. Transportation Co., Ltd.	2021/3/18	10,000	2021/7/28	1,073	Joint liability guarantee	None	None	2021/07/28-2022/05/31	No	No
QINGDAO S.F.EXPRESS CO.,LTD.	2021/3/18	10,000	2021/7/30	2,000	Joint liability guarantee	None	None	2021/07/30-2022/07/01	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/8/2	5,000	Joint liability guarantee	None	None	2021/08/02-2021/08/31	Yes	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/8/2	13,000	Joint liability guarantee	None	None	2021/08/02-2021/08/31	Yes	No
QUANZHOU SHUNFENG TRANSPORTATION COMPANY LIMITED	2021/3/18	10,000	2021/8/2	5,000	Joint liability guarantee	None	None	2021/08/02-2022/07/30	No	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/8/2	2,210	Joint liability guarantee	None	None	2021/08/02-2022/01/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Hebei Shunhe Supply Chain Management Co., Ltd.	2021/3/18	17,000	2021/8/2	265	Joint liability guarantee	None	None	2021/08/02-2022/02/28	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/8/2	366	Joint liability guarantee	None	None	2021/08/02-2022/07/15	No	No
HENAN S.F.EXPRESS CO.,LTD	2021/3/18	12,000	2021/8/2	4,378	Joint liability guarantee	None	None	2021/08/02-2022/05/31	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/8/2	4,232	Joint liability guarantee	None	None	2021/08/02-2022/07/19	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/7/30	291	Joint liability guarantee	None	None	2021/07/30-2022/07/20	No	No
Zhejiang Shunlu Logistics Co., Ltd.	2021/3/18	40,000	2021/7/30	6,131	Joint liability guarantee	None	None	2021/07/30-2022/05/19	No	No
XI'AN S.F.EXPRESS CO.,LTD	2021/3/18	5,500	2021/7/30	1,257	Joint liability guarantee	None	None	2021/07/30-2022/07/06	No	No
Zhejiang Shun Feng Express Co., Ltd.	2021/3/18	15,000	2021/8/3	560	Joint liability guarantee	None	None	2021/08/03-2022/07/31	No	No
Guang Zhou S.F. Express Co., Ltd.	2021/3/18	125,000	2021/7/30	12,000	Joint liability guarantee	None	None	2021/08/09-2022/08/08	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/8/9	3,913	Joint liability guarantee	None	None	2021/08/09-2022/07/31	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/8/9	250	Joint liability guarantee	None	None	2021/08/09-2022/06/30	No	No
SF Transportation (Nanjing) Co., Ltd.	2021/3/18	2,000	2021/8/9	1,000	Joint liability guarantee	None	None	2021/08/09-2021/12/31	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/8/6	2,483	Joint liability guarantee	None	None	2021/08/06-2024/06/20	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/8/10	50,000	Joint liability guarantee	None	None	2021/08/10-2024/08/10	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/8/11	323	Joint liability guarantee	None	None	2021/08/11-2023/11/30	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/8/11	265	Joint liability guarantee	None	None	2021/08/11-2022/03/31	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/8/10	1,000	Joint liability guarantee	None	None	2021/08/10-2021/12/31	Yes	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/8/10	434	Joint liability guarantee	None	None	2021/08/10-2022/09/30	No	No
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/8/10	120	Joint liability guarantee	None	None	2021/08/10-2022/08/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/8/10	33	Joint liability guarantee	None	None	2021/08/10-2022/06/10	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/8/10	620	Joint liability guarantee	None	None	2021/08/10-2022/04/15	No	No
Shenzhen Fengyi Technology Co., Ltd.	2021/3/18	120,000	2021/9/14	5,000	Joint liability guarantee	None	None	2021/09/14-2022/06/29	No	No
Shenzhen Shunlu Air Freight Forwarding Co., Ltd.	2021/3/18	45,100	2021/8/10	1,500	Joint liability guarantee	None	None	2021/08/10-2022/08/31	No	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	25,000	2021/8/10	2,200	Joint liability guarantee	None	None	2021/08/10-2022/09/30	No	No
SF-Express(Ningxia)Co.,Ltd	2021/3/18	2,000	2021/8/10	50	Joint liability guarantee	None	None	2021/08/10-2022/06/09	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/8/10	859	Joint liability guarantee	None	None	2021/08/10-2022/07/31	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/8/11	2,486	Joint liability guarantee	None	None	2021/08/11-2022/12/31	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/8/11	1,416	Joint liability guarantee	None	None	2021/08/11-2022/07/15	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	7,000	2021/8/11	127	Joint liability guarantee	None	None	2021/08/11-2022/04/30	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/8/11	46	Joint liability guarantee	None	None	2021/08/11-2022/04/15	No	No
Shanghai SF Cold Chain Supply Chain Co., Ltd.	2021/3/18	1,100	2021/8/11	505	Joint liability guarantee	None	None	2021/08/11-2021/12/31	Yes	No
Shanghai SF Cold Chain Supply Chain Co., Ltd.	2021/3/18	1,100	2021/8/11	11	Joint liability guarantee	None	None	2021/08/11-2022/04/30	No	No
S.F. Express (Huizhou) Co., Ltd.	2021/3/18	7,000	2021/8/11	232	Joint liability guarantee	None	None	2021/08/11-2022/06/30	No	No
Tianjin SF Juyi Logistics Co., Ltd.	2021/3/18	6,000	2021/8/11	313	Joint liability guarantee	None	None	2021/08/11-2022/06/30	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/8/11	3,000	Joint liability guarantee	None	None	2021/08/11-2022/08/31	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/8/11	2,331	Joint liability guarantee	None	None	2021/08/11-2022/07/31	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/8/11	3,867	Joint liability guarantee	None	None	2021/08/11-2022/07/30	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/8/11	634	Joint liability guarantee	None	None	2021/08/11-2022/07/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/8/11	134	Joint liability guarantee	None	None	2021/08/11-2022/07/15	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/8/11	110	Joint liability guarantee	None	None	2021/09/17-2022/09/16	No	No
Shanxi SF Zhida Supply Chain Management Co., Ltd.	2021/3/18	1,200	2021/8/11	502	Joint liability guarantee	None	None	2021/08/11-2022/09/30	No	No
ZHONGSHAN S.F. EXPRESS CO. LTD	2021/3/18	5,000	2021/8/20	228	Joint liability guarantee	None	None	2021/08/20-2022/02/14	No	No
Shanghai Fengzan Technology Co., Ltd.	2021/3/18	1,000	2021/8/20	35	Joint liability guarantee	None	None	2021/08/20-2022/07/15	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/7/2	150	Joint liability guarantee	None	None	2021/07/02-2022/05/20	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/9/18	505	Joint liability guarantee	None	None	2021/09/18-2022/07/31	No	No
Zhejiang Shun Feng Express Co., Ltd.	2021/3/18	15,000	2021/8/23	6,000	Joint liability guarantee	None	None	2021/08/23-2022/06/30	No	No
S.F. Express (Huizhou) Co., Ltd.	2021/3/18	7,000	2021/8/11	414	Joint liability guarantee	None	None	2021/08/11-2022/06/30	No	No
Xi'an Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/8/23	1,000	Joint liability guarantee	None	None	2021/08/23-2021/12/31	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/8/9	119	Joint liability guarantee	None	None	2020/10/01-2022/11/14	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/8/5	287	Joint liability guarantee	None	None	2021/08/05-2021/11/19	Yes	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/8/11	90	Joint liability guarantee	None	None	2021/07/15-2023/08/28	No	No
S.F. EXPRESS (HONG KONG) LIMITED	2021/3/18	250,000	2021/8/11	105	Joint liability guarantee	None	None	2021/07/15-2023/08/28	No	No
S.F. Express Corporation	2021/3/18	100,000	2021/8/5	3,824	Joint liability guarantee	None	None	2021/08/05-2022/07/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/8/13	87	Joint liability guarantee	None	None	2021/08/13-2022/09/30	No	No
SF LOGISTICS PRIVATE LIMITED	2021/3/18	5,000	2021/7/14	86	Joint liability guarantee	None	None	2021/07/14-2039/12/31	No	No
TIANJIN S.F. EXPRESS CO., LTD.	2021/3/18	7,000	2021/8/23	1,092	Joint liability guarantee	None	None	2021/08/23-2022/06/30	No	No
Zhejiang Shun Feng Express Co., Ltd.	2021/3/18	15,000	2021/8/26	32	Joint liability guarantee	None	None	2021/08/26-2022/09/24	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Tianjin SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/8/27	100	Joint liability guarantee	None	None	2021/08/27-2022/06/20	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/8/27	100	Joint liability guarantee	None	None	2021/08/27-2021/12/31	Yes	No
Anhui Shunhe Freight Co., Ltd.	2021/3/18	55,000	2021/8/30	1,151	Joint liability guarantee	None	None	2021/08/30-2022/08/14	No	No
HaiNan S.F.Express LTD.	2021/3/18	6,000	2021/9/1	1,773	Joint liability guarantee	None	None	2021/09/01-2022/08/31	No	No
Jilin S.F. Express Co., Ltd.	2021/3/18	3,000	2021/8/30	405	Joint liability guarantee	None	None	2021/08/30-2022/08/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/8/27	1,918	Joint liability guarantee	None	None	2021/08/27-2022/11/31	No	No
S.F. Express (Huizhou) Co., Ltd.	2021/3/18	7,000	2021/8/30	3,789	Joint liability guarantee	None	None	2021/08/30-2022/08/31	No	No
Shanxi S.F. Express Co., Ltd.	2021/3/18	1,000	2021/8/30	318	Joint liability guarantee	None	None	2021/08/30-2022/06/15	No	No
Wuhan SF Zhida Logistics Co., Ltd.	2021/3/18	7,000	2021/8/30	1,068	Joint liability guarantee	None	None	2021/08/30-2022/04/24	No	No
Shanghai SF Freight Co., Ltd.	2021/3/18	16,000	2021/8/30	4,182	Joint liability guarantee	None	None	2021/08/30-2022/08/14	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/8/30	800	Joint liability guarantee	None	None	2021/08/30-2022/07/31	No	No
Xuzhou S.F. Express Co., Ltd.	2021/3/18	3,000	2021/8/30	2,004	Joint liability guarantee	None	None	2021/08/30-2022/09/30	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	130,000	2021/8/27	1,068	Joint liability guarantee	None	None	2021/08/27-2022/09/30	No	No
S.F. Express (Huizhou) Co., Ltd.	2021/3/18	7,000	2021/9/2	693	Joint liability guarantee	None	None	2021/09/02-2022/08/31	No	No
Xinjiang Shunhefeng Freight Co., Ltd.	2021/3/18	2,000	2021/9/8	12	Joint liability guarantee	None	None	2021/09/08-2021/11/30	Yes	No
Guangdong S.F. E-commerce Co., Ltd.	2021/3/18	140,000	2021/9/2	837	Joint liability guarantee	None	None	2021/09/02-2022/06/13	No	No
Shandong S.F. Express Co., Ltd.	2021/3/18	15,000	2021/9/6	73	Joint liability guarantee	None	None	2021/09/06-2022/06/19	No	No
Zhejiang Shunhefeng Freight Co., Ltd.	2021/3/18	8,000	2021/9/6	50	Joint liability guarantee	None	None	2021/09/06-2022/09/03	No	No
Jiangmen S.F. Express Co., Ltd.	2021/3/18	8,000	2021/9/6	1,542	Joint liability guarantee	None	None	2021/09/06-2022/07/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Guangxi ShunFeng Express Co., Ltd.	2021/3/18	15,000	2021/9/6	191	Joint liability guarantee	None	None	2021/09/06-2022/07/20	No	No
Hubei Shunhefeng Freight Co., Ltd.	2021/3/18	2,000	2021/9/6	30	Joint liability guarantee	None	None	2021/09/06-2022/07/26	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/8/30	2,246	Joint liability guarantee	None	None	2021/08/30-2022/03/31	No	No
Guangxi ShunFeng Express Co., Ltd.	2021/3/18	15,000	2021/9/6	333	Joint liability guarantee	None	None	2021/09/06-2022/06/15	No	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/9/6	5,088	Joint liability guarantee	None	None	2021/09/06-2022/08/14	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/9/23	13,000	Joint liability guarantee	None	None	2021/09/23-2021/12/31	Yes	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/9/7	191	Joint liability guarantee	None	None	2021/09/07-2022/08/20	No	No
Dongguan DHL Supply Chain Co., Ltd.	2021/3/18	11,000	2021/9/7	1,486	Joint liability guarantee	None	None	2021/09/07-2022/07/30	No	No
Yunnan Shunhe Freight Co., Ltd.	2021/3/18	5,000	2021/9/8	940	Joint liability guarantee	None	None	2021/09/08-2022/08/14	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/9/8	156	Joint liability guarantee	None	None	2021/09/08-2022/08/15	No	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2021/3/18	15,000	2021/9/16	95	Joint liability guarantee	None	None	2021/09/16-2021/09/15	Yes	No
Shanghai Shuncheng Logistics Co., Ltd.	2021/3/18	12,000	2021/9/23	4,000	Joint liability guarantee	None	None	2021/09/23-2022/09/30	No	No
S.F.EXPRESS OF DALIAN L.T.D	2021/3/18	5,000	2021/9/23	80	Joint liability guarantee	None	None	2021/09/23-2022/09/30	No	No
Hubei S.F. Transportation Co., Ltd.	2021/3/18	10,000	2021/9/23	242	Joint liability guarantee	None	None	2021/09/23-2021/12/31	Yes	No
Hubei S.F. Transportation Co., Ltd.	2021/3/18	10,000	2021/9/23	76	Joint liability guarantee	None	None	2021/09/23-2022/04/30	No	No
SF-Express(Ningxia)Co.,Ltd	2021/3/18	2,000	2021/9/23	1,000	Joint liability guarantee	None	None	2021/09/23-2022/10/31	No	No
Chongqing SF Zhida Supply Chain Management Co., Ltd.	2021/3/18	4,000	2021/9/23	1,484	Joint liability guarantee	None	None	2021/09/23-2022/09/30	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/9/23	138	Joint liability guarantee	None	None	2021/09/23-2022/06/30	No	No
Hebei Shunhe Supply Chain Management Co., Ltd.	2021/3/18	17,000	2021/9/23	249	Joint liability guarantee	None	None	2021/09/23-2022/08/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
HENAN S.F.EXPRESS CO.,LTD	2021/3/18	12,000	2021/9/23	150	Joint liability guarantee	None	None	2021/09/23-2022/07/31	No	No
Nantong S.F. Express Co., Ltd.	2021/3/18	2,000	2021/9/23	123	Joint liability guarantee	None	None	2021/09/23-2022/09/09	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/9/26	2,052	Joint liability guarantee	None	None	2021/09/26-2022/09/23	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/9/29	5,893	Joint liability guarantee	None	None	2021/09/29-2022/09/30	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/9/22	113	Joint liability guarantee	None	None	2021/09/22-2022/01/24	No	No
Guizhou SF Zhida Freight Co., Ltd.	2021/3/18	4,000	2021/9/22	986	Joint liability guarantee	None	None	2021/09/22-2022/09/14	No	No
Yunnan S.F. Express Co., Ltd.	2021/3/18	5,000	2021/9/22	2,219	Joint liability guarantee	None	None	2021/09/22-2022/07/31	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/9/29	15,000	Joint liability guarantee	None	None	2021/09/29-2022/09/10	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/9/29	5,000	Joint liability guarantee	None	None	2021/09/29-2022/09/10	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/10/8	58	Joint liability guarantee	None	None	2021/10/08-2022/10/19	No	No
Beijing S.F. Express Co., LTD.	2021/3/18	20,000	2021/10/8	1,167	Joint liability guarantee	None	None	2021/10/08-2022/08/31	No	No
Anhui S.F. Express Co., Ltd.	2021/3/18	75,000	2021/10/8	1,122	Joint liability guarantee	None	None	2021/10/08-2022/02/28	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/10/8	277	Joint liability guarantee	None	None	2021/10/08-2022/11/15	No	No
SF Multimodal Transportation Co., Ltd.	2021/3/18	2,100	2021/10/12	2,000	Joint liability guarantee	None	None	2021/10/12-2022/07/31	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/10/14	171	Joint liability guarantee	None	None	2021/10/14-2021/11/30	Yes	No
Yunnan Shunhe Freight Co., Ltd.	2021/3/18	5,000	2021/10/14	464	Joint liability guarantee	None	None	2021/10/14-2022/08/14	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/10/14	151	Joint liability guarantee	None	None	2021/10/14-2022/09/30	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/10/14	394	Joint liability guarantee	None	None	2021/10/14-2022/09/05	No	No
Heilongjiang SF Juyi Supply Chain Management Co., Ltd.	2021/3/18	3,000	2021/10/14	304	Joint liability guarantee	None	None	2021/10/14-2022/08/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Guangxi ShunFeng Express Co., Ltd.	2021/3/18	15,000	2021/10/14	47	Joint liability guarantee	None	None	2021/10/14-2022/08/14	No	No
Henan Huihai Logistics Co., Ltd.	2021/3/18	7,000	2021/10/14	3,842	Joint liability guarantee	None	None	2021/10/14-2022/05/31	No	No
XI'AN S.F. EXPRESS CO.,LTD	2021/3/18	5,500	2021/10/14	538	Joint liability guarantee	None	None	2021/10/14-2022/01/23	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/10/14	366	Joint liability guarantee	None	None	2021/10/14-2022/11/30	No	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2021/3/18	20,000	2021/10/18	2,530	Joint liability guarantee	None	None	2021/10/18-2021/12/31	Yes	No
Jiangsu S.F. Express Co., Ltd.	2021/3/18	10,000	2021/10/18	634	Joint liability guarantee	None	None	2021/10/18-2022/08/31	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/10/18	1,125	Joint liability guarantee	None	None	2021/10/18-2022/08/31	No	No
TIANJIN S.F. EXPRESS CO., LTD.	2021/3/18	7,000	2021/10/18	545	Joint liability guarantee	None	None	2021/10/18-2022/02/23	No	No
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/10/19	600	Joint liability guarantee	None	None	2021/10/19-2022/09/21	No	No
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/10/25	3,000	Joint liability guarantee	None	None	2021/10/25-2022/05/31	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/10/25	1,078	Joint liability guarantee	None	None	2021/10/25-2022/09/30	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/10/25	405	Joint liability guarantee	None	None	2021/10/25-2022/10/16	No	No
Lanzhou S.F. Express Co., Ltd.	2021/3/18	1,500	2021/10/25	300	Joint liability guarantee	None	None	2021/10/25-2022/09/30	No	No
Xi'an Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/10/25	94	Joint liability guarantee	None	None	2021/10/25-2022/08/31	No	No
Guangxi SF Freight Co., Ltd.	2021/3/18	2,000	2021/10/27	22	Joint liability guarantee	None	None	2021/10/27-2022/08/14	No	No
Liaoning Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/10/27	1,055	Joint liability guarantee	None	None	2021/10/27-2022/03/31	No	No
Quanzhou Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/10/28	200	Joint liability guarantee	None	None	2021/10/28-2022/09/10	No	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/10/28	117	Joint liability guarantee	None	None	2021/10/28-2022/11/11	No	No
S.F. Express Group (Shanghai) Co., Ltd.	2021/3/18	20,000	2021/10/28	2,000	Joint liability guarantee	None	None	2021/10/28-2022/10/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/10/28	300	Joint liability guarantee	None	None	2021/10/28-2022/10/15	No	No
HaiNan S.F.Express LTD.	2021/3/18	6,000	2021/10/28	650	Joint liability guarantee	None	None	2021/10/28-2022/08/31	No	No
Shenzhen SF Fix Technology Co., Ltd.	2021/3/18	200,000	2021/10/28	1,820	Joint liability guarantee	None	None	2021/10/28-2022/05/31	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/10/28	496	Joint liability guarantee	None	None	2021/10/28-2022/11/30	No	No
Qingdao SF Freight Co., Ltd.	2021/3/18	4,000	2021/11/2	1,174	Joint liability guarantee	None	None	2021/11/02-2022/06/30	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/11/2	91	Joint liability guarantee	None	None	2021/11/02-2022/10/31	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/11/2	289	Joint liability guarantee	None	None	2021/11/02-2022/10/31	No	No
Chengdu Taishun Logistics Co., Ltd.	2021/3/18	15,000	2021/10/18	300	Joint liability guarantee	None	None	2021/10/18-2022/12/31	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/11/5	709	Joint liability guarantee	None	None	2021/11/05-2022/11/04	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/11/5	2,052	Joint liability guarantee	None	None	2021/11/05-2022/09/23	No	No
Guangxi ShunFeng Express Co., Ltd.	2021/3/18	15,000	2021/11/5	500	Joint liability guarantee	None	None	2021/11/05-2022/11/30	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/11/5	277	Joint liability guarantee	None	None	2021/11/05-2022/11/15	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/11/5	48	Joint liability guarantee	None	None	2021/11/05-2022/10/19	No	No
Dongguan DHL Supply Chain Co., Ltd.	2021/3/18	11,000	2021/7/13	2,890	Joint liability guarantee	None	None	2021/07/13-2023/06/10	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2021/3/18	16,000	2021/7/14	862	Joint liability guarantee	None	None	2021/07/14-2022/01/14	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/11/9	32	Joint liability guarantee	None	None	2021/11/09-2022/09/30	No	No
Tianjin SF Freight Co., Ltd.	2021/3/18	2,000	2021/11/9	426	Joint liability guarantee	None	None	2021/11/09-2022/10/31	No	No
Suzhou S.F. Express Corporation	2021/3/18	25,000	2021/11/9	2,506	Joint liability guarantee	None	None	2021/11/09-2022/06/30	No	No
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/11/9	2,300	Joint liability guarantee	None	None	2021/11/09-2022/07/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Zhejiang Shuangjie Supply Chain Technology Co., Ltd.	2021/3/18	20,000	2021/11/10	304	Joint liability guarantee	None	None	2021/11/10-2022/10/28	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2021/3/18	16,000	2021/11/10	1,176	Joint liability guarantee	None	None	2021/11/10-2023/12/31	No	No
EXEL LOGISTICS CHINA CO.,LTD.	2021/3/18	16,000	2021/11/10	1,023	Joint liability guarantee	None	None	2021/11/10-2023/12/31	No	No
DSC Logistics (Beijing) Co., Ltd	2021/3/18	57,000	2021/11/11	129	Joint liability guarantee	None	None	2021/11/11-2022/09/30	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/11/11	770	Joint liability guarantee	None	None	2021/11/11-2022/11/15	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/11/10	568	Joint liability guarantee	None	None	2021/11/10-2022/10/15	No	No
Guizhou S.F. Express Co., Ltd.	2021/3/18	7,000	2021/11/11	142	Joint liability guarantee	None	None	2021/11/11-2022/10/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/11/16	127	Joint liability guarantee	None	None	2021/11/16-2022/06/28	No	No
S.F. EXPRESS (CHINA) LIMITED	2021/3/18	250,000	2021/11/11	981	Joint liability guarantee	None	None	2021/12/01-2022/11/30	No	No
S.F. EXPRESS (CHINA) LIMITED	2021/3/18	250,000	2021/11/10	245	Joint liability guarantee	None	None	2021/11/15-2022/12/31	No	No
Shenzhen SF Comprehensive Logistics Service Co., Ltd.	2021/3/18	82,500	2021/11/22	4,800	Joint liability guarantee	None	None	2021/11/22-2022/03/26	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/11/24	315	Joint liability guarantee	None	None	2021/11/24-2022/09/05	No	No
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/11/24	377	Joint liability guarantee	None	None	2021/11/24-2022/11/30	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/11/24	1,185	Joint liability guarantee	None	None	2021/11/24-2022/11/30	No	No
Wuhan SF Cold Chain Supply Chain Co., Ltd.	2021/3/18	2,600	2021/11/24	1,221	Joint liability guarantee	None	None	2021/11/24-2022/09/14	No	No
Shenzhen Fenglang Supply Chain Co., Ltd.	2021/3/18	20,000	2021/11/24	713	Joint liability guarantee	None	None	2021/11/24-2022/05/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/11/24	229	Joint liability guarantee	None	None	2021/11/24-2022/06/29	No	No
S.F. Express Group (Shanghai) Co., Ltd.	2021/3/18	20,000	2021/11/30	12,000	Joint liability guarantee	None	None	2021/11/30-2022/11/30	No	No
Shenzhen Shunlu Logistics Co., Ltd.	2021/3/18	25,000	2021/12/1	2,240	Joint liability guarantee	None	None	2021/12/01-2022/09/30	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Hebei Shunhe Supply Chain Management Co., Ltd.	2021/3/18	17,000	2021/12/3	66	Joint liability guarantee	None	None	2021/12/03-2021/12/15	Yes	No
Jieyang Shunfeng Express Co., Ltd.	2021/3/18	1,000	2021/12/2	40	Joint liability guarantee	None	None	2021/12/02-2022/11/22	No	No
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/12/3	1,200	Joint liability guarantee	None	None	2021/12/03-2022/07/31	No	No
Wenzhou Shunheng Express Co., Ltd.	2021/3/18	10,000	2021/12/2	1,100	Joint liability guarantee	None	None	2021/12/02-2022/11/04	No	No
Hunan,S.F.Express(Group)Co., Ltd.	2021/3/18	15,000	2021/12/2	877	Joint liability guarantee	None	None	2021/12/02-2022/10/08	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/12/2	769	Joint liability guarantee	None	None	2021/12/02-2022/11/30	No	No
Hubei S.F. Express Co., Ltd.	2021/3/18	4,000	2021/12/2	800	Joint liability guarantee	None	None	2021/12/02-2022/11/20	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/12/2	300	Joint liability guarantee	None	None	2021/12/02-2022/09/15	No	No
Anhui Shunhe Freight Co., Ltd.	2021/3/18	55,000	2021/12/2	125	Joint liability guarantee	None	None	2021/12/02-2022/09/30	No	No
Lishui S.F. Express Co., Ltd.	2021/3/18	1,000	2021/12/3	406	Joint liability guarantee	None	None	2021/12/03-2022/12/15	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/12/7	85	Joint liability guarantee	None	None	2021/12/07-2022/09/30	No	No
HaiNan S.F.Express LTD.	2021/3/18	6,000	2021/12/6	200	Joint liability guarantee	None	None	2021/12/06-2022/12/31	No	No
Zhejiang Shunhefeng Freight Co., Ltd.	2021/3/18	8,000	2021/12/6	573	Joint liability guarantee	None	None	2021/12/06-2022/10/31	No	No
Jiangsu Shunhefeng Freight Co., Ltd.	2021/3/18	30,000	2021/12/7	25	Joint liability guarantee	None	None	2021/12/07-2022/10/31	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	130,000	2021/12/6	5,000	Joint liability guarantee	None	None	2021/12/06-2022/10/09	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	130,000	2021/12/6	5,000	Joint liability guarantee	None	None	2021/12/06-2022/10/09	No	No
Zhejiang Shunlu Logistics Co., Ltd.	2021/3/18	40,000	2021/12/6	6,131	Joint liability guarantee	None	None	2021/12/06-2022/11/30	No	No
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	130,000	2021/12/6	5,000	Joint liability guarantee	None	None	2021/12/06-2022/10/31	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/12/7	29	Joint liability guarantee	None	None	2021/12/07-2022/11/22	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/12/7	113	Joint liability guarantee	None	None	2021/12/07-2022/10/31	No	No
Zhejiang Shun Feng Express Co., Ltd.	2021/3/18	15,000	2021/12/6	3,000	Joint liability guarantee	None	None	2021/12/08-2022/12/07	No	No
NINGBO SHUNFENG EXPRESS CO.,LTD.	2021/3/18	15,000	2021/12/6	5,000	Joint liability guarantee	None	None	2021/12/06-2022/12/31	No	No
Sichuan Shunhefeng Freight Co., Ltd.	2021/3/18	3,000	2021/12/7	148	Joint liability guarantee	None	None	2021/12/07-2022/11/25	No	No
GZ SF Pharmaceutical Supply Chain Co., Ltd.	2021/3/18	1,000	2021/12/7	500	Joint liability guarantee	None	None	2021/12/07-2022/04/30	No	No
Jiangxi S.F. Express Co., Ltd.	2021/3/18	5,000	2021/12/7	1,130	Joint liability guarantee	None	None	2021/12/07-2022/10/14	No	No
Xinjiang SF Express Co.,LTD.	2021/3/18	4,000	2021/12/8	95	Joint liability guarantee	None	None	2021/12/08-2022/10/31	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/12/13	12,746	Joint liability guarantee	None	None	2021/12/13-2022/10/10	No	No
Liaoning Shunhe Supply Chain Management Co., Ltd.	2021/3/18	7,000	2021/4/15	198	Joint liability guarantee	None	None	2021/04/15-2021/11/14	Yes	No
Xi'an Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/12/14	2,087	Joint liability guarantee	None	None	2021/12/14-2022/12/31	No	No
S.F.Express(Dong Guan)Limited	2021/3/18	25,000	2021/12/14	9,932	Joint liability guarantee	None	None	2021/12/14-2022/12/20	No	No
Chengdu Taishun Logistics Co., Ltd.	2021/3/18	15,000	2021/12/15	1,100	Joint liability guarantee	None	None	2021/12/15-2022/11/30	No	No
DHL LOGISTICS(CHINA) CO.,LTD.	2021/3/18	16,000	2021/12/15	176	Joint liability guarantee	None	None	2021/12/15-2022/12/20	No	No
Shenzhen SF Freight Co., Ltd.	2021/3/18	22,000	2021/12/14	4,947	Joint liability guarantee	None	None	2021/12/14-2022/07/31	No	No
HENAN S.F.EXPRESS CO.,LTD	2021/3/18	12,000	2021/12/14	3,336	Joint liability guarantee	None	None	2021/12/14-2022/10/15	No	No
Hangzhou SF Zhida Logistics Co., Ltd.	2021/3/18	10,000	2021/12/17	100	Joint liability guarantee	None	None	2021/12/17-2022/05/31	No	No
Liaoning Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/12/17	4,200	Joint liability guarantee	None	None	2021/12/17-2022/10/31	No	No
Anhui Shunhe Freight Co., Ltd.	2021/3/18	55,000	2021/12/17	234	Joint liability guarantee	None	None	2021/12/17-2022/11/30	No	No
S.F. Express Group (Shanghai) Co., Ltd.	2021/3/18	20,000	2021/12/17	100	Joint liability guarantee	None	None	2021/12/17-2022/09/30	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Shenzhen S.F. Supply Chain Co., Ltd.	2021/3/18	130,000	2021/12/17	6,600	Joint liability guarantee	None	None	2021/12/17-2022/02/07	No	No
ZHONGSHAN S.F. EXPRESS CO. LTD	2021/3/18	5,000	2021/12/17	2,551	Joint liability guarantee	None	None	2021/12/17-2022/12/15	No	No
Wuxi S.F. Express Co., Ltd.	2021/3/18	15,000	2021/12/21	100	Joint liability guarantee	None	None	2021/12/21-2022/12/20	No	No
S.F.EXPRESS (TIANJIN) CO., LTD.	2021/3/18	3,000	2021/12/21	70	Joint liability guarantee	None	None	2021/12/21-2022/12/31	No	No
Guang Zhou S.F. Express Co., Ltd.	2021/3/18	125,000	2021/12/21	8,000	Joint liability guarantee	None	None	2021/12/21-2022/11/08	No	No
Sichuan S.F. Express Co., Ltd.	2021/3/18	15,000	2021/12/23	4,268	Joint liability guarantee	None	None	2021/12/23-2022/12/25	No	No
Jiangxi S.F. Express Co., Ltd.	2021/3/18	5,000	2021/12/24	173	Joint liability guarantee	None	None	2021/12/24-2022/12/23	No	No
SF Express ChongQing CO.LTD	2021/3/18	30,000	2021/12/27	2,627	Joint liability guarantee	None	None	2021/12/27-2022/02/28	No	No
SF Express ChongQing CO.LTD	2021/3/18	30,000	2021/12/27	1,690	Joint liability guarantee	None	None	2021/12/27-2022/02/28	No	No
TIANJIN S.F. EXPRESS CO., LTD.	2021/3/18	7,000	2021/12/27	809	Joint liability guarantee	None	None	2021/12/27-2022/03/31	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/12/28	400	Joint liability guarantee	None	None	2021/12/28-2022/06/30	No	No
Shanghai Shunheng Logistics Co., Ltd.	2021/3/18	50,000	2021/12/28	600	Joint liability guarantee	None	None	2021/12/28-2022/09/30	No	No
Shenzhen Shuncheng Supply Chain Service Co., Ltd.	2021/3/18	20,000	2021/12/29	1,357	Joint liability guarantee	None	None	2021/12/29-2022/12/22	No	No
Nantong S.F. Express Co., Ltd.	2021/3/18	2,000	2021/12/30	10	Joint liability guarantee	None	None	2021/12/30-2022/09/14	No	No
Xi'an Shunlu Logistics Co., Ltd.	2021/3/18	10,000	2021/12/30	2,030	Joint liability guarantee	None	None	2021/12/30-2022/08/27	No	No
Shanxi S.F. Express Co., Ltd.	2021/3/18	1,000	2021/12/30	60	Joint liability guarantee	None	None	2021/12/30-2023/01/31	No	No
Beijing S.F. Express Co., LTD.	2021/3/18	20,000	2021/12/31	300	Joint liability guarantee	None	None	2021/12/31-2022/12/31	No	No
S.F. Express Co., Ltd.	2021/3/18	20,000	2021/12/31	2,129	Joint liability guarantee	None	None	2021/12/31-2022/08/31	No	No
Qingdao SF Freight Co., Ltd.	2021/3/18	4,000	2021/12/31	633	Joint liability guarantee	None	None	2021/12/31-2022/12/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Beijing Shuncheng Logistics Co., Ltd.	2021/3/18	65,000	2021/7/15	937	Joint liability guarantee	None	None	2021/07/15-2022/07/07	No	No
Guang Zhou S.F. Express Co., Ltd.	2021/3/18	125,000	2021/7/30	15,000	Joint liability guarantee	None	None	2021/07/30-2022/08/08	No	No
SF Airlines Company Limited	2021/3/18	720,000	2021/8/25	96	Joint liability guarantee	None	None	2021/08/06-2022/08/05	No	No
Shenzhen Fengtai E-Commerce Industrial Park Asset Management Co., Ltd.	2021/3/18	2,000,000	2021/11/30	1,996,720	Joint liability guarantee	None	None	2021/11/30-2021/12/13	Yes	No
Ezhou Fengtai Qisheng Logistics Development Co., Ltd.	2021/3/18	3,000,000	2021/6/23	3,000	Joint liability guarantee	None	None	2021/12/14-2023/12/12	No	No
Fengrongliantong Technology (Shenzhen) Co., Ltd.	2020/3/24	150,000	2021/2/24	35,000	Joint liability guarantee	None	None	2021/02/24-2022/01/22	No	No
Fengrongliantong Technology (Shenzhen) Co., Ltd.	2020/3/24	150,000	2021/3/11	25,000	Joint liability guarantee	None	None	2021/03/11-2023/03/11	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	817	2021/1/1	817	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	82	2021/1/4	82	Joint liability guarantee	None	None	2021/01/04-2022/01/03	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/1/11	245	Joint liability guarantee	None	None	2021/01/11-2022/01/10	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/1/21	409	Joint liability guarantee	None	None	2021/01/21-2022/01/20	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/1/23	245	Joint liability guarantee	None	None	2021/01/23-2022/01/22	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/3/1	409	Joint liability guarantee	None	None	2021/03/01-2022/02/28	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	6,537	2021/3/1	6,537	Joint liability guarantee	None	None	2021/03/01-2022/02/28	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/3/6	245	Joint liability guarantee	None	None	2021/03/06-2022/03/05	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/3/8	163	Joint liability guarantee	None	None	2021/03/08-2022/03/07	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/3/13	245	Joint liability guarantee	None	None	2021/03/13-2022/03/12	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/3/28	163	Joint liability guarantee	None	None	2021/03/28-2022/03/27	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	114	2021/4/1	114	Joint liability guarantee	None	None	2021/04/01-2022/04/01	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY FREIGHT (HONG KONG) LIMITED	N/A	490	2021/4/1	490	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	654	2021/4/1	654	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	981	2021/4/1	981	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	817	2021/4/16	817	Joint liability guarantee	None	None	2021/04/16-2022/04/15	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	123	2021/4/23	123	Joint liability guarantee	None	None	2021/04/23-2022/04/22	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	637	2021/5/1	637	Joint liability guarantee	None	None	2021/05/01-2022/04/30	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/5/13	163	Joint liability guarantee	None	None	2021/05/13-2022/05/12	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	637	2021/6/1	637	Joint liability guarantee	None	None	2021/06/01-2022/05/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	8,171	2021/6/1	8,171	Joint liability guarantee	None	None	2021/06/01-2022/05/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	41	2021/6/23	41	Joint liability guarantee	None	None	2021/06/23-2022/06/22	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/7/1	163	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	1,062	2021/7/1	1,062	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/7/1	163	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/7/14	245	Joint liability guarantee	None	None	2021/07/14-2022/07/13	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	490	2021/7/29	490	Joint liability guarantee	None	None	2021/07/29-2022/07/28	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/8/11	409	Joint liability guarantee	None	None	2021/08/11-2022/08/10	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/8/18	245	Joint liability guarantee	None	None	2021/08/18-2022/08/17	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	654	2021/8/20	654	Joint liability guarantee	None	None	2021/08/20-2022/08/19	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/8/20	163	Joint liability guarantee	None	None	2021/08/20-2022/08/19	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY FREIGHT (HONG KONG) LIMITED	N/A	817	2021/8/20	817	Joint liability guarantee	None	None	2021/08/20-2022/08/19	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/9/1	163	Joint liability guarantee	None	None	2021/09/01-2022/08/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	654	2021/9/23	654	Joint liability guarantee	None	None	2021/09/23-2022/09/22	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/9/25	245	Joint liability guarantee	None	None	2021/09/25-2022/09/24	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/9/25	245	Joint liability guarantee	None	None	2021/09/25-2022/10/05	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/9/25	409	Joint liability guarantee	None	None	2021/09/25-2022/10/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/9/25	245	Joint liability guarantee	None	None	2021/09/25-2022/10/31	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/9/25	409	Joint liability guarantee	None	None	2021/09/25-2022/11/07	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	409	2021/9/25	409	Joint liability guarantee	None	None	2021/09/25-2022/12/06	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	245	2021/9/25	245	Joint liability guarantee	None	None	2021/09/25-2022/12/15	No	No
KERRY FREIGHT (HONG KONG) LIMITED	N/A	163	2021/9/25	163	Joint liability guarantee	None	None	2021/09/25-2022/12/22	No	No
KERRY FREIGHT (HONG KONG) LIMITED	2021/12/14	7,493	2021/12/14	7,493	Joint liability guarantee	None	None	2021/12/14-2022/12/13	No	No
KERRY COFFEE (HONG KONG) LIMITED	N/A	163,424	2019/11/20	3,187	Joint liability guarantee	None	None	2019/11/20-2021/11/19	Yes	No
THE MEAT LAB LIMITED	N/A	8,171	2018/7/18	8,171	Joint liability guarantee	None	None	2018/07/18-2022/07/18	No	No
Ningxia Kerry Connectivity International Logistics Co., Ltd.	N/A	50,000	2020/11/29	50,000	Joint liability guarantee	None	None	2020/11/29-2021/11/28	Yes	No
JiaHui Express (Shanghai) Co., Ltd.	N/A	50,000	2021/3/20	23,000	Joint liability guarantee	None	None	2021/03/20-2022/03/19	No	No
CAPITOL LAKE LIMITED	N/A	326,848	2018/12/28	163,424	Joint liability guarantee	None	None	2018/12/28-2022/01/30	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2019/3/28	245,136	Joint liability guarantee	None	None	2019/03/28-2024/03/27	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2021/9/13	408,560	Joint liability guarantee	None	None	2021/09/13-2026/09/12	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
CAPITOL LAKE LIMITED	N/A	408,560	2019/5/17	408,560	Joint liability guarantee	None	None	2019/05/17-2024/05/16	No	No
CAPITOL LAKE LIMITED	N/A	1,225,680	2021/7/21	408,560	Joint liability guarantee	None	None	2021/07/21-2026/07/20	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2018/12/28	408,560	Joint liability guarantee	None	None	2018/12/28-2022/01/30	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2018/12/28	204,280	Joint liability guarantee	None	None	2018/12/28-2022/01/30	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2019/5/6	204,280	Joint liability guarantee	None	None	2019/05/06-2022/05/05	No	No
CAPITOL LAKE LIMITED	N/A	408,560	2019/10/14	81,712	Joint liability guarantee	None	None	2019/10/14-2022/06/13	No	No
KERRY LOGISTICS HOLDING (US) LTD	N/A	254,924	2021/5/25	254,924	Joint liability guarantee	None	None	2021/05/25-2022/05/24	No	No
KERRY LOGISTICS HOLDING (US) LTD	N/A	318,655	2021/5/10	229,432	Joint liability guarantee	None	None	2021/05/10-2022/05/09	No	No
AFS CARGO EXPRESS, INC. ; AMC CARGO, INC. ; APEX FREIGHT SYSTEM, INC. ; APEX HOLDING GROUP, INC. ; APEX MARITIME CO., (LAX), INC. ; APEX MARITIME CO., (ORD), INC. ; APEX MARITIME CO. (PNW), INC. ; APEX MARITIME CO., INC. ; APEX SHIPPING CO. (NYC), INC. ; EWI, INC. ; KERRY FREIGHT (USA) INCORPORATED ; KULS LLC ; STARLINK CONSOLIDATION SERVICE (NEW YORK), INC. ; STARLINK FREIGHT SYSTEM (ORD) INC. ; STARTLINK FREIGHT SYSTEM (SFO) INC. ; UNITED LOGISTIC SOLUTIONS INC. ; TUVIA U.S.A., INC. ;	N/A	95,597	2018/5/30	95,597	Joint liability guarantee	None	None	2018/05/30-2022/05/29	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY LOGISTICS HOLDING (US) LTD.; AFS CARGO EXPRESS, INC.; AMC CARGO, INC.; APEX FREIGHT SYSTEM, INC.; APEX HOLDING GROUP, INC.; APEX MARITIME CO., (LAX), INC.; APEX MARITIME CO., (ORD), INC.; APEX MARITIME CO. (PNW), INC.; APEX MARITIME CO., INC.; APEX SHIPPING CO. (NYC), INC.; EWI, INC.; KERRY FREIGHT (USA) INCORPORATED; KULS LLC; STARLINK CONSOLIDATION SERVICE (NEW YORK), INC.; STARLINK FREIGHT SYSTEM (ORD) INC.; STARLINK FREIGHT SYSTEM (SFO) INC.; UNITED LOGISTIC SOLUTIONS INC.; TUVIA U.S.A., INC.; KERRY WAREHOUSE (HONG KONG) LIMITED; KERRY FREIGHT (HONG KONG) LIMITED; KERRY LOGISTICS HOLDING (EUROPE) LIMITED; KERRY LOGISTICS (UK) LIMITED; KERRY LOGISTICS (BELGIUM) BVBA; KERRY LOGISTICS (SPAIN), S.A.U.; Kerry Logistics (Netherlands) B.V.; KERRY LOGISTICS (SWEDEN) AB; KERRY LOGISTICS (GERMANY) GMBH; KERRY LOGISTICS (POLAND) Sp. Z.o.o; KERRY LOGISTICS (PORTUGAL), UNIPessoal LDA.; KERRY LOGISTICS (CZECH REPUBLIC) s.r.o.; TUVIA ITALIA S.p.A.;	N/A	223,059	2021/7/15	223,059	Joint liability guarantee	None	None	2021/07/15-2022/07/14	No	No
WAH CHEONG COMPANY, LIMITED	N/A	3,268	2021/7/5	3,268	Joint liability guarantee	None	None	2021/07/05-2022/07/04	No	No
Kerry Pharma (Hong Kong) Limited	N/A	313	2018/8/21	313	Joint liability guarantee	None	None	2018/08/21-2026/08/20	No	No
Kerry Pharma (Hong Kong) Limited	N/A	781	2018/8/21	781	Joint liability guarantee	None	None	2018/08/21-2026/08/20	No	No
Kerry Pharma (Hong Kong) Limited	N/A	956	2018/8/21	956	Joint liability guarantee	None	None	2018/08/21-2026/08/20	No	No
Kerry Pharma (Hong Kong) Limited	N/A	1,188	2020/5/8	1,188	Joint liability guarantee	None	None	2020/05/08-2023/03/31	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	319	2021/5/14	319	Joint liability guarantee	None	None	2021/05/14-2022/05/14	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	376	2021/6/11	376	Joint liability guarantee	None	None	2021/06/11-2022/06/11	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	186	2021/6/11	186	Joint liability guarantee	None	None	2021/06/11-2022/06/11	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	270	2021/7/7	270	Joint liability guarantee	None	None	2021/07/07-2022/07/07	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	327	2020/8/6	327	Joint liability guarantee	None	None	2020/08/06-2022/08/06	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	575	2020/8/16	575	Joint liability guarantee	None	None	2020/08/16-2022/08/16	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	180	2020/8/18	180	Joint liability guarantee	None	None	2020/08/18-2022/08/18	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	654	2021/1/19	654	Joint liability guarantee	None	None	2021/01/19-2022/01/19	No	No
KERRY WAREHOUSE (HONG KONG) LIMITED	N/A	482	2021/1/19	482	Joint liability guarantee	None	None	2021/01/19-2022/01/18	No	No
Wisdom Freight (Hong Kong) Limited	N/A	981	2021/4/1	981	Joint liability guarantee	None	None	2021/04/01-2022/04/01	No	No
Wisdom Freight (Hong Kong) Limited	N/A	245	2021/3/13	245	Joint liability guarantee	None	None	2021/03/13-2022/03/13	No	No
Wisdom Freight (Hong Kong) Limited	N/A	409	2021/8/11	409	Joint liability guarantee	None	None	2021/08/11-2022/08/11	No	No
Wisdom Freight (Hong Kong) Limited	N/A	163	2021/7/1	163	Joint liability guarantee	None	None	2021/07/01-2022/07/01	No	No
Wisdom Freight (Hong Kong) Limited	N/A	245	2021/7/14	245	Joint liability guarantee	None	None	2021/07/14-2022/07/14	No	No
Kerry Business Outsourcing Solutions Limited	N/A	793	2020/5/21	793	Joint liability guarantee	None	None	2020/05/21-2022/05/21	No	No
Shanghai Fengjia Warehousing Service Co., Ltd.	N/A	394,690	2016/12/15	5,370	Joint liability guarantee	None	None	2016/12/15-2021/12/23	Yes	No
Kerry Logistics (Changsha) Co., Ltd.	N/A	35,000	2018/12/7	19,000	Joint liability guarantee	None	None	2018/12/07-2023/12/07	No	No
Kerry Logistics (Changsha) Co., Ltd.	N/A	29,000	2019/3/15	17,000	Joint liability guarantee	None	None	2019/03/15-2024/03/15	No	No
Kerry Chemical Logistics Co., Ltd.	N/A	25,000	2021/9/6	9,770	Joint liability guarantee	None	None	2021/09/06-2022/09/06	No	No
Shanghai Huicheng Logistics Co., Ltd.	N/A	100,000	2018/4/30	80,040	Joint liability guarantee	None	None	2018/04/30-2022/04/30	No	No
Kerry Chemical Logistics Co., Ltd.	N/A	29,200	2021/6/9	29,200	Joint liability guarantee	None	None	2021/06/09-2022/06/09	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Kerry Chemical Logistics Co., Ltd.	N/A	80,040	2021/2/27	80,040	Joint liability guarantee	None	None	2021/02/27-2023/02/27	No	No
Kerry Logistics (Wuhan) Co., Ltd.	N/A	70,000	2018/3/27	46,290	Joint liability guarantee	None	None	2018/03/27-2023/03/27	No	No
Shanghai Tenglong International Freight Agency Co., Ltd.	N/A	220,000	2020/8/31	140,050	Joint liability guarantee	None	None	2020/08/31-2021/11/30	Yes	No
Qingdao Shanghe Demonstration Zone Jiali Logistics Co., Ltd.	N/A	55,000	2020/5/3	55,000	Joint liability guarantee	None	None	2020/05/03-2025/05/03	No	No
Qingdao Shanghe Demonstration Zone Jiali Logistics Co., Ltd.	N/A	55,000	2020/10/8	54,460	Joint liability guarantee	None	None	2020/10/08-2025/10/08	No	No
Kerry Zhizhen Logistics (Shanghai) Co., Ltd.	N/A	100,000	2021/3/20	35,810	Joint liability guarantee	None	None	2021/03/20-2022/03/20	No	No
Beijing Tengchang International Logistics Co., Ltd.	N/A	50,000	2021/8/31	14,160	Joint liability guarantee	None	None	2021/08/31-2022/08/31	No	No
Beijing Tengchang International Logistics Co., Ltd.	N/A	32,000	2021/8/30	25,490	Joint liability guarantee	None	None	2021/08/30-2022/08/30	No	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	94	2021/3/1	94	Joint liability guarantee	None	None	2021/03/01-2022/02/28	No	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	141	2021/9/19	141	Joint liability guarantee	None	None	2021/09/19-2022/12/31	No	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	14	2021/1/1	14	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	141	2021/1/1	141	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	1,414	2021/1/1	1,414	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KERRY FREIGHT (SINGAPORE) PTE. LTD.	N/A	707	2021/6/26	707	Joint liability guarantee	None	None	2021/06/26-2022/06/25	No	No
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	70,689	2019/7/2	16,258	Joint liability guarantee	None	None	2019/07/02-2022/07/01	No	No
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	259	2019/12/26	259	Joint liability guarantee	None	None	2019/12/26-2021/12/31	Yes	No
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	834	2020/8/1	834	Joint liability guarantee	None	None	2020/08/01-2022/06/01	No	No
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	1,136	2020/8/1	1,136	Joint liability guarantee	None	None	2020/08/01-2022/06/30	No	No
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	179	2021/8/15	179	Joint liability guarantee	None	None	2021/08/15-2022/08/14	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY LOGISTICS CENTRE (TAMPINES) PTE. LTD.	N/A	672	2021/8/1	672	Joint liability guarantee	None	None	2021/08/01-2023/08/31	No	No
KERRY LOGISTICS MANAGEMENT (ASIA) PTE. LTD.	N/A	235,630	2020/12/11	235,630	Joint liability guarantee	None	None	2020/12/10-2025/12/10	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	6,917	2021/7/1	6,917	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	76	2021/9/1	76	Joint liability guarantee	None	None	2021/09/01-2022/08/31	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	31	2021/9/26	31	Joint liability guarantee	None	None	2021/09/26-2022/11/25	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	21	2021/8/28	21	Joint liability guarantee	None	None	2021/08/28-2022/08/27	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	159	2021/1/1	159	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	46	2021/9/20	46	Joint liability guarantee	None	None	2021/09/20-2022/09/19	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	46	2020/12/15	46	Joint liability guarantee	None	None	2020/12/15-2021/12/14	Yes	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	31	2020/12/18	31	Joint liability guarantee	None	None	2020/12/18-2021/12/17	Yes	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	305	2021/2/5	305	Joint liability guarantee	None	None	2021/02/05-2022/02/04	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	305	2021/6/7	305	Joint liability guarantee	None	None	2021/06/07-2022/06/06	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	381	2021/9/15	381	Joint liability guarantee	None	None	2021/09/15-2022/10/14	No	No
KERRY LOGISTICS (MALAYSIA) SDN. BHD.	N/A	31	2021/9/1	31	Joint liability guarantee	None	None	2021/09/01-2022/11/01	No	No
KUOK PENGANGKUTAN SDN BHD	N/A	14	2021/1/1	14	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KUOK PENGANGKUTAN SDN BHD	N/A	92	2021/1/1	92	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
KUOK PENGANGKUTAN SDN BHD	N/A	23	2021/2/18	23	Joint liability guarantee	None	None	2021/02/18-2022/02/17	No	No
KUOK PENGANGKUTAN SDN BHD	N/A	92	2021/4/3	92	Joint liability guarantee	None	None	2021/04/03-2022/04/02	No	No
KUOK PENGANGKUTAN SDN BHD	N/A	381	2021/5/1	381	Joint liability guarantee	None	None	2021/05/01-2022/04/30	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KUOK PENGANGKUTAN SDN BHD	N/A	458	2021/9/6	458	Joint liability guarantee	None	None	2021/09/06-2022/09/05	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	76	2020/12/18	76	Joint liability guarantee	None	None	2020/12/18-2021/12/17	Yes	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	458	2020/12/18	458	Joint liability guarantee	None	None	2020/12/18-2021/12/17	Yes	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	76	2020/12/18	76	Joint liability guarantee	None	None	2020/12/18-2021/12/17	Yes	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	458	2021/3/1	458	Joint liability guarantee	None	None	2021/03/01-2022/02/28	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	259	2021/3/1	259	Joint liability guarantee	None	None	2021/03/01-2022/02/28	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	23	2021/6/9	23	Joint liability guarantee	None	None	2021/06/09-2022/06/08	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	76	2021/4/1	76	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	76	2021/1/26	76	Joint liability guarantee	None	None	2021/01/26-2022/01/25	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	9	2021/9/20	9	Joint liability guarantee	None	None	2021/09/20-2022/06/19	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	2,289	2021/8/10	2,289	Joint liability guarantee	None	None	2021/08/10-2022/08/09	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	46	2021/7/15	46	Joint liability guarantee	None	None	2021/07/15-2022/07/14	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	305	2021/6/2	305	Joint liability guarantee	None	None	2021/06/02-2022/06/01	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	458	2021/6/2	458	Joint liability guarantee	None	None	2021/06/02-2022/06/01	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	305	2021/6/2	305	Joint liability guarantee	None	None	2021/06/02-2022/06/01	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	76	2021/5/1	76	Joint liability guarantee	None	None	2021/05/01-2022/04/30	No	No
E.A.E. FREIGHT & FORWARDING SDN BHD	N/A	305	2021/2/10	305	Joint liability guarantee	None	None	2021/02/10-2022/02/09	No	No
ABX EXPRESS (M) SDN BHD	N/A	47	2021/6/17	47	Joint liability guarantee	None	None	2021/06/02-2022/06/01	No	No
KERRY INDEV LOGISTICS PRIVATE LIMITED	N/A	1,884	2020/12/23	1,884	Joint liability guarantee	None	None	2020/12/23-2022/12/23	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY INDEEV LOGISTICS PRIVATE LIMITED	N/A	19,698	2017/9/20	19,698	Joint liability guarantee	None	None	2017/09/20-2022/09/20	No	No
KERRY LOGISTICS (PHILS), INC.	N/A	3,747	2021/9/14	3,747	Joint liability guarantee	None	None	2021/09/14-2022/09/14	No	No
KERRY FREIGHT (KOREA) INC	N/A	3,213	2021/9/15	3,213	Joint liability guarantee	None	None	2021/09/15-2022/09/29	No	No
KERRY FREIGHT (KOREA) INC	N/A	54	2021/4/16	54	Joint liability guarantee	None	None	2021/04/16-2022/04/15	No	No
KERRY FREIGHT (KOREA) INC	N/A	107	2021/7/1	107	Joint liability guarantee	None	None	2021/07/01-2022/07/01	No	No
KERRY FREIGHT (KOREA) INC	N/A	750	2021/9/15	750	Joint liability guarantee	None	None	2021/09/15-2021/12/31	Yes	No
KERRY FREIGHT (KOREA) INC	N/A	1,071	2021/3/2	1,071	Joint liability guarantee	None	None	2021/03/02-2022/02/28	No	No
KERRY FREIGHT (KOREA) INC	N/A	107	2021/9/15	107	Joint liability guarantee	None	None	2021/09/15-2021/12/31	Yes	No
KERRY FREIGHT (KOREA) INC	N/A	268	2021/6/7	268	Joint liability guarantee	None	None	2021/06/07-2022/06/07	No	No
F.D.I CO., LTD.	N/A	195	2021/4/1	195	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
F.D.I CO., LTD.	N/A	392	2021/4/1	392	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
F.D.I CO., LTD.	N/A	88	2021/4/1	88	Joint liability guarantee	None	None	2021/04/01-2022/03/31	No	No
F.D.I CO., LTD.	N/A	235	2021/5/1	235	Joint liability guarantee	None	None	2021/05/01-2022/04/30	No	No
F.D.I CO., LTD.	N/A	336	2021/4/20	336	Joint liability guarantee	None	None	2021/04/20-2022/04/30	No	No
F.D.I CO., LTD.	N/A	129	2021/7/1	129	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
F.D.I CO., LTD.	N/A	56	2021/7/1	56	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
F.D.I CO., LTD.	N/A	120	2021/7/1	120	Joint liability guarantee	None	None	2021/07/01-2022/06/30	No	No
F.D.I CO., LTD.	N/A	129	2021/8/1	129	Joint liability guarantee	None	None	2021/08/01-2022/07/31	No	No
F.D.I CO., LTD.	N/A	324	2021/9/1	324	Joint liability guarantee	None	None	2021/09/01-2022/08/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
F.D.I CO., LTD.	N/A	456	2021/9/1	456	Joint liability guarantee	None	None	2021/09/01-2022/08/31	No	No
F.D.I CO., LTD.	N/A	2,853	2020/12/31	2,853	Joint liability guarantee	None	None	2020/12/31-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	1,524	2020/12/31	1,524	Joint liability guarantee	None	None	2020/12/31-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	118	2021/1/1	118	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	88	2021/1/1	88	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	134	2021/1/1	134	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	42	2021/1/1	42	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	196	2021/1/1	196	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	72	2021/1/1	72	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	59	2021/1/1	59	Joint liability guarantee	None	None	2021/01/01-2021/12/31	Yes	No
F.D.I CO., LTD.	N/A	118	2021/1/9	118	Joint liability guarantee	None	None	2021/01/09-2021/12/21	Yes	No
F.D.I CO., LTD.	N/A	644	2020/12/2	644	Joint liability guarantee	None	None	2020/12/02-2021/11/30	Yes	No
KMMT LIMITED	N/A	3,913	2019/11/7	3,913	Joint liability guarantee	None	None	2019/11/07-2023/01/31	No	No
KMMT LIMITED	N/A	3,295	2019/11/7	3,295	Joint liability guarantee	None	None	2019/11/07-2023/01/31	No	No
KMMT LIMITED	N/A	3,649	2019/11/7	3,649	Joint liability guarantee	None	None	2019/11/07-2023/01/31	No	No
KERRY RESOURCES TRANSPORT LIMITED	N/A	25,492	2017/2/6	25,492	Joint liability guarantee	None	None	2017/02/06-2022/02/06	No	No
KM TERMINAL AND LOGISTICS LIMITED	N/A	63,731	2018/1/12	63,731	Joint liability guarantee	None	None	2018/01/12-2023/01/12	No	No
KM TERMINAL AND LOGISTICS LIMITED	N/A	95,597	2018/5/28	95,597	Joint liability guarantee	None	None	2018/05/28-2025/05/28	No	No
KERRY PROJECT LOGISTICS MOZAMBIQUE, LDA	N/A	7,966	2021/9/2	7,966	Joint liability guarantee	None	None	2021/09/02-2023/09/02	No	No
Kerry Logistics (Netherlands) B.V.	N/A	10,825	2021/8/31	10,825	Joint liability guarantee	None	None	2021/08/31-2039/12/31	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
Kerry Logistics Middle East LLC	N/A	11,157	2021/9/2	11,157	Joint liability guarantee	None	None	2021/09/02-2022/09/02	No	No
Kerry Logistics Bahrain WLL	N/A	191	2021/9/15	191	Joint liability guarantee	None	None	2021/09/15-2022/09/15	No	No
KB AFUNGI LIMITED	N/A	44,994	2021/7/31	44,994	Joint liability guarantee	None	None	2021/07/31-2022/07/31	No	No
Kerry Logistics Middle East LLC	N/A	9,560	2021/9/15	9,560	Joint liability guarantee	None	None	2021/08/15-2022/11/15	No	No
ASAV LOJISTIK HIZMETLERI	N/A	446	2021/9/23	446	Joint liability guarantee	None	None	2021/09/23-2022/09/29	No	No
ASAV LOJISTIK HIZMETLERI	N/A	7,966	2021/9/23	7,966	Joint liability guarantee	None	None	2021/09/23-2023/09/23	No	No
ASAV LOJISTIK HIZMETLERI	N/A	956	2021/9/23	956	Joint liability guarantee	None	None	2021/09/23-2022/09/22	No	No
ASAV LOJISTIK HIZMETLERI	N/A	127	2021/8/17	127	Joint liability guarantee	None	None	2021/08/17-2022/08/16	No	No
ASAV LOJISTIK HIZMETLERI	N/A	201	2021/8/6	201	Joint liability guarantee	None	None	2021/08/06-2023/08/06	No	No
ASAV LOJISTIK HIZMETLERI	N/A	637	2021/7/26	637	Joint liability guarantee	None	None	2021/07/26-2022/07/26	No	No
ASAV LOJISTIK HIZMETLERI	N/A	697	2021/7/8	697	Joint liability guarantee	None	None	2021/07/08-2022/07/08	No	No
ASAV LOJISTIK HIZMETLERI	N/A	13,398	2021/9/23	13,398	Joint liability guarantee	None	None	2021/09/23-2023/09/23	No	No
ASAV LOJISTIK HIZMETLERI	N/A	1,275	2021/9/11	1,275	Joint liability guarantee	None	None	2021/09/11-2022/09/07	No	No
ASAV LOJISTIK HIZMETLERI	N/A	134	2021/9/23	134	Joint liability guarantee	None	None	2021/09/11-2022/09/07	No	No
ASAV LOJISTIK HIZMETLERI	N/A	19	2021/9/23	19	Joint liability guarantee	None	None	2021/09/23-2022/04/30	No	No
ASAV LOJISTIK HIZMETLERI	N/A	1,340	2021/8/20	1,340	Joint liability guarantee	None	None	2021/08/20-2023/08/20	No	No
ASAV LOJISTIK HIZMETLERI	N/A	319	2021/6/23	319	Joint liability guarantee	None	None	2021/06/23-2022/06/22	No	No
ASAV LOJISTIK HIZMETLERI	N/A	2,135	2021/1/11	2,135	Joint liability guarantee	None	None	2021/01/11-2022/01/09	No	No
ASAV LOJISTIK HIZMETLERI	N/A	319	2021/4/8	319	Joint liability guarantee	None	None	2021/04/08-2022/04/08	No	No
ASAV LOJISTIK HIZMETLERI	N/A	134	2021/4/21	134	Joint liability guarantee	None	None	2021/04/21-2021/12/31	Yes	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
ASAV LOJISTIK HIZMETLERI	N/A	38	2021/4/21	38	Joint liability guarantee	None	None	2021/04/21-2022/04/27	No	No
ASAV LOJISTIK HIZMETLERI	N/A	194	2021/4/29	194	Joint liability guarantee	None	None	2021/04/29-2022/04/28	No	No
ASAV LOJISTIK HIZMETLERI	N/A	21	2021/5/16	21	Joint liability guarantee	None	None	2021/05/16-2023/05/16	No	No
ASAV LOJISTIK HIZMETLERI	N/A	142	2021/3/11	142	Joint liability guarantee	None	None	2021/03/11-2022/03/10	No	No
ASAV LOJISTIK HIZMETLERI	N/A	531	2021/1/8	531	Joint liability guarantee	None	None	2021/01/08-2023/01/08	No	No
ASAV LOJISTIK HIZMETLERI	N/A	26	2021/4/24	26	Joint liability guarantee	None	None	2021/04/24-2023/04/24	No	No
ASAV LOJISTIK HIZMETLERI	N/A	722	2021/7/11	722	Joint liability guarantee	None	None	2021/07/11-2023/07/11	No	No
ASAV LOJISTIK HIZMETLERI	N/A	15	2021/3/18	15	Joint liability guarantee	None	None	2021/03/18-2023/03/18	No	No
ASAV LOJISTIK HIZMETLERI	N/A	13,398	2021/9/23	13,398	Joint liability guarantee	None	None	2021/09/23-2023/09/23	No	No
KERRY PROJECT LOGISTICS (ITALIA) S.p.A.	N/A	28,868	2016/3/22	28,868	Joint liability guarantee	None	None	2016/03/22-2022/12/31	No	No
KERRY PROJECT LOGISTICS (KAZAKHSTAN) LLP	N/A	5,867	2019/5/21	5,867	Joint liability guarantee	None	None	2019/05/21-2022/3/31	No	No
KERRY PROJECT LOGISTICS (US) LLC	N/A	1,263	2019/6/30	1,263	Joint liability guarantee	None	None	2019/06/30-2022/08/16	No	No
KERRY PROJECT LOGISTICS (ITALIA) S.p.A.	N/A	3,948	2020/12/1	3,948	Joint liability guarantee	None	None	2020/12/10-2023/01/31	No	No
KERRY PROJECT LOGISTICS (TURKMENISTAN) ES	N/A	628	2021/2/4	628	Joint liability guarantee	None	None	2021/02/04-2022/07/31	No	No
KERRY PROJECT LOGISTICS EQYPT LLC	N/A	1,104	2021/5/4	1,104	Joint liability guarantee	None	None	2021/05/04-2023/07/01	No	No
KERRY PROJECT LOGISTICS MIDDLE EAST LLC	N/A	12,774	2021/9/21	12,774	Joint liability guarantee	None	None	2021/09/21-2022/09/30	No	No
KERRY PROJECT LOGISTICS (ITALIA) S.p.A.	N/A	722	2021/9/2	722	Joint liability guarantee	None	None	2021/09/02-2026/08/01	No	No
KERRY PROJECT LOGISTICS (ITALIA) S.p.A.	N/A	7,578	2021/9/20	7,578	Joint liability guarantee	None	None	2021/09/20-2022/08/31	No	No
KERRY LOGISTICS COLD CHAIN (AUSTRALIA) PTY LTD	N/A	26,451	2021/5/5	1,386	Joint liability guarantee	None	None	2021/05/05-2022/05/05	No	No

Subsidiary's guarantees to subsidiaries										
Guarantee party	Disclosure date of related announcement of guarantee quota	Guarantee quota	Exact date of occurrence	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Period of guarantee	Executed?	Guarantee for a related party?
KERRY FREIGHT (USA) INCORPORATED	N/A	1,593	2021/7/31	1,593	Joint liability guarantee	None	None	2021/07/31-2022/07/31	No	No
APEX MARITIME CO., INC.	N/A	3,505	2021/6/25	3,505	Joint liability guarantee	None	None	2021/06/25-2022/12/10	No	No
Total guarantee quota approved for subsidiaries during the reporting period (C1)			29,988,747	Total actual amount of guarantees for subsidiaries during the reporting period (C2)						10,091,110
Total guarantee quota approved for the subsidiaries at the end of the reporting period (C3)			36,681,986	Total actual guarantee balance for subsidiaries at the end of the reporting period (C4)						10,956,752
Total guarantee amount provided by the Company										
Total guarantee quota approved during the reporting period (A1+B1+C1)			67,749,627	Total actual amount of guarantee during the reporting period (A2+B2+C2)						33,049,838
Total guarantee quota approved at the end of the reporting period (A3+B3+C3)			77,497,753	Total actual guarantee balance at the end of the reporting period (A4+B4+C4)						33,804,187
Total guarantee amount (A4+B4+C4) to net assets of the Company										40.76%
Of which:										
Balance of guarantee for shareholders, actual controller, and affiliates thereof (D)										-
Balance of debt guarantee provided for guaranteed party whose asset-liability ratio is not less than 70% directly or indirectly (E)										23,579,777
Amount of total guarantee in excess of 50% of net assets (F)										-
Total amount of the above three guarantees (D+E+F)										23,579,777
Explanation of guarantee liabilities occurred or possible joint and several liabilities of repayment with evidence during the reporting period (if any) for unexpired guarantee contracts										N/A
Explanation of provision of guarantees for external parties in violation of the prescribed procedure (if any)										N/A

3. Cash assets managed under trust

(1) Wealth managed under trust

Entrusted finances during the reporting period

Unit: RMB'000

Type	Funding Source for Entrusted Funds	Maximum Daily Balance of Such Entrusted Funds During the Reporting Period	Unexpired Balance	Overdue Outstanding Amount	Impairment Provision of Overdue Outstanding Funds
Bank wealth management products	Self-owned funds	19,930,000	750,000	–	–
Trust products	Self-owned funds	143,210	61	–	–
Others	Self-owned funds	766,233	651,452	–	–
Bank wealth management products	Raised funds	9,250,000	8,850,000	–	–
Brokerage wealth management products	Raised funds	300,000	100,000	–	–
Total		30,389,443	10,351,513	–	–

Note: The maximum single day balances for each type of entrusted wealth management in the above table occur on different dates and direct sum totals do not represent the maximum single day balances for all of the Company's wealth management.

Details of individual items with significant amount or of low safety, poor liquidity, high risk wealth management products

Applicable Not applicable

It is expected that the principal of entrusted financing cannot be recovered, or there may be other circumstances that may result in impairment

Applicable Not applicable

(2) Entrusted loans

Entrusted loans during the reporting period

Unit: RMB'000

Total Amount of Entrusted Loans	Funding Source for Entrusted Loans	Unexpired Balance	Overdue Outstanding Amount
–	Self-owned funds	262,092	28,648

Details of individual items with significant amount or of low safety, poor liquidity, high risk entrusted loans

Applicable Not applicable

It is expected that the principal of the entrusted loan cannot be recovered, or there may be other circumstances that may result in impairment.

Applicable Not applicable

With a view to motivating and retaining the key employees holding high-priority positions within the Company, and to meeting the routine consumption needs of employees, the Company formulated the employee welfare loan management policy in 2017 to grant up to RMB700 million worth of loans to eligible employees in 2017 and 2018, and compiled the 2019 employee welfare loan management policy in 2019 to grant up to RMB300 million worth of loans to eligible employees in one year. For details, refer to the Employee Welfare Loan Management System and the 2019 Employee Welfare Loan Management System released by the Company at www.cninfo.com on October 27, 2017 and December 7, 2019, respectively. As of the end of the reporting period, the unexpired balance of the employee welfare loan was RMB249,292 thousand. Besides, the unexpired balance of entrusted loans of Kerry Logistics' subsidiaries was RMB12,800 thousand. This business occurred before the Company acquired Kerry Logistics. As this business is still in normal operation, there is no situation of failing to recover the principal after expiry or any other situation that can lead to impairment.

As of the end of the reporting period, the Company's subsidiary Shuncheng Lefeng Business(顺诚乐丰商业)Co., Ltd. (hereinafter referred to as "Lefeng Business(乐丰商业)", formerly named "Shenzhen Shuncheng Lefeng Factoring Co., Ltd.") had an overdue unrecovered entrusted loan balance of RMB27,000,000. Lefeng has filed a lawsuit to the court, and the court has ordered the auction of collateral, and now the case is in the execution stage. The Company predicts that the collateral value is sufficient to cover the unrecovered loan amount; moreover, the Company made provisions for bad debts in historical years, so this will not have a material adverse impact on the Company's financial condition for this period. The Company acquired Lefeng Business in 2018, and this entrusted loan occurred before the acquisition. After the acquisition was completed, Lefeng did not have any new entrusted loans.

4. Other significant contracts

Applicable Not applicable

There was no significant contract of the Company in the reporting period.

XVI. Other Major Issues

Applicable Not applicable

1. Non-public issuance of stocks for 2021

According to the development strategies of the Company, at the 11th meeting of the fifth Board of Directors, the 11th meeting of the fifth Board of Supervisors and the 2021 second extraordinary general meeting convened by the Company on February 8, 2021 and March 2, 2021 respectively, where the resolution regarding the non-public issuance of A-share in 2021 was reviewed and approved, and the Company intended to launch a non-public stock offering, with the aim of raising up to RMB22 billion, which will be used for express delivery equipment automation and upgrades, the construction of the Ezhou airport transshipment center project in Hubei, the construction of digital intelligent supply chain system solutions, land transportation capacity improvements, aviation material purchase and maintenance projects, and supplement of working capital.

In accordance with the relevant laws, regulations and regulatory documents and relevant regulatory requirements, taking into account the actual situation at the Company, at the 15th meeting of the fifth Board of Directors and the 14th meeting of the fifth Board of Supervisors convened by the Company on May 13, 2021, the Company adjusted the proposal for 2021 non-public issuance of A-share, with the maximum total amount of proceeds modified from RMB22 billion to RMB20 billion.

On May 31, 2021, the Company's application for this non-public issuance of A-share was reviewed and approved by the Issuance Examination Committee of the China Securities Regulatory Commission (CSRC). On August 24, 2021, the Company received the Reply and Approval for Non-public Issuance of Stocks of S.F. Holding Co., Ltd. (Zheng Jian Xu Ke [2021] No. 2721) approved and issued by the CSRC, which approved the Company's non-public issuance of stocks.

In September and October 2021, the Company carried out non-public issuance of shares, involving non-public issuance of 349,772,647 ordinary A shares to Yuanhai Investment Co., Ltd. and other subscribers at an offering price of RMB57.18 per share. The total amount of funds raised was RMB19,999,999,955.46. On November 19, 2021, the non-public issuance of shares listed on the Shenzhen Stock Exchange.

For details, please refer to the Company's announcements (2021-045, 2021-050, 2021-063, 2021-064, 2021-076, 2021-100, Report on Non-public Issuance of A Shares and Listing Announcement in 2021 and summary) released on the Cninfo website.

2. Tender offer to acquire 51.8% equity of Kerry Logistics

With a view to further enhancing the Company's capability of integrating integrated logistics solutions, improving the strategic layout of freight forwarding and international business, at the 11th meeting of the fifth Board of Directors, the 16th meeting of the fifth Board of Directors and the 2021 third extraordinary general meeting convened by the Company on February 8, 2021, May 28, 2021, and June 15, 2021 respectively, where the resolution regarding tender offer to acquire 51.8% equity of Kerry Logistics was reviewed and approved, and the Company intended to, through Flourish Harmony Holdings Company Limited, a wholly-owned subsidiary of the Company, subject to the fulfillment or waiver of the conditions precedent, issue tender offers and share option offers to eligible shareholders and share option holders of Kerry Logistics Network Limited, a company listed on the Main Board of the Stock Exchange of Hong Kong Limited, to acquire 931,209,117 shares (approximately 51.8% of the issued share capital or 51.5% of the fully diluted share capital) in Kerry Logistics in cash, and cancel 51.8% of Kerry Logistics's share options that had not been exercised as of the final vesting date held by Kerry Logistics's share option holders on behalf of Kerry Logistics (hereinafter referred to as "this transaction"). If this transaction is successfully completed, Kerry Logistics will still maintain its status as a listed company on the Main Board of the HK Stock Exchange.

This transaction is a cross-border tender offer. On August 9, 2021, all the pre-conditions for this transaction have been fulfilled or waived. On August 12, 2021, the offeror and the target company jointly sent the comprehensive offer documents. On August 19, 2021, the Company obtained the exemption from Thailand's mandatory general offer. On September 2, 2021, all the pre-conditions relating to the tender offer for this transaction were fulfilled. According to Rule 13.4 of the Code on Takeovers and Mergers issued by Hong Kong Special Administrative Region, the share option offer was declared unconditional in all respects. At 4:00 p.m. on September 16, 2021, offers under this transaction were closed and acceptance was ceased. On September 28, 2021, this transaction was closed, and Flourish Harmony Holdings Company Limited, a wholly-owned subsidiary of the Company successfully acquired 931,209,117 shares (approximately 51.5% of the issued share capital of Kerry Logistics as of the closing date) in Kerry Logistics. Kerry Logistics became a holding subsidiary of Flourish Harmony Holdings Company Limited and still maintained its status as a listed company on the Main Board of the HK Stock Exchange.

For details, please refer to the Company's announcements (2021-015, 2021-073, 2021-090, 2021-093, 2021-094, 2021-096, 2021-101, 2021-106, and 2021-108) released on the Cninfo website.

3. Setting up a real estate investment trust that is intended to be listed on the HK Stock Exchange

With a view to supporting the sustainable and healthy development of the Company's logistics industrial park, developing innovative financing channels, and building an asset-light capital operation platform for the industrial park, the Company planned to set up a real estate investment trust (hereinafter referred to as the "SF REIT") in Hong Kong and go public on the HK Stock Exchange with the three properties located in Foshan, Wuhu and Hong Kong within China respectively as its underlying assets, which are indirectly held by the Company through its overseas holding subsidiaries. At the 14th meeting of the fifth Board of Directors convened by the Company on April 27, 2021, where the resolution regarding setting up the SF REIT in Hong Kong and being listed on the Main Board of the HK Stock Exchange by its holding subsidiaries was reviewed and approved. The Company received the approval for the establishment application and listing application of the SF REIT by the HK SFC and the HK Stock Exchange on May 3, 2021 and May 14, 2021, respectively. The SF REIT has been listed on the Main Board of the HK Stock Exchange since May 17, 2021, with the stock code of "2191.HK" and the stock abbreviation of "SF REIT". After the listing of SF REIT Fund, the Company indirectly holds 35% of shares in the company through subsidiaries. The Company's transfer of the interests of three property assets to the SF REIT Fund brought the investment income of approximately HK\$1.083 billion (equivalent to approximately RMB896 million).

For details, please refer to the Company's announcements (2021-023, 2021-058, and 2021-066) released on the Cninfo website.

4. SF INTRA-CITY Spin-off and going public on the Main Board of the HK Stock Exchange

With a view to expanding the Company's diversified financing channels, at the 16th meeting of the fifth Board of Directors, the 15th meeting of the fifth Board of Supervisors and the 2021 third extraordinary general meeting convened by the Company on May 28, 2021 and June 15, 2021 respectively, it was agreed to spin off Hangzhou SF Intra-city Industrial Co., Ltd. (hereinafter referred to as "Intra-city Industrial"), the Company's subsidiary, and go public on the Main Board of the HK Stock Exchange.

On October 13, 2021, the Company received the Approval for the Offering of Overseas Listed Foreign Shares and Domestic Unlisted Shares to be Listed on International Markets by Hangzhou SF Intra-city Industrial Co., Ltd. (Zheng Jian Xu Ke [2021] No.3195) issued by the CSRC. On December 14, 2021, Intra-city Industrial's application for issuance and listing of H shares was approved by the HK Stock Exchange. A total of 131,180,800 H shares in Intra-city Industrial were issued and listed on the Main Board of the HK Stock Exchange on the same day, with the stock code of "9699.HK", and the stock abbreviation of "SF INTRA-CITY".

The spin-off and listing will lead to the formation of an international capital operation platform for Intra-city Industrial, enhance its brand awareness and influence on the market, continue to consolidate and strengthen the core resources of Intra-city Industrial, and promote the rapid development of its business. At the same time, the spin-off will also help further expand the Company's diversified financing channels and will become an important milestone in the Company's diversified layout strategy. After the spin-off and listing, Intra-city Industrial remains the Company's holding subsidiary, and will not have any material adverse impact on the Company's continued operations of other business segments, and will not affect the Company's status as an independent listed company, which is conducive to enhancing the Company's comprehensive competitiveness, and in line with the overall interests of the Company's shareholders.

For details, please refer to the Company's announcements (2021-072, 2021-084, 2021-085, 2021-113, 2021-135 and 2021-140) released on the Cninfo website.

5. Issuance of debt financing products in domestic and international markets by wholly-owned subsidiaries

With a view to satisfying the development requirements of domestic and international business, reducing financing costs and optimizing the debt structure according to the development strategies of the Company, at the 11th meeting of the fifth Board of Directors and the 2021 second extraordinary general meeting convened by the Company on February 8, 2021 and March 2, 2021 respectively, where the "Resolution regarding the Issuance of Debt Financing Products in Domestic and International Markets by Wholly-owned Subsidiaries" was reviewed and approved, and the Company was authorized to issue debt financing products in domestic and international markets through Taisen Holding and SF Holding Investment 2021 Limited ("SFHI 2021"), the wholly-owned subsidiaries, for an equivalent amount of no more than RMB20 billion (inclusive), including RMB18 billion which is the expected size of issuance in international market.

According to the Notice of Acceptance for Registration issued by NAFMII (Zhong Shi Xie Zhu [2019] SCP No.71), Taisen Holding completed two issuances of Super Short-Term Commercial Paper in total on March 18, 2021 and March 19, 2021 respectively, each with an issuance quota of RMB500 million. According to the Notice of Acceptance for Registration issued by NAFMII (Zhong Shi Xie Zhu [2021] SCP No.285), Taisen Holding completed the issuances of Super Short-Term Commercial Paper on August 6, 2021, August 13, 2021, and September 16, 2021 respectively, with issuance quotas of RMB1 billion, RMB480 million and RMB500 million.

According to the Approval for the Issuance of Corporate Bonds to Qualified Investors via a Public Offering by Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (Zheng Jian Xu Ke [2019] No. 388) from the CSRC, from April 23, 2021 to April 26, 2021, Taisen Holding completed the 2021 public offering of green corporate bonds (first tranche) (exclusively for carbon neutrality purposes), with an issue size of RMB500 million.

According to the Approval for the Registration of Public Issuance of Short-term Corporate Bonds by Shenzhen S.F. Taisen Holding (Group) Co., Ltd. to Professional Investors (Zheng Jian Xu Ke [2020] No. 1964) from the CSRC, from May 20, 2021 to May 21, 2021, Taisen Holding completed the 2021 public offering of short-term corporate bonds (first tranche), with an issue size of RMB1 billion; from June 3, 2021 to June 4, 2021, Taisen Holding completed the 2021 public offering of short-term corporate bonds (second tranche), with an issue size of RMB500 million; and from September 3, 2021 to September 6, 2021, Taisen Holding completed the 2021 public offering of short-term corporate bonds (third tranche), with an issuance quota of RMB500 million.

With a view to ensuring effective implementation of the Company's overseas development strategy, enhancing its overseas capital strength, broadening financing channels and optimizing the debt structure, SFHI 2021, the Company's overseas wholly-owned subsidiary, publicly issued US\$1.2 billion bonds in international markets. On November 17, 2021, SFHI 2021 completed the issuance of the bonds in international markets. The bonds were listed on the HK Stock Exchange on November 18, 2021.

For details, please refer to the Company's announcements (2021-017, 2021-042, 2021-043, 2021-056, 2021-068, 2021-078, 2021-092, 2021-095, 2021-103, 2021-105, 2021-126 and 2021-131) released on the Cninfo website.

6. Subsidiaries' investment in equity investment funds and progress

With a view to promoting the Company's long-term development and ensuring positive interactions between industrial and capital operations, Shenzhen Shunfeng Investment Co., Ltd. (hereinafter referred to as "Shunfeng Investment"), the Company's wholly-owned subsidiary, entered into the Limited Partnership Agreement on Jinfeng Borun (Xiamen) Equity Investment Partnership (Limited Partnership) on September 22, 2020. The fund mainly invests in supply chain, logistics and consumption upgrade-related businesses. Shunfeng Investment plans to subscribe to the units of the investment fund as a limited partnership for RMB500 million. On March 25, 2021, the Company received a notice from the fund manager that the investment fund has completed a new round of fundraising. After the completion of the fundraising, the scale of the investment fund will be RMB1.5 billion, and Shunfeng Investment's subscribed capital contribution will account for 33.33%.

On April 30, 2021, the Company's subsidiary entered into a cooperation agreement with parties including Hammer Capital Real Estate Limited (hereinafter referred to as "HCRE"). The Company's subsidiary intended to jointly establish a logistics development fund with HCRE. The general partner of the fund was invested by the Company's subsidiary and HCRE, each of which held 50% equity interests in the general partner. As of March 2022, the parties agreed to terminate the cooperation after negotiations. The Company's subsidiary acquired 50% equity interests in the fund's general partner held by HCRE.

For the purpose of deepening the overseas industrial structure, sharing the resources of overseas high-quality growth enterprises, and further improving the Company's core competitiveness and profitability, after the investment in Foundation Capital IX, L.P., the overseas investment fund in 2018, the Company continued to invest in Foundation Capital X, L.P., which was initiated and established by Foundation Capital, a well-known private investment fund based in Silicon Valley. The fund mainly invests in fast-growing enterprises, with planned fund target size of US\$450 million to US\$475 million. On September 2, 2021, Bright Hazel Limited (hereinafter referred to as "Bright Hazel"), a wholly-owned subsidiary of the Company, entered into the Subscription Partnership Agreement, pursuant to which Bright Hazel planned to subscribe for fund units with its own funds of US\$10 million, with the investment representing about 2% of the fund target size.

For details, please refer to the Company's announcements (2021-044, 2021-059 and 2021-102) released on the Cninfo website.

A disclosure index for the above-mentioned significant events and other significant events is as below:

Announcement	Disclosure Date	Disclosure Website
Announcement on the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-015)	February 10, 2021	www.cninfo.com.cn
Announcement on the Issuance of Debt Financing Products by Wholly-owned Subsidiaries at Home and Abroad (2021-017)	February 10, 2021	www.cninfo.com.cn
Announcement on Planning the Establishment and Listing of the Real Estate Investment Trust (2021-023)	February 10, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 First Tranche of Super Short-Term Commercial Paper by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-042)	March 20, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 Second Tranche of Super Short-Term Commercial Paper by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-043)	March 23, 2021	www.cninfo.com.cn
Announcement on the Progress of Wholly-owned Subsidiary's Investment in Equity Investment Fund (2021-044)	March 26, 2021	www.cninfo.com.cn
Announcement on the Acceptance of Applications for Non-public Offering of Stocks by the China Securities Regulatory Commission (2021-045)	March 27, 2021	www.cninfo.com.cn
Announcement on the Receipt of the "Notice of Feedback on One-time Review of Administrative License Projects of the China Securities Regulatory Commission" (2021-050)	April 12, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 Public Offering of Green Corporate Bonds (First Tranche) (Specially Used for Carbon Neutrality) to Qualified Investors by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-056)	April 27, 2021	www.cninfo.com.cn
Announcement on the Establishment of the Real Estate Investment Trust by Holding Subsidiaries and Listing on the Main Board of the Hong Kong Stock Exchange (2021-058)	April 29, 2021	www.cninfo.com.cn
Announcement on the Participation of the Company's Subsidiaries in the Establishment of a Logistics Development Fund (2021-059)	April 30, 2021	www.cninfo.com.cn
Announcement on Adjusting the 2021 Non-public Issuance of A Shares Plan (2021-063)	May 14, 2021	www.cninfo.com.cn

Announcement	Disclosure Date	Disclosure Website
Announcement on the Revision of the Plan for Non-public Issuance of A Shares (2021-064)	May 14, 2021	www.cninfo.com.cn
Announcement on the Progress of the Establishment of the Real Estate Investment Trust by Holding Subsidiaries and Listing on the Main Board of the Hong Kong Stock Exchange (2021-066)	May 19, 2021	www.cninfo.com.cn
Announcement on the Issuance Results of the Public Offering of Short-term Corporate Bonds (First Tranche) by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary to Professional Investors in 2021 (2021-068)	May 22, 2021	www.cninfo.com.cn
Announcement on the Spin-off of Intra-city Industrial, the Holding Subsidiary, and its Listing on the Main Board of the Hong Kong Stock Exchange (2021-072)	May 29, 2021	www.cninfo.com.cn
Announcement on the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-073)	May 29, 2021	www.cninfo.com.cn
Announcement on the Application for Non-public Issuance of A Shares Approved by the Issuance Examination Committee of the China Securities Regulatory Commission (2021-076)	June 1, 2021	www.cninfo.com.cn
Announcement on the Issuance Results of the Public Offering of Short-term Corporate Bonds (Second Tranche) by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary, to Professional Investors in 2021 (2021-078)	June 5, 2021	www.cninfo.com.cn
Announcement on the Acceptance of Application Materials for Overseas Initial Public Issuance of Shares by Holding Subsidiaries by the China Securities Regulatory Commission (2021-084)	June 24, 2021	www.cninfo.com.cn
Announcement on the Submission of an Overseas Initial Public Offering and Listing Application by a Holding Subsidiary to the Stock Exchange of Hong Kong Limited (2021-085)	July 1, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-090)	August 3, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 Third Tranche of Super Short-Term Commercial Paper by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-092)	August 7, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-093)	August 10, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-094)	August 12, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 Fourth Tranche of Super Short-Term Commercial Paper by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-095)	August 14, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-096)	August 19, 2021	www.cninfo.com.cn
Announcement on Approval of Application for Non-public Issuance of Stocks by China Securities Regulatory Commission (2021-100)	August 25, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-101)	September 3, 2021	www.cninfo.com.cn

Announcement	Disclosure Date	Disclosure Website
Announcement on Wholly-owned Subsidiary's Investment in Overseas Investment Fund (2021-102)	September 4, 2021	www.cninfo.com.cn
Announcement on the Issuance Results of the Public Offering of Short-term Corporate Bonds (Third Tranche) by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary, to Professional Investors in 2021 (2021-103)	September 7, 2021	www.cninfo.com.cn
Announcement on Results of Issuance of the 2021 Fifth Tranche of Super Short-Term Commercial Paper by Shenzhen S.F. Taisen Holding (Group) Co., Ltd., the Wholly-owned Subsidiary (2021-105)	September 17, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-106)	September 17, 2021	www.cninfo.com.cn
Announcement on Progress of the Proposed Partial Tender Offer to Acquire 51.8% Equity of Kerry Logistics (2021-108)	September 29, 2021	www.cninfo.com.cn
Announcement on Approval for Wholly-owned Subsidiary's Initial Public Offering of Overseas Listed Foreign Shares (H Shares) by China Securities Regulatory Commission (2021-113)	October 14, 2021	www.cninfo.com.cn
Announcement on Progress of Issuance of Overseas US Dollar Bonds by an Overseas Wholly-owned Subsidiary (2021-126)	November 10, 2021	www.cninfo.com.cn
Announcement on Non-public Issuance of A Shares and Listing in 2021 (Summary)	November 17, 2021	www.cninfo.com.cn
Report on Non-public Issuance of A Shares and Listing Announcement in 2021	November 17, 2021	www.cninfo.com.cn
Announcement on Completion of Issuance of Overseas US Dollar Bonds by an Overseas Wholly-owned Subsidiary (2021-131)	November 19, 2021	www.cninfo.com.cn
Announcement on Progress of Overseas Listing of Intra-city Industrial, the Holding Subsidiary (2021-135)	November 27, 2021	www.cninfo.com.cn
Announcement on Overseas Offering and Listing of the Holding Subsidiary (2021-140)	December 14, 2021	www.cninfo.com.cn

XVII. Significant Events of Subsidiaries

Applicable Not Applicable

I. Changes in Shares

1. Changes in shares

Unit: number of shares

	Before Change		Increase or Decrease (+ or -)					After Change	
	Number of shares	Proportion	New shares issued	Bonus shares	Conversion of capital reserve into share capital	Others	Subtotal	Number of shares	Proportion
I. Restricted sales of shares	66,127,382	1.45%	349,772,647	0	0	-13,204,386	336,568,261	402,695,643	8.21%
1. Shares held by state	0	0.00%	0	0	0	0	0	0	0
2. Shares held by state-owned legal person	0	0.00%	63,396,291	0	0	0	63,396,291	63,396,291	1.29%
3. Other shares held by domestic capital	66,127,382	1.45%	148,828,267	0	0	-13,204,386	135,623,881	201,751,263	4.11%
Of which: Other shares held by domestic legal person	0	0.00%	148,828,267	0	0	0	148,828,267	148,828,267	3.03%
Other shares held by domestic natural person	66,127,382	1.45%	0	0	0	-13,204,386	-13,204,386	52,922,996	1.08%
4. Shares held by overseas capital	0	0.00%	137,548,089	0	0	0	137,548,089	137,548,089	2.80%
Of which: Other shares held by overseas legal person	0	0.00%	137,548,089	0	0	0	137,548,089	137,548,089	2.80%
Other shares held by overseas natural person	0	0.00%	0	0	0	0	0	0	0
II. Unrestricted sales of shares	4,490,313,073	98.55%	0	0	0	13,204,386	13,204,386	4,503,517,459	91.79%
1. RMB-denominated ordinary shares	4,490,313,073	98.55%	0	0	0	13,204,386	13,204,386	4,503,517,459	91.79%
III. Total number of shares	4,556,440,455	100.00%	349,772,647	0	0	0	349,772,647	4,906,213,102	100.00%

Note: Any discrepancies between totals and sums of the proportions are due to rounding.

Reasons of share changes

Applicable Not applicable

During the reporting period, because of the Company's non-public offering of 349,772,647 RMB-denominated ordinary A shares, the Company's total share capital changed from 4,556,440,455 shares to 4,906,213,102 shares.

Approval of share changes

Applicable Not applicable

According to the China Securities Regulatory Commission's Reply and Approval for Non-public Issuance of Stocks of S.F. Holding Co., Ltd. (Zheng Jian Xu Ke [2021] No. 2721), during the reporting period, the Company carried out non-public issuance of 349,772,647 RMB-denominated ordinary A shares to Yuanhai Investment Co., Ltd. and other subscribers. On November 19, 2021, the new shares were listed on Shenzhen Stock Exchange.

Transfer of share ownership

Applicable Not applicable

Effects of share changes on the basic EPS, diluted EPS, net assets per share attributable to ordinary shareholders of the Company, and other financial indicators for the last year and the last reporting period

Applicable Not applicable

During the reporting period, the share capital of the Company increased by 349,772,647 shares, which had a dilution effect on the basic EPS, and diluted EPS and net assets per share attributable to ordinary shareholders of the Company.

Other information that the Company considers necessary, or are required by the securities regulatory authorities, to disclose

Applicable Not applicable

2. Changes in restricted shares

√ Applicable □ Not applicable

Unit: number of shares

Name of shareholder	Restricted shares at the beginning of the period	Number of restricted shares increased in the period	Number of restricted shares removed in the period	Restricted shares at the end of the period	Reason for restriction	Date of unlocking restricted shares
Liu Jilu	65,617,221	0	13,204,386	52,412,835	lock-up shares for senior management	13,204,386 lock-up shares of senior management were unlocked at the beginning of 2021
UBS AG	0	53,008,044	0	53,008,044	lock-up shares for non-public offering	May 19, 2022
Shanghai Chongyang Strategic Investment Co., Ltd.- Chongyang Strategy Caizhi Fund	0	39,349,422	0	39,349,422	lock-up shares for non-public offering	May 19, 2022
Shenwan Hongyuan Securities Co., Ltd.	0	28,016,789	0	28,016,789	lock-up shares for non-public offering	May 19, 2022
Shanghai Chongyang Strategic Investment Co., Ltd.-Chongyang Strategy Yingzhi Fund	0	19,412,381	0	19,412,381	lock-up shares for non-public offering	May 19, 2022
Guotai Junan Securities Co., Ltd.	0	17,890,870	0	17,890,870	lock-up shares for non-public offering	May 19, 2022
Yuanhai Investment Co., Ltd.	0	17,488,632	0	17,488,632	lock-up shares for non-public offering	May 19, 2022
BARCLAYS BANK PLC	0	17,138,859	0	17,138,859	lock-up shares for non-public offering	May 19, 2022
GIC PRIVATE LIMITED	0	16,334,382	0	16,334,382	lock-up shares for non-public offering	May 19, 2022
Shenzhen Yuanzhi Ruixin Equity Investment Management Co., Ltd. – Shenzhen Yuanzhi Ruixin Mixed Reform Equity Investment Fund Partnership (Limited Partnership)	0	10,318,293	0	10,318,293	lock-up shares for non-public offering	May 19, 2022
Others	510,161	130,814,975	0	131,325,136	-	-
Total	66,127,382	349,772,647	13,204,386	402,695,643	-	-

II. Issuance and Listing of Securities

1. Issuance of securities (excluding preferred shares) during the reporting period

Applicable Not applicable

Name of the stock and its derivative securities	Date of issue	Offering price (or interest rate)	Number of shares issued	Date of listing	Number of shares approved for listing and trading	Date of trading termination	Disclosure index	Date of disclosure
Stocks								
Non-public issuance of new shares	October 22, 2021	RMB57.18/share	349,772,647	November 19, 2021	349,772,647	—	For details, please refer to the Report on Non-public Issuance of A shares in 2021 and Listing Announcement and summary released by the Company on the Cninfo website (www.cninfo.com.cn).	November 17, 2021

Explanation on issuance of securities (excluding preferred shares) during the reporting period

According to the China Securities Regulatory Commission's Reply and Approval for Non-public Issuance of Stocks of S.F. Holding Co., Ltd. (Zheng Jian Xu Ke [2021] No. 2721), during the reporting period, the Company carried out non-public issuance of 349,772,647 RMB-denominated ordinary A shares to Yuanhai Investment Co., Ltd. and other subscribers at an offering price of RMB57.18 per share. The total amount of funds raised was RMB19,999,999,955.46. On November 19, 2021, the newly issued shares were listed on the Shenzhen Stock Exchange.

2. Explanation on changes in the total shares, structure of shareholders, and structure of assets and liabilities

Applicable Not applicable

According to the China Securities Regulatory Commission's Reply and Approval for Non-public Issuance of Stocks of S.F. Holding Co., Ltd. (Zheng Jian Xu Ke [2021] No. 2721), during the reporting period, the Company carried out non-public issuance of 349,772,647 RMB-denominated ordinary A shares to Yuanhai Investment Co., Ltd. and other subscribers. On November 19, 2021, the new shares were listed on the Shenzhen Stock Exchange.

3. Existing shares held by internal employees of the Company

Applicable Not applicable

III. Details about Shareholders and Actual Controllers

1. Total number of shareholders and their holdings

Unit: number of shares

Total number of common shareholders at the end of reporting period	182,127	Total number of common shareholders at the end of the final month before the disclosure date of the annual report	201,425	Total number of preferred shareholders with voting rights restored (if any)	-	Total number of preferred stockholders with voting rights restored at the end of the final month before the disclosure date of the annual report (if any)	-
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Shareholders holding more than 5% of shares or shares of the top 10 shareholders

Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held at the end of the reporting period	Increase or decrease of shares during the reporting period	Number of restricted shares held	Number of nonrestricted shares held	Pledged, marked or frozen shares	
							Status of shares	Amount
Shenzhen Mingde Holding Development Co., Ltd.	Domestic non-state-owned legal person	51.00%	2,501,927,139	-200,000,000	0	2,501,927,139	Pledged	591,500,000
Hong Kong Securities Clearing Company Ltd	Overseas legal person	4.73%	231,879,971	89,743,952	0	231,879,971	-	-
Mingde Holding – Huatai United Securities – 21 Mingde EB Guarantee and Trust Property Special Account	Domestic non-state-owned legal person	4.08%	200,000,000	200,000,000	0	200,000,000	Pledged	200,000,000
Shenzhen Zhaoguang Investment Co., Ltd.	State-owned legal person	3.95%	193,576,461	-73,061,085	0	193,576,461	Pledged	43,750,515
Ningbo Shunda Fengrun Investment Management Partnership (Limited Partnership)	Domestic non-state-owned legal person	2.27%	111,499,207	-26,729,297	0	111,499,207	Pledged	46,318,802
Liu Jilu	Domestic natural person	1.14%	55,883,780	-14,000,000	52,412,835	3,470,945	Pledged	4,139,999
UBS AG	Overseas legal person	1.10%	53,863,932	53,588,313	53,008,044	855,888	-	-
Norges Bank-Own Funds	Overseas legal person	0.82%	40,147,922	18,691,774	10,143,406	30,004,516	-	-
Shanghai Chongyang Strategic Investment Co., Ltd.- Chongyang Strategy Caizhi Fund	Other	0.80%	39,349,422	39,349,422	39,349,422	0	-	-
Suzhou Industrial Park Oriza Shunfeng Equity Investment Company (Limited Partnership)	Domestic non-state-owned legal person	0.77%	37,587,645	-28,189,350	0	37,587,645	-	-
Strategic investor or general legal person becomes the top 10 shareholder due to the placement of new shares (if any)		N/A						
Explanation of associated relationship or persons acting in concert between the above-mentioned shareholders			Shenzhen Mingde Holding Development Co., Ltd. holds a total of 2,701,927,139 shares in the Company, accounting for 55.07% of the Company's total share capital, of which 2,501,927,139 shares are directly held and 200,000,000 shares are held through the "Mingde Holding – Huatai United Securities – 21 Mingde EB Guarantee and Trust Property Special Account", a special account for guarantee and trust opened for the issuance of exchangeable bonds (EB). The Company is not certain as to whether there is an associated relationship between the other above-mentioned shareholders and whether they are acting in concert.					
Explanation of the above-mentioned shareholders' involvement in entrustment/entrusted voting rights and abstaining from voting rights		N/A						
Special explanation of the top 10 shareholders having special repurchase accounts (if any)		N/A						

Top 10 shareholders holding unrestricted shares

Name of shareholder	Number of unrestricted shares held at the end of the reporting period	Type of shares	
		Type of shares	Quantity
Shenzhen Mingde Holding Development Co., Ltd.	2,501,927,139	RMB-denominated ordinary shares	2,501,927,139
Hong Kong Securities Clearing Company Ltd.	231,879,971	RMB-denominated ordinary shares	231,879,971
Mingde Holding – Huatai United Securities – 21 Mingde EB Guarantee and Trust Property Special Account	200,000,000	RMB-denominated ordinary shares	200,000,000
Shenzhen Zhaoguang Investment Co., Ltd.	193,576,461	RMB-denominated ordinary shares	193,576,461
Ningbo Shunda Fengrun Investment Management Partnership (Limited Partnership)	111,499,207	RMB-denominated ordinary shares	111,499,207
Suzhou Industrial Park Oriza Shunfeng Equity Investment Company (Limited Partnership)	37,587,645	RMB-denominated ordinary shares	37,587,645
Norges Bank-Own Funds	30,004,516	RMB-denominated ordinary shares	30,004,516
China Resources SZITIC Trust Co., Ltd. – CR Trust Springs Balance Phase 5 Assembled Fund Trust Plan	22,301,475	RMB-denominated ordinary shares	22,301,475
CDPQ	17,623,260	RMB-denominated ordinary shares	17,623,260
Canada Pension Plan Investment Board – Own Funds	16,400,325	RMB-denominated ordinary shares	16,400,325
Explanation of associated relationship or persons acting in concert between the top 10 unrestricted tradable shareholders, and between the top 10 unrestricted tradable shareholders and the top 10 shareholders	Shenzhen Mingde Holding Development Co., Ltd. holds a total of 2,701,927,139 shares in the Company, accounting for 55.07% of the Company's total share capital, of which 2,501,927,139 shares are directly held and 200,000,000 shares are held through the "Mingde Holding – Huatai United Securities – 21 Mingde EB Guarantee and Trust Property Special Account", a special account for guarantee and trust opened for the issuance of exchangeable bonds (EB). The Company is not certain as to whether there is an associated relationship between the other above-mentioned shareholders and whether they are acting in concert.		
Explanation of the top 10 common shareholders' participation in margin financing and securities lending business (if any)	N/A		

Did any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company conduct any transaction of promissory repurchase during the reporting period?

Yes No

None of the top 10 common shareholder or the top 10 non-restricted common shareholder of the Company conduct any transaction of promissory repurchase during the reporting period.

2. Details about the controlling shareholder of the Company

Nature of controlling shareholders: natural person holding

Type of controlling shareholders: legal person

Name of controlling shareholder	Legal representative/ company principal	Date of establishment	Organization code	Business scope
Shenzhen Mingde Holding Development Co., Ltd.	Wang Wei	November 5, 1997	91440300279396064N	International freight forwarders; economic and technical consulting, technical information consulting; commercial activities in the form of franchise; import and export operations (except for projects prohibited by laws, administrative regulations and State Council decisions; restricted projects must obtain permissions for operations); investment in industrial enterprises (specific projects will be separately declared).
Equity interests in holdings and participating companies listed at home and abroad of the controlling shareholder in the reporting period	N/A			

Change of controlling shareholder in the reporting period

Applicable Not applicable

There was no change of controlling shareholder of the Company in the reporting period.

3. Details about the Company's actual controllers and persons acting in concert

Nature of the actual controller: domestic natural person

Type of the actual controller: natural person

Name of actual controller	Relationship with the actual controller	Nationality	Obtained the Right of Sanctuary in Other Countries or Regions?
Wang Wei	Himself	China	No
Major occupations and jobs	Mr. Wang Wei, born in 1970, is the founder and actual controller of S.F. Currently, he is the chairman and general manager of the Company.		
Domestic and foreign-listed companies with shares held by the ultimate controller in the past 10 years	N/A		

Change of actual controller during the reporting period

Applicable Not applicable

The actual controller of the Company did not change during the reporting period.

The ownership and controlling relationship between the actual controller of the Company and the Company is detailed as follows:



The actual controller controlled the Company by trust or other asset management methods

Applicable Not applicable

4. Number of shares pledged in aggregate by the Company's controlling shareholder or biggest shareholder and its persons acting in concert reaching 80% of the shares that they hold

Applicable Not applicable

5. Other institutional shareholders owning mover than 10% of shares

Applicable Not applicable

6. Details of restrictions on reducing shareholdings of controlling shareholders, actual controllers, restructuring parties and other commitment subjects

Applicable Not applicable

IV. Details of Implementation of Share Repurchase During the Reporting Period

Implementation progress of share repurchase

Applicable Not applicable

Implementation of share repurchase reduction through aggregate auction

Applicable Not applicable

Applicable Not applicable

There was no preferred share in the Company in the reporting period.

Applicable Not applicable

During the reporting period, the Company did not have any bond-related business.

[English Translation for Reference Only]

Audit Opinion Type	Unqualified Opinion
Audit Report Signing Date	March 30, 2022
Audit Institution Name	PricewaterhouseCoopers Zhong Tian LLP
Audit Report Reference Number	PWC Zhongtian SZ(2022) No. 10050
Registered Accountants' Names	Chen Anqiang, Liu Jingping

Auditor's Report

PwC ZT Shen Zi (2022) No. 10050

To the shareholders of S.F. Holding Co., Ltd.

Opinion

What we have audited

We have audited the accompanying financial statements of S.F. Holding Co., Ltd. ("S.F. Holding"), which comprise:

- the consolidated and company balance sheets as at 31 December 2021;
- the consolidated and company income statements for the year then ended;
- the consolidated and company cash flow statements for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended; and
- notes to the financial statements.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of S.F. Holding as at 31 December 2021, and their financial performance and cash flows for the year then ended in accordance with the requirements of the Accounting Standards for Business Enterprises ("CASs").

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of S.F. Holding in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Evaluation of fair value of the identifiable net assets relating to the acquisition and recognition of goodwill
- Goodwill impairment assessment relating to SF Supply Chain Business
- Recognition of revenue from logistics and freight forwarding services

Key audit matters	How our audit addressed the key audit matter
<p>(1) Evaluation of fair value of the identifiable net assets relating to the acquisition and recognition of goodwill (Note 2(29)(a)(vi), Note 4(21) and Note 5(1)(b))</p> <p>On 28 September 2021 (“acquisition date”), S.F. Holding completed the acquisition of about 51.5% equity of Kerry Logistics Network Limited (“Kerry Logistics”) at a consideration of approximately RMB14,551 million, thus obtained the control right and included Kerry Logistics and its subsidiaries in the scope of consolidation. As at the acquisition date, S.F. Holding recognised Kerry Logistics’ identifiable net assets at fair value, and the fair value of the identifiable net assets exceeded Kerry Logistics’ carrying amount by approximately RMB7,222 million, mainly including the recognition of intangible assets (trademark use rights and customer relationships), appreciation of fixed assets (buildings, etc.), land use rights, and long-term equity investments, and recognition of corresponding deferred tax liabilities. The excess of the consideration over the fair value of the identifiable net assets amounting to approximately RMB4,131 million was recognised as goodwill.</p> <p>Management engaged an independent valuer to assist in the identification and valuation of the fair value of intangible assets and other long-term assets at the acquisition date. The valuation of the fair value of the identifiable net assets at the acquisition date included the identification of intangible assets, selection of valuation methods and future cash flows forecast, and involved significant estimates and judgements on key assumptions, including revenue growth rate, EBIT rate, contribution rates of contributing assets, customer churn rate, trademark royalty rate, the remaining useful life of the identified intangible assets and discount rate, etc.</p> <p>Due to the significant amounts of the fair value evaluated of the identifiable net assets at the acquisition date and recognition of goodwill, and significant estimates and judgements from management were involved in the evaluation of fair value of the identifiable net assets, we considered the evaluation of fair value of the identifiable net assets and the recognition of goodwill relating to the acquisition as a key audit matter.</p>	<p>In response to the key audit matter, we performed procedures as follows:</p> <ul style="list-style-type: none"> • Discussed with management and understood the purpose of the transaction and the pricing basis; • Obtained the acquisition agreements of Kerry Logistics, valuation report, the Articles of Association, composition of the Board of Directors and other supporting documents, and examined the transaction details; • Understood, evaluated and tested the internal controls relating to the business combinations implemented by management; • Assessed the professional competency and objectivity of the independent valuer; • Performed the following procedures with the involvement of our internal valuation experts: <ol style="list-style-type: none"> (1) We evaluated the appropriateness of the valuation methods adopted by management and the independent valuer in the process of valuation; (2) We checked the calculation of goodwill and the fair value of the identifiable assets and liabilities for accuracy; (3) We reviewed the integrity of the identifiable assets and liabilities by reference to the acquisition agreement, related announcements, and the financial information of Kerry Logistics, etc.; (4) We obtained an understanding of future business development plan developed by management to evaluate the commercial reasonableness of goodwill recognition; (5) Through the interview with management and by reference to historical performance and operating data of Kerry Logistics, analysis on the comparable industries information, risk factors of comparable companies, etc., we evaluated the appropriateness of key assumptions (revenue growth rate, EBIT rate, assets contribution rate, customer churn rate, the remaining useful life of the identified intangible assets and discount rate, etc.) applied by management in evaluating the fair value of various long-term assets and the reasonableness of management’s forecast of Kerry Logistics’ future cash flows, and considered the potential impact on the valuation in case of reasonable changes in the key assumptions <p>Based on the above audit procedures performed, the valuation methods and key assumptions adopted by management in evaluation of fair value of the identifiable net assets and recognition of goodwill relating to the acquisition were properly supported by the audit evidences we obtained.</p>

Key audit matters	How our audit addressed the key audit matter
<p>(2) Goodwill impairment assessment relating to SF Supply Chain Business (Note 2(19), Note 2(29)(a)(iii) and Note 4(21))</p> <p>As at 31 December 2021, the balance of the goodwill in relation to SF Supply Chain Business was approximately RMB2,769 million.</p> <p>Management engaged an independent valuer to conduct impairment assessment of above goodwill at the end of the year. The recoverable amount of SF Supply Chain Business's relevant asset group was determined by the present value of the future cash flows expected to be derived from the asset, and no impairment loss should be recognised. During the goodwill impairment assessment, the forecast of future cash flows involved significant estimates and judgements on key assumptions including revenue growth rate, profit margin and pre-tax discount rate, etc.</p> <p>Since the goodwill impairment assessment involved significant estimates and judgements from management, we considered the impairment assessment of above-mentioned goodwill as a key audit matter.</p>	<p>In response to the key audit matter, we performed procedures as follows:</p> <p>With respect to the impairment assessment of goodwill relating to SF Supply Chain Business performed by management at the end of the year, we performed the procedures as follows:</p> <ul style="list-style-type: none"> • We understood, evaluated and tested the internal controls relating to the goodwill impairment assessment implemented by management; • We assessed the professional competency and objectivity of the independent valuer; • We obtained the valuation report issued by an independent valuer engaged by management, and performed the following procedures with the involvement of our internal valuation experts: <ol style="list-style-type: none"> (1) We reviewed whether the division of asset groups to which the goodwill belonged to were reasonable; (2) We evaluated the appropriateness of the valuation methods adopted by management and the independent valuer with reference to industry practices; (3) We compared the actual operation performance of asset groups in 2021 with relative estimates in 2020, and assessed the reasonability of cash flows forecast prepared by management. (4) We evaluated the appropriateness of key assumptions (including revenue growth rate, profit margin and pre-tax discount rate, etc.) applied by management in the cash flows forecast, by reference to historical operating performance and future operation plan, analysis on the information obtained from open market of comparable industries and companies, etc.; (5) We checked the calculation of cash flows forecast for accuracy; (6) We considered the potential impacts in case of reasonable changes in key assumptions adopted by management in impairment assessment. <p>Based on the above audit procedures performed, the evaluation methods and key assumptions adopted by management in the goodwill impairment assessment were properly supported by the audit evidences we obtained.</p>

Key audit matters	How our audit addressed the key audit matter
<p>(3) Recognition of revenue from logistics and freight forwarding services (Note 2(25)(a), Note 4(47)(a))</p> <p>Revenue from logistics and freight forwarding services represents the revenue from main operations of S.F. Holding. For the year ended 31 December 2021, the revenue from logistics and freight forwarding services of S.F. Holding was approximately RMB203,690 million, accounting for about 98.48% of revenue from main operations.</p> <p>Due to the significant amount of transactions from logistics and freight forwarding services, S.F. Holding used information systems to track the rendering of logistics services on a constant and real-time basis to determine relevant revenue recognition. Therefore, revenue recognition largely relied on the effectiveness of design and operation of the internal controls relating to information systems.</p> <p>Due to the significant amount of revenue from logistics and freight forwarding services, the large number of transactions and the involvement of complex information systems, we needed to apply more audit effort to address them. Therefore, we considered the recognition of revenue from logistics and freight forwarding services as a key audit matter.</p>	<p>In response to the key audit matter, we performed procedures as follows:</p> <ul style="list-style-type: none"> • We understood the mode and process of all logistics service businesses of S.F. Holding, obtained contract terms relating to revenue, and assessed the accounting policy of revenue recognition adopted by S.F. Holding in accordance with the Accounting Standards for Business Enterprises; • We understood, evaluated and tested internal controls of S.F. Holding relating to revenue recognition from logistics and freight forwarding services, including general controls and application controls on the information systems relating to revenue from logistics and freight forwarding services. With the involvement of our internal information system audit specialists, we executed the understanding, evaluation and testing of general controls and application controls on the information systems relating to revenue from logistics and freight forwarding services; • With the involvement of our internal information system audit specialists, we checked the logistic waybills with receipt conformation records or routing information records, and further with collection records or reconciliation records; Or on sample basis, we checked the supporting documents related to revenue recognition, including service contracts, the receipts confirmed by customer, invoices and collection records, etc.; • With respect to the revenue which had not been settled, on sample basis, we requested confirmations of the year-end balance of accounts receivable, and inspected relevant supporting documents, including service contracts, the receipts confirmed by customer, invoices and subsequent collection records; • With respect to the revenue from logistics and freight forwarding services recognised before and after the balance sheet date, on sample basis, we checked the relative supporting documents, so as to evaluate whether the revenue was recognised in the appropriate period. <p>Based on the above audit procedures performed, the recognition of revenue from logistics and freight forwarding services was properly supported by the audit evidences we obtained.</p>

Other information

Management of S.F. Holding is responsible for the other information. The other information comprises all of the information included in 2021 annual report of S.F. Holding other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of S.F. Holding is responsible for the preparation and fair presentation of these financial statements in accordance with the CSAs, and for such internal control as management designs, executes and maintains is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing S.F. Holding's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate S.F. Holding or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing S.F. Holding's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on S.F. Holding's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by the audit standards to draw attention to the users of these financial statements in our auditor's report to the related disclosures in these financial statements or, if such disclosures are insufficient, we should issue a qualified opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause S.F. Holding to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within S.F. Holding to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and execution of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in internal control required attention that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China

30 March 2022

Signing CPA _____
Chen Anqiang (Engagement Partner)

Signing CPA _____
Liu Jingping

S.F. HOLDING CO., LTD.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

ASSETS	Note	31 December 2021	31 December 2020
		Consolidated	Consolidated
Current assets			
Cash at bank and on hand	4(1)	35,315,051	16,417,892
Financial assets held for trading	4(2)	10,384,493	6,276,923
Notes receivable	4(3)	317,255	166,477
Accounts receivable	4(4)	30,441,758	16,849,064
Advances to suppliers	4(5)	2,936,246	3,176,519
Factoring receivables		—	310
Loans and advances	4(6)	2,633	60,918
Other receivables	4(7)	4,238,518	2,493,564
Inventories	4(8)	1,546,821	986,951
Contract assets	4(9)	1,038,247	399,035
Current portion of non-current assets	4(11)	351,489	156,241
Other current assets	4(10)	7,539,613	4,693,077
Total current assets		94,112,124	51,676,971
Non-current assets			
Long-term receivables	4(11)	876,363	607,104
Long-term equity investments	4(12)	7,260,087	3,647,231
Investments in other equity instruments	4(13)	6,810,771	5,027,489
Other non-current financial assets	4(14)	878,023	831,526
Investment properties	4(15)	4,850,233	2,219,405
Fixed assets	4(16)	36,925,990	22,356,652
Construction in progress	4(17)	8,571,203	5,379,854
Right-of-use assets	4(18)	17,297,085	—
Intangible assets	4(19)	18,324,188	10,633,114
Capitalised development expenditures	4(20)	343,236	540,903
Goodwill	4(21)	7,371,830	3,377,141
Long-term prepaid expenses	4(22)	2,911,094	1,860,737
Deferred tax assets	4(40)	1,566,714	1,539,268
Other non-current assets	4(23)	1,801,041	1,462,647
Total non-current assets		115,787,858	59,483,071
TOTAL ASSETS		209,899,982	111,160,042

S.F. HOLDING CO., LTD.

CONSOLIDATED BALANCE SHEET (CONT'D) AS AT 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

LIABILITIES AND EQUITY	Note	31 December 2021	31 December 2020
		Consolidated	Consolidated
Current liabilities			
Short-term borrowings	4(25)	18,397,204	7,996,570
Deposits from customers		13,723	3,655
Financial liabilities held for trading		7,658	22,155
Accounts payable	4(26)	23,467,675	15,484,940
Advances from customers	4(27)	27,385	27,576
Contract liabilities	4(28)	1,675,836	1,539,264
Employee benefits payable	4(29)	5,575,463	4,310,829
Taxes payable	4(30)	2,873,551	1,855,264
Other payables	4(31)	11,520,282	7,530,794
Current portion of non-current liabilities	4(32)	8,335,803	2,945,351
Other current liabilities	4(33)	4,127,049	92,356
Total current liabilities		76,021,629	41,808,754
Non-current liabilities			
Long-term borrowings	4(34)	3,510,829	1,865,820
Debentures payable	4(35)	15,656,370	8,425,430
Lease liabilities	4(36)	10,941,938	—
Long-term payables	4(37)	361,983	10,202
Long-term employee benefits payable	4(38)	351,754	145,540
Deferred income	4(39)	690,242	414,736
Deferred tax liabilities	4(40)	4,402,160	1,687,606
Provisions		47,830	42,255
Total non-current liabilities		35,963,106	12,591,589
Total liabilities		111,984,735	54,400,343
Equity			
Share capital	4(41)	4,906,213	4,556,440
Capital reserve	4(42)	46,200,598	24,405,217
Less: Treasury stock	4(43)	(394,993)	(394,993)
Other comprehensive income	4(63)	2,617,231	1,143,969
General risk reserve		420,638	279,142
Surplus reserve	4(45)	947,775	745,043
Retained earnings	4(46)	28,245,764	25,708,230
Total equity attributable to shareholders of the Company		82,943,226	56,443,048
Minority interests		14,972,021	316,651
Total equity		97,915,247	56,759,699
TOTAL LIABILITIES AND EQUITY		209,899,982	111,160,042

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

ASSETS	Note	31 December 2021	31 December 2020
		Company	Company
Current assets			
Cash at bank and on hand	17(1)	226,112	58,098
Financial assets held for trading	17(2)	9,200,219	200,377
Advances to suppliers		1,248	991
Other receivables	17(3)	18,275,492	6,960,859
Other current assets		5,827	71
Total current assets		27,708,898	7,220,396
Non-current assets			
Long-term receivables	17(4)	–	82,497
Long-term equity investments	17(5)	50,997,088	50,997,094
Fixed assets		9	–
Construction in progress		24,392	–
Right-of-use assets		2,064	–
Intangible assets		382,331	396,122
Long-term prepaid expenses		779	28
Other non-current assets		111	–
Total non-current assets		51,406,774	51,475,741
TOTAL ASSETS		79,115,672	58,696,137

S.F. HOLDING CO., LTD.

COMPANY BALANCE SHEET (CONT'D) AS AT 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

LIABILITIES AND EQUITY	Note	31 December 2021	31 December 2020
		Company	Company
Current liabilities			
Employee benefits payable		227	227
Other payables		6,884	15,928
Taxes payable		704	21,398
Current portion of non-current liabilities		519	–
Total current liabilities		8,334	37,553
Non-current liabilities			
Deferred tax liabilities		7,290	94
Lease liabilities		1,673	—
Total non-current liabilities		8,963	94
Total liabilities		17,297	37,647
Equity			
Share capital		4,906,213	4,556,440
Capital reserve		71,907,104	52,344,321
Less: Treasury stock		(394,993)	(394,993)
Surplus reserve		794,730	591,998
Retained earnings		1,885,321	1,560,724
Total equity		79,098,375	58,658,490
TOTAL LIABILITIES AND EQUITY		79,115,672	58,696,137

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

CONSOLIDATED AND COMPANY INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2021	2020	2021	2020
		Consolidated	Consolidated	Company	Company
1. Revenue	4(47)	207,186,647	153,986,870	-	-
Less: Cost of revenue	4(47)	(181,548,507)	(128,810,033)	-	-
Taxes and surcharges	4(48)	(478,726)	(378,972)	(5,373)	(1,901)
Selling and distribution expenses	4(49)	(2,837,899)	(2,252,381)	-	-
General and administrative expenses	4(50)	(15,029,663)	(11,599,761)	(23,939)	(16,688)
Research and development expenses	4(51)	(2,154,839)	(1,741,558)	(21)	(17)
Financial (costs)/income	4(52)	(1,563,359)	(852,547)	8,731	(89,526)
Including: Interest expenses		(1,562,008)	(1,016,748)	(98)	(108,233)
Interest income		187,794	185,708	8,852	18,727
Add: Other income	4(54)	1,768,139	1,318,934	8	46
Investment income	4(55) 17(6)	2,406,535	850,811	2,022,132	1,565,868
Including: Investment gains/(losses) from associates and joint ventures		42,660	(21,819)	-	-
Gains/(Losses) arising from changes in fair value	4(56)	98,949	134,118	29,843	(6,515)
Credit impairment losses	4(57)	(578,951)	(472,755)	(1)	-
Asset impairment losses	4(58)	(60,390)	(35,058)	-	-
Gains/(Losses) on disposal of assets	4(59)	40,461	(12,164)	-	-
2. Operating profit		7,248,397	10,135,504	2,031,380	1,451,267
Add: Non-operating income	4(60)(a)	289,542	229,226	-	4,725
Less: Non-operating expenses	4(60)(b)	(404,258)	(326,073)	-	-
3. Total profit		7,133,681	10,038,657	2,031,380	1,455,992
Less: Income tax expenses	4(61)	(3,214,468)	(3,106,623)	(4,059)	(17,971)
4. Net profit		3,919,213	6,932,034	2,027,321	1,438,021
Classified by continuity of operations:					
Net profit from continuing operations		3,919,213	6,932,034	2,027,321	1,438,021
Net profit from discontinued operations		-	-	-	-
Classified by ownership of the equity:					
Attributable to shareholders of the Company		4,269,098	7,326,079	2,027,321	1,438,021
Minority interests		(349,885)	(394,045)	-	-

S.F. HOLDING CO., LTD.

CONSOLIDATED AND COMPANY INCOME STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2021	2020	2021	2020
		Consolidated	Consolidated	Company	Company
5. Other comprehensive income, net of tax		1,742,921	141,847	-	-
Attributable to shareholders of the Company, net of tax		1,585,918	139,455	-	-
Other comprehensive income items which will not be reclassified subsequently to profit or loss		1,873,868	490,425	-	-
Changes in fair value of investments in other equity instruments	4(63)	1,873,959	489,552	-	-
Other comprehensive income items which will not be transferred to profit or loss under the equity method	4(63)	(91)	873	-	-
Other comprehensive income items which will be reclassified subsequently to profit or loss		(287,950)	(350,970)	-	-
Cash flow hedging reserve	4(63)	(4,536)	(22,858)	-	-
Exchange differences on translation of foreign currency financial statements	4(63)	(283,414)	(328,112)	-	-
Attributable to minority interests, net of tax	4(63)	157,003	2,392	-	-
6. Total comprehensive income		5,662,134	7,073,881	2,027,321	1,438,021
Attributable to shareholders of the Company		5,855,016	7,465,534	2,027,321	1,438,021
Attributable to minority interests		(192,882)	(391,653)	-	-
7. Earnings per share					
Basic earnings per share (RMB Yuan)	4(62)	0.93	1.64	Not applicable	Not applicable
Diluted earnings per share (RMB Yuan)	4(62)	0.93	1.64	Not applicable	Not applicable

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2021	2020	2021	2020
		Consolidated	Consolidated	Company	Company
1. Cash flows from/(used in) operating activities					
Cash received from sales of goods and rendering of services		212,073,004	155,436,621	-	-
Net increase in deposits from customers and other banks		10,068	-	-	-
Net decrease in placements with and loans to banks		-	200,000	-	-
Net decrease in loans to customers		84,635	-	-	-
Net decrease in balances with central bank and other banks		461,038	-	-	-
Refund of taxes and levies		161,859	116,716	-	-
Cash received relating to other operating activities	4(64)(a)	90,470,800	83,555,578	9,791	27,888
Sub-total of operating cash inflows		303,261,404	239,308,915	9,791	27,888
Cash paid for goods and services		(156,611,845)	(103,380,571)	-	-
Net decrease in deposits from customers and other banks		-	(349)	-	-
Net increase in loans to customers		-	(58,914)	-	-
Net increase in balances with central bank and other banks		-	(216,326)	-	-
Cash paid to and on behalf of employees		(28,341,837)	(23,940,817)	(3,882)	(3,762)
Payments of taxes and levies		(5,461,724)	(5,193,063)	(21,619)	(4,320)
Cash paid relating to other operating activities	4(64)(b)	(97,488,393)	(95,194,956)	(14,796)	(12,183)
Sub-total of operating cash outflows		(287,903,799)	(227,984,996)	(40,297)	(20,265)
Net cash flows from/(used in) operating activities	4(65)(a)	15,357,605	11,323,919	(30,506)	7,623
2. Cash flows (used in)/from investing activities					
Cash received from disposal of investments		1,238,705	644,549	-	-
Cash received from returns on investments		490,403	506,633	1,523,460	1,189,144
Cash received from disposal of fixed assets and other long-term assets		147,398	64,921	-	-
Net cash received from disposal of subsidiaries	4(64)(c)	2,337,552	65,129	-	-
Net cash received from acquisition of subsidiaries	4(64)(c)	-	799,000	-	-
Cash received relating to other investing activities	4(64)(e)	125,485,123	112,187,104	8,272,497	23,613,763
Sub-total of investing cash inflows		129,699,181	114,267,336	9,795,957	24,802,907
Cash paid to acquire fixed assets and other long-term assets		(19,195,560)	(12,267,472)	(31,554)	(386,603)
Cash paid to acquire investments		(656,070)	(1,794,100)	-	(7,673,580)
Net cash paid to acquire subsidiaries	4(64)(d)	(9,043,578)	(92,043)	-	-
Cash paid relating to other investing activities	4(64)(f)	(117,935,200)	(114,998,027)	(27,974,434)	(16,403,069)
Sub-total of investing cash outflows		(146,830,408)	(129,151,642)	(28,005,988)	(24,463,252)
Net cash flows (used in)/from investing activities		(17,131,227)	(14,884,306)	(18,210,031)	339,655

S.F. HOLDING CO., LTD.

CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

Item	Note	2021	2020	2021	2020
		Consolidated	Consolidated	Company	Company
3. Cash flows from/(used in) financing activities					
Cash received from capital contributions		23,794,887	686,746	19,910,000	-
Among: Cash received from capital contributions by minority interests of subsidiaries		3,884,887	686,746	-	-
Cash received from borrowings and issue of debentures		44,468,053	19,954,816	-	-
Cash received relating to other financing activities		7,577	-	-	-
Sub-total of financing cash inflows		68,270,517	20,641,562	19,910,000	-
Cash repayments on borrowings and debentures		(27,248,269)	(17,307,160)	-	(6,030)
Cash payments for interest expenses and distribution of dividends or profits		(2,379,578)	(1,917,306)	(1,499,992)	(1,190,372)
Cash payments relating to other financing activities	4(64)(g)	(17,422,744)	(85,445)	(1,457)	(59,418)
Sub-total of financing cash outflows		(47,050,591)	(19,309,911)	(1,501,449)	(1,255,820)
Net cash flows from/(used in) financing activities		21,219,926	1,331,651	18,408,551	(1,255,820)
4. Effect of foreign exchange rate changes on cash and cash equivalents		(99,020)	(69,228)	-	-
5. Net increase/(decrease) in cash and cash equivalents	4(65)(b)	19,347,284	(2,297,964)	168,014	(908,542)
Add: Cash and cash equivalents at the beginning of the year	4(65)(b)	15,466,484	17,764,448	58,098	966,640
6. Cash and cash equivalents at the end of the year	4(65)(c)	34,813,768	15,466,484	226,112	58,098

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

	Note	Equity attributable to shareholders of the Company										Total equity
		Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	General risk reserve	Special reserve	Surplus reserve	Retained earnings	Minority interests	
Balance at 1 January 2020		4,414,585	768,938	16,124,019	(454,761)	1,002,716	225,783	-	601,241	19,769,412	73,897	42,525,830
Movements for the year ended 31 December 2020												
Total comprehensive income												
Net profit		-	-	-	-	-	-	-	-	7,326,079	(394,045)	6,932,034
Other comprehensive income		-	-	-	-	139,455	-	-	-	-	2,392	141,847
Total comprehensive income for the year		-	-	-	-	139,455	-	-	-	7,326,079	(391,653)	7,073,881
Capital contribution and withdrawal by shareholders												
Capital contribution by shareholders		-	-	472,144	-	-	-	-	-	-	214,602	686,746
Transfer of convertible corporate debentures to share capital and capital reserve	4(41)(ii)	144,312	(768,938)	5,758,688	-	-	-	-	-	-	-	5,134,062
Transfer of convertible corporate debentures issued by subsidiaries to equity		-	-	1,980,870	-	-	-	-	-	-	237,344	2,218,214
Changes in share-based payment restricted shares	4(43)(ii)	(2,457)	-	(57,311)	59,768	-	-	-	-	-	-	-
Share-based payments included in equity	9(1)	-	-	217,626	-	-	-	-	-	-	25,062	242,688
Others		-	-	(146,473)	-	-	-	-	-	-	154,714	8,241
Profit distribution												
Appropriation to general risk reserve	4(46)	-	-	-	-	-	53,359	-	-	(53,359)	-	-
Appropriation to surplus reserve	4(45)	-	-	-	-	-	-	-	143,802	(143,802)	-	-
Distribution to shareholders	4(46)	-	-	-	-	-	-	-	-	(1,188,302)	-	(1,188,302)
Transfer within equity												
Transfer from other comprehensive income to retained earnings		-	-	-	-	1,798	-	-	-	(1,798)	-	-
Other movements in capital reserve		-	-	55,654	-	-	-	-	-	-	2,685	58,339
Safety reserve												
Appropriation	4(44)	-	-	-	-	-	-	26,655	-	-	-	26,655
Utilisation	4(44)	-	-	-	-	-	-	(26,655)	-	-	-	(26,655)
Balance at 31 December 2020		4,556,440	-	24,405,217	(394,993)	1,143,969	279,142	-	745,043	25,708,230	316,651	56,759,699

S.F. HOLDING CO., LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

	Note	Equity attributable to shareholders of the Company									Total equity
		Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	General risk reserve	Special reserve	Surplus reserve	Retained earnings	Minority interests	
Balance at 1 January 2021		4,556,440	24,405,217	(394,993)	1,143,969	279,142	-	745,043	25,708,230	316,651	56,759,699
Movements for the year ended 31 December 2021											
Total comprehensive income											
Net profit		-	-	-	-	-	-	-	4,269,098	(349,885)	3,919,213
Other comprehensive income		-	-	-	1,585,918	-	-	-	-	157,003	1,742,921
Total comprehensive income for the year		-	-	-	1,585,918	-	-	-	4,269,098	(192,882)	5,662,134
Capital contribution and withdrawal by shareholders											
Capital contribution by shareholders		349,773	21,592,292	-	-	-	-	-	-	1,849,237	23,791,302
Share-based payments included in equity	9(1)	-	287,553	-	-	-	-	-	-	61,755	349,308
Others		-	(75,317)	-	-	-	-	-	-	(142,626)	(217,943)
Increase arising from business combinations involving enterprises not under common control		-	-	-	-	-	-	-	-	13,126,493	13,126,493
Profit distribution											
Appropriation to general risk reserve	4(46)	-	-	-	-	141,496	-	-	(141,496)	-	-
Appropriation to surplus reserve	4(45)	-	-	-	-	-	-	202,732	(202,732)	-	-
Distribution to shareholders	4(46)	-	-	-	-	-	-	-	(1,499,992)	(46,607)	(1,546,599)
Transfer within equity											
Transfer from other comprehensive income to retained earnings		-	-	-	(112,656)	-	-	-	112,656	-	-
Other movements in capital reserve		-	(9,147)	-	-	-	-	-	-	-	(9,147)
Safety reserve											
Appropriation	4(44)	-	-	-	-	-	28,370	-	-	-	28,370
Utilisation	4(44)	-	-	-	-	-	(28,370)	-	-	-	(28,370)
Balance at 31 December 2021		4,906,213	46,200,598	(394,993)	2,617,231	420,638	-	947,775	28,245,764	14,972,021	97,915,247

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

	Note	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Surplus reserve	Retained earnings	Total equity
Balance at 1 January 2020		4,414,585	768,938	46,642,944	(454,761)	448,196	1,454,807	53,274,709
Movements for the year ended 31 December 2020								
Total comprehensive income								
Net profit		-	-	-	-	-	1,438,021	1,438,021
Capital contribution and withdrawal by shareholders								
Changes in share-based payment restricted shares	4(43)(ii)	(2,457)	-	(57,311)	59,768	-	-	-
Capital contribution by holders of convertible corporate debentures	4(41)(ii)	144,312	(768,938)	5,758,688	-	-	-	5,134,062
Profit distribution								
Appropriation to surplus reserve	4(45)	-	-	-	-	143,802	(143,802)	-
Distribution to shareholders	4(46)	-	-	-	-	-	(1,188,302)	(1,188,302)
Balance at 31 December 2020		4,556,440	-	52,344,321	(394,993)	591,998	1,560,724	58,658,490
Balance at 1 January 2021		4,556,440	-	52,344,321	(394,993)	591,998	1,560,724	58,658,490
Movements for the year ended 31 December 2021								
Total comprehensive income								
Net profit		-	-	-	-	-	2,027,321	2,027,321
Capital contribution and withdrawal by shareholders								
Capital contribution by shareholders	4(41)(i)	349,773	-	19,562,789	-	-	-	19,912,562
Changes in share-based payment restricted shares		-	-	(6)	-	-	-	(6)
Profit distribution								
Appropriation to surplus reserve	4(45)	-	-	-	-	202,732	(202,732)	-
Distribution to shareholders	4(46)	-	-	-	-	-	(1,499,992)	(1,499,992)
Balance at 31 December 2021		4,906,213	-	71,907,104	(394,993)	794,730	1,885,321	79,098,375

The accompanying notes form an integral part of these financial statements.

Legal representative: Wang Wei

Chief Financial Officer: Ho Chit

Accounting director: Hu Xiaofei

S.F. HOLDING CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in RMB'000 Yuan unless otherwise stated)

[English translation for reference only]

1. General information and historical development

S.F. Holding Co., Ltd. (formerly "Ma'anshan Dingtai Rare Earth and New Materials Co., Ltd.", hereinafter "S.F. Holding" or "the Company"), formerly known as Ma'anshan Dingtai Science & Technology Co., Ltd., was established by 11 natural persons including Liu Jilu and the Labour Union of Ma'anshan Dingtai Metallic Products Co., Ltd. by cash contribution on 13 May 2003. Initiated by the original shareholders of the Company, the Company was formally changed as Ma'anshan Dingtai Rare Earth and New Materials Co., Ltd. with a registered capital of RMB50 million as approved by the shareholders' meeting on 18 October 2007 and the inaugural meeting on 22 October 2007.

On 11 January 2010, the Company successfully issued 19,500,000 ordinary shares at par value of RMB1.00 per share at Shenzhen Stock Exchange under the Regulatory Permission [2010] No. 41 as approved by the China Securities Regulatory Commission. The outstanding shares were listed for trading at Shenzhen Stock Exchange on 5 February 2010. After the shares were issued, the total share capital of the Company was changed to 77,830,780 shares.

Pursuant to the *Proposal on the Profit Distribution Plan for 2014* approved by the 2014 annual shareholders' meeting held by the Company on 19 May 2015, the Company converted capital reserve into new shares on the basis of 5 shares for every 10 existing shares, with 77,830,780 shares in total at the end of 2014 as base. After the conversion, the total share capital of the Company was increased by 38,915,390 shares to 116,746,170 shares.

Pursuant to the *Proposal on the Profit Distribution Plan for 2015* approved by the 2015 annual shareholders' meeting held by the Company on 17 May 2016, the Company, with 116,746,170 shares in total at the end of 2015 as base, converted capital reserve into new shares on the basis of 10 shares for every 10 existing shares. After the conversion, the total share capital of the Company was increased by 116,746,170 shares to 233,492,340 shares.

Pursuant to the resolution of the 13th session of the 3rd Board of Directors of the Company dated 22 May 2016 and relevant resolutions approved on the first interim shareholders' meeting in 2016 held by the Company on 30 June 2016, including the *Resolution concerning the Company Qualifying for Criteria for Major Assets Restructuring of Listed Companies*, the *Resolution on Related-party Transaction Composed of Major Assets Swap and Issuing Shares to Purchase Assets and Raise Matching Fund* and the *Resolution on 'Major Assets Swap and Issuing Shares to Purchase Assets and Raise Matching Fund and Related-party Transaction Report (Draft) of Ma'anshan Dingtai Rare Earth and New Materials Co., Ltd.' and Summaries*, the Company conducted a series of major assets restructuring as follows:

(1) Major assets swap

In December 2016, the Company swapped all the assets and liabilities ("exchange-out assets") it held as at 31 December 2015 ("assessment base date") for the equivalent portion ("exchange-in assets") of 68.40%, 9.93%, 6.75%, 6.75%, 6.75%, 1.35% and 0.07% of the equities in Shenzhen S.F. Taisen Holding (Group) Co., Ltd. (formerly "S.F. Holding (Group) Co., Ltd.", "Taisen Holding") respectively held by Shenzhen Mingde Holdings Development Co., Ltd. ("Mingde Holdings"), Ningbo Shunda Fengrun Investment Management Partnership (Limited Partnership) ("Shunda Fengrun"), Jiaqiang Shunfeng (Shenzhen) Equity Investment Partnership (Limited Partnership) ("Jiaqiang Shunfeng"), Shenzhen Zhaoguang Investment Co., Ltd. ("Zhaoguang Investment"), Suzhou Industrial Park Oriza Shunfeng Equity Investment Company (Limited Partnership) ("Oriza Shunfeng"), Suzhou Guyu Qiuchuang Equity Investment Partnership (Limited Partnership) ("Guyu Qiuchuang") and Ningbo Shunxin Fenghe Investment Management Partnership (Limited Partnership) ("Shunxin Fenghe"). For this transaction, the exchange-out assets were priced at RMB796 million and the exchange-in assets were priced at RMB43.30 billion. Pursuant to the second interim shareholders' meeting in 2016 dated 28 December 2016 ("restructuring date"), the Company approved and reelected a new Board of Directors, which indicated the completion of major assets swap transaction and the successful listing of Taisen Holding on Shenzhen Stock Exchange through back door listing.

(2) Issuing shares to purchase assets

In December 2016, the Company issued 3,950,185,873 ordinary shares (A shares) at par value of RMB1.00 per share at an issuing price of RMB10.76 per share to Mingde Holdings, Shunda Fengrun, Jiaqiang Shunfeng, Zhaoguang Investment, Oriza Shunfeng, Guyu Qiuchuang and Shunxin Fenghe to cover the difference of the above swap (RMB42,504,000,000). The difference between the value of shares and the share capital amounting to RMB38,553,814,120 was recognised as capital reserve. The total share capital was changed to 4,183,678,213 shares. After the new shares were issued, Mingde Holdings, Shunda Fengrun, Jiaqiang Shunfeng, Zhaoguang Investment, Oriza Shunfeng and other shareholders held 64.58%, 9.38%, 6.37%, 6.37%, 6.37% and 6.92% respectively of the equities in the Company. The China Securities Regulatory Commission approved the above assets restructuring plan of the Company on 12 December 2016. The share change above was verified by PricewaterhouseCoopers Zhong Tian LLP with a capital verification report of PwC ZT Yan Zi (2016) No. 1757 issued on 28 December 2016. The Company registered the additional 3.95 billion shares at China Securities Depository and the Clearing Corporation Limited Shenzhen Branch on 18 January 2017.

(3) Raising matching fund

In July 2017, the Company issued 227,337,311 ordinary shares (A shares) at par value of RMB1.00 per share to specific investors through non-public offering at RMB35.19 per share. The total fund raised amounted to RMB7,999,999,974. Net of underwriter and sponsor's fees and other transaction costs, the net fund raised amounted to RMB7,822,179,636, including an increment of share capital of RMB227,337,311 and an increment of capital reserve by RMB7,604,681,213. The aforesaid fund was received on 31 July 2017 and verified by PricewaterhouseCoopers Zhong Tian LLP with a capital verification report of PwC ZT Yan Zi (2017) No. 745 issued.

The Company registered the additional shares at China Securities Depository and the Clearing Corporation Limited Shenzhen Branch on 15 August 2017. The total share capital was changed to 4,411,015,524 shares. Mingde Holdings, Shunda Fengrun, Jiaqiang Shunfeng, Zhaoguang Investment, Oriza Shunfeng and other shareholders held 61.25%, 8.89%, 6.04%, 6.04%, 6.04% and 11.74% of the equities in the Company respectively.

Afterwards, the Company conducted several restricted shares incentive plans, transfer of convertible corporate debentures to share capital and issuance of ordinary shares (A shares) to specific investors through non-public offering. According to the resolution of the 2nd interim shareholders' meeting in 2021 and as approved by the Regulatory Permission [2021] No. 2721 granted by the China Securities Regulatory Commission, the Company issued 349,772,647 ordinary shares (A shares) at par value of RMB1 per share to specific investors through non-public offering at RMB57.18 per share in October 2021. The total fund raised amounted to RMB19,999,999,955 ("2021 A-share non-public offering"). Net of underwriter and sponsor's fees and other transaction costs, the net fund raised amounted to RMB19,907,320,343. The aforesaid fund was received on 27 October 2021 and verified by PricewaterhouseCoopers Zhong Tian LLP with a capital verification report of PwC ZT Yan Zi (2021) No. 1032 issued. The deductible value-added tax input tax related to the above issuance expenses is RMB5,240,904. Therefore, the Company increased the share capital by RMB349,772,647 and the capital reserve by RMB19,562,788,600 from the 2021 A-share non-public offering. These additional shares through non-public offering were listed on Shenzhen Stock Exchange on 19 November 2021.

The total share capital of the Company as at 31 December 2021 was changed to 4,906,213,102 shares.

The approved business scope of the Company and its subsidiaries ("the Group") includes: Domestic and international express services (except for postal enterprises' franchise business); general freight services; large-scale goods transportation services; refrigerated

truck transportation services; third-party pharmaceutical modern logistics business services; urban distribution services; supply chain solution consulting services; domestic and international freight Agency business services; air cargo transportation services; warehousing services; property leasing services; industrial investment, etc.

First-tier and second-tier subsidiaries included in the consolidation scope of the financial statements are detailed in Note 6(1). The changes in the scope of consolidation for the current year are set out in Note 5.

Mingde Holdings is the parent company and ultimate controlling company of the Company, and Wang Wei is the ultimate controlling person of the Company.

These financial statements were authorised for issue by the Board of Directors of the Company on 30 March 2022.

2. Summary of significant accounting policies and accounting estimates

The Group determines the specific accounting policies and estimates based on its features of production and operation, primarily comprising the methods of provision for expected credit losses on receivables and contract assets (Note 2(9)), valuation of inventories (Note 2(10)), measurement model of investment properties (Note 2(12)), depreciation of fixed assets and amortisation of intangible assets and right-of-use assets (Note 2(13), (16), (27)), criteria for capitalisation of capitalised development expenditures (Note 2(17)), recognition and measurement of revenue (Note 2(25)), etc.

Details of the Group's critical judgements, critical accounting estimates and key assumptions used in determining significant accounting policies are set forth in Note 2(29).

(1) Basis of preparation

The financial statements are prepared in accordance with the *Accounting Standards for Business Enterprises – Basic Standard*, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods (hereafter, referred to as "the Accounting Standards for Business Enterprises" or "CASs") and the disclosure requirements in the *Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15 – General Rules on Financial Reporting* issued by the China Securities Regulatory Commission.

The financial statements are prepared on a going concern basis.

(2) Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company for the year ended 31 December 2021 are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the consolidated and Company financial position as at 31 December 2021 and their financial performance, and cash flows and other information for the year then ended.

(3) Accounting year

The Company's accounting year starts on 1 January and ends on 31 December.

(4) Recording currency

The Company's recording currency is Renminbi (RMB). The Company's subsidiaries decide their recording currencies in line with the economic environments in which they operate, while the subsidiaries in Hong Kong SAR and abroad mainly adopt currencies including HKD and USD etc. as their recording currencies. The financial statements are presented in RMB.

(5) Business combinations

(a) Business combinations involving enterprises under common control

The consideration paid and net assets obtained by the Group in a business combinations are measured at the carrying amount. If the acquiree is acquired from a third party by the ultimate controlling party in a prior year, the consideration paid and net assets obtained by the Group are measured based on the carrying amounts of the acquiree's assets and liabilities (including the goodwill arising from the acquisition of the acquiree by the ultimate controlling party) presented in the consolidated financial statements of the ultimate controlling party. The difference between the carrying amount of the net assets obtained from the combination and the carrying amount of the consideration paid for the combination is treated as an adjustment to capital reserve (share premium). If the capital reserve (share premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings. Costs directly attributable to the business combinations are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combinations are included in the initially recognised amounts of the equity or debt securities.

(b) Business combinations involving enterprises not under common control

For business combinations not under common control, the Group chooses to use concentration test to judge whether the acquired production and operation activities or groups of assets constitutes a business. When the concentration test is passed, the Group conducts accounting treatment according to the relevant asset purchase principle; when the concentration test is not passed, the Group further judges whether the relevant combination obtained in the merger has at least one input and one substantive processing process, and the combination of the two has a significant contribution to the output capacity and hence decide if the Group obtained a business combination, in such a transaction.

The combination cost and identifiable net assets obtained by the Group in a business combinations are measured at fair value at the acquisition date. Where the combination cost exceeds the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; where the combination cost is lower than the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period. Costs directly attributable to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combinations are included in the initially recognised amounts of the equity or debt securities.

(6) Preparation of consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Group obtains control and are de-consolidated from the date on which such control ceases. For a subsidiary that is acquired in a business combinations involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profits realised before the combination date is presented separately in the consolidated income statement.

In preparing the consolidated financial statements, where the accounting policies and the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted in accordance with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of subsidiaries' equity and the portion of subsidiaries' net profit or loss and comprehensive income for the period not attributable to the Company are recognised as minority interests, minority interest income and total comprehensive income attributable to minority shareholders and presented separately in the consolidated financial statements under equity, net profit and total comprehensive income respectively. Where the loss for the current period attributable to the minority shareholders of the subsidiaries exceeds the share of the minority interests in the opening balance of equity, the excess is still deducted against minority interests. Unrealised profits and losses resulting from the sale of assets by the Company to its subsidiaries are fully eliminated against net profit attributable to owners of the parent. Unrealised profits and losses resulting from the sale of assets by a subsidiary to the Company are eliminated and allocated between net profit attributable to owners of the parent and minority interest income in accordance with the allocation proportion of the parent in the subsidiary. Unrealised profits and losses resulting from the sale of assets by one subsidiary to another are eliminated and allocated between net profit attributable to owners of the parent and minority interest income in accordance with the allocation proportion of the parent in the selling subsidiary.

If the accounting treatment of a transaction is inconsistent in the financial statements at the Group level and at the Company or its subsidiary level, adjustment will be made from the perspective of the Group.

If the control over the subsidiary is lost due to the disposal of a portion of an equity investment or other reasons, the remaining equity investment in the consolidated financial statements is remeasured at its fair value at the date when the control is lost. The sum of consideration received from the disposal of equity investment and the fair value of the remaining equity investment, net of the sum of the share of net assets of the former subsidiary based on continuous calculation since the acquisition date and goodwill, is recognised as investment income for the current period when the control is lost. In addition, other comprehensive income and other changes in equity (excluding other comprehensive income from changes arising from remeasurement on net liabilities or net assets of defined benefit plans and accumulative fair value changes of investments in equity instrument not held for trading at fair value through other comprehensive income), which are related with the equity investment in the former subsidiary, are transferred to profit or loss for the current period when the control is lost.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily drawn on demand, and short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Foreign currency translation

(a) Foreign currency transactions

Foreign currency transactions are translated into recording currency using the spot exchange rates and approximate exchange rates prevailing at the dates of the transactions.

At the balance sheet date, monetary items denominated in foreign currencies are translated into recording currency using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for acquisition or construction of qualifying assets, which are capitalised as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) Translation of foreign currency financial statements

The asset and liability items in the balance sheets for overseas operations are translated at the spot exchange rates on the balance sheet date. Among the equity items, the items other than retained earnings are translated at the spot exchange rates of the transaction dates. The income and expense items in the income statement of foreign operations are translated at the spot exchange rates of the transaction dates. The differences arising from the above translation are recognised in other comprehensive income. The cash flows of foreign operations are translated at the spot exchange rates on the dates of the cash flows. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(9) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

(a) Financial assets

(i) Classification and measurement

Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, financial assets are classified as: (1) financial assets at amortised cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

The financial assets are measured at fair value at initial recognition. Related transaction costs that are attributable to the acquisition of the financial assets are included in the initially recognised amounts, except for the financial assets at fair value through profit or loss, the related transaction costs of which are recognised directly in profit or loss for the current period. Accounts receivable or notes receivable arising from sales of goods or rendering of services (excluding or without regard to significant financing components) are initially recognised at the consideration that is entitled to be charged by the Group as expected.

Debt instruments

The debt instruments held by the Group refer to the instruments that meet the definition of financial liabilities from the perspective of the issuer, and are measured in the following ways:

Measured at amortised cost:

The objective of the Group's business model is to hold the financial assets to collect the contractual cash flows, and the contractual cash flow characteristics are consistent with a basic lending arrangement, which gives rise on specified dates to the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The interest income of such financial assets is recognised using the effective interest method. Such financial assets mainly comprise cash at bank and on hand, notes receivable, accounts receivable, factoring receivables, loans and advances, other receivables and long-term receivables. Long-term receivables that are due within one year (inclusive) as from the balance sheet date are included in the current portion of non-current assets.

Measured at fair value through profit or loss:

Debt instruments held by the Group that are not divided into those at amortised cost, or those measured at fair value through other comprehensive income, are measured at fair value through profit or loss. At initial recognition, the Group designates a portion of financial assets as at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. Financial assets measured at fair value through profit or loss that are due after one year (inclusive) as from the balance sheet date and are expected to be held over one year are included in other non-current financial assets, and others are included in financial assets held for trading.

Equity instruments

Investments in equity instruments, over which the Group has no control, joint control or significant influence, are measured at fair value through profit or loss under financial assets held for trading; investments in equity instruments expected to be held over one year as from the balance sheet date are included in other non-current financial assets.

In addition, a portion of certain investments in equity instruments not held for trading are designated as financial assets at fair value through other comprehensive income under other investments in equity instruments. The relevant dividend income of such financial assets is recognised in profit or loss for the current period.

(ii) Impairment

The Group confirms the loss provision based on expected credit losses for financial assets, contract assets and lease receivables which are measured at amortised cost.

Giving consideration to reasonable and supportable information on past events, current conditions and forecasts of future economic conditions, as well as the default risk weight, the Group recognises the expected credit loss as the probability-weighted amount of the present value of the difference between the cash flows receivable from the contract and the cash flows expected to collect.

As at each balance sheet date, the expected credit losses of financial instruments at different stages are measured respectively. 12-month expected credit loss provision is recognised for financial instruments in Stage 1 that have not had a significant increase in credit risk since initial recognition; lifetime expected credit loss provision is recognised for financial instruments in Stage 2 that have had a significant increase in credit risk yet without credit impairment since initial recognition; and lifetime expected credit loss provision is recognised for financial instruments in Stage 3 that have had credit impairment since initial recognition.

For the financial instruments with low credit risk as at the balance sheet date, the Group assumes there is no significant increase in credit risk since initial recognition. The Group determines them as the financial instruments in Stage 1 and recognises the 12-month expected credit loss provision.

For the financial instruments in Stage 1 and Stage 2, the Group calculates the interest income by applying the effective interest rate to the gross carrying amount (before deduction of the impairment provision). For the financial instruments in Stage 3, the interest income is calculated by applying the effective interest rate to the amortised cost (after deduction of the impairment provision from the gross carrying amount).

For notes receivable, accounts receivable and contract assets that are formed from daily business activities such as providing services and selling goods, the Group recognises the lifetime expected credit loss provision regardless of whether there exists a significant financing component. For lease receivables, the Group also chooses to measure the loss provision based on lifetime expected credit losses.

In case the expected credit losses of an individually assessed financial asset cannot be evaluated with reasonable cost, the Group divides the receivables into certain groupings based on credit risk characteristics, and calculates the expected credit losses for the groupings. Basis for determining groupings and methods for provision are presented as follows:

Bank acceptance notes	Group of bank notes with low credit risk
Accounts receivable, other receivables	Group of receivables from related parties
Accounts receivable, other receivables and contract assets	Group of receivables from non-related parties
Long-term receivables	Group of finance leases
Long-term receivables	Group of interest-free loans to employees

Based on the exposure at default and the lifetime expected credit loss rate, the Group calculates the expected credit losses of notes receivable, accounts receivable, contract assets and lease receivables that are classified into groupings with consideration to historical credit losses experience, current conditions and forecasts of future economic conditions.

Based on the exposure at default and the 12-month/lifetime expected credit loss rate, the Group calculates the expected credit losses of other receivables, factoring receivables, loans and advances, and long-term receivables (interest-free loans to employees) that are classified into groupings with consideration to historical credit losses experience, the current conditions and forecasts of future economic conditions.

The Group recognises the loss provision made or reversed into profit or loss for the current period.

(iii) Derecognition

A financial asset is derecognised when any of the below criteria is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee; or (3) the financial asset has been transferred and the Group has not retained control of the financial asset, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset.

When investments in other equity instruments are derecognised, the difference between the carrying amount and the sum of the consideration received and the cumulative changes in fair value that are previously recognised directly in other comprehensive income is recognised in retained earnings. When other financial assets are derecognised, the difference aforementioned is recognised in profit or loss for the current period.

(b) Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost and financial liabilities at fair value through profit or loss at initial recognition.

Financial liabilities of the Group mainly comprise financial liabilities at amortised cost, including convertible corporate debentures and other financial liabilities.

Convertible corporate debentures

Convertible corporate debentures comprise liability portion and equity portion. The liability portion is classified as liabilities, which reflects the obligation to pay fixed principal and interest, and its fair value is calculated by the market interest rate of similar debentures without embedded convertible option at initial recognition, and is subsequently measured at amortised cost using the effective interest method. The equity portion reflects the embedded option that converts liabilities into ordinary shares and can only be settled by the exchange of a fixed number of the Group's own equity instruments for a fixed amount of cash or another financial asset. The equity portion is recognised as equity by the difference between the overall proceeds of issuance of convertible corporate debentures and the liability portion. Direct transaction costs are allocated based on the shares of the liability portion and the equity portion in issuance proceeds.

When convertible corporate debentures are converted into stock shares, the amount calculated by the number of shares converted and the par value per share is recognised as share capital, and the difference between the balance of relevant portion of convertible corporate debentures and the above share capital is recognised as share premium in capital reserve.

Other financial liabilities

Other financial liabilities measured at amortised cost mainly comprise notes and accounts payables, other payables, borrowings, other debentures payable except for convertible corporate debentures, etc. Such financial liabilities are initially recognised at fair value, net of transaction costs incurred, and subsequently measured using the effective interest method. Financial liabilities that are due within one year (inclusive) are classified as current liabilities; those with maturities over one year but are due within one year (inclusive) as from the balance sheet date are classified as current portion of non-current liabilities. Others are classified as non-current liabilities.

A financial liability is derecognised or partly derecognised when the underlying present obligation is discharged or partly discharged. The difference between the carrying amount of the derecognised part of the financial liability and the consideration paid is recognised in profit or loss for the current period.

(c) Equity instruments

An equity instrument is a contract that represents a residual interest in the assets of an entity after deducting all of its liabilities.

(d) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. In valuation, the Group adopts valuation techniques applicable in the current situation and supported by adequate available data and other information, selects inputs with the same characteristics as those of assets or liabilities considered in relevant transactions of assets or liabilities by market participants, and gives priority to the use of relevant observable inputs. When relevant observable inputs are not available or feasible, unobservable inputs are adopted.

(e) Derivatives and hedging activities

Derivative financial instrument refers to a financial product whose value varies with "fundamental" variables such as specific interest rates and exchange rates, and when the variable is a non-financial variable, the variable does not have a specific relationship with any party to the contract. The derivative financial instruments used by the Group are foreign exchange derivative financial instruments.

Derivative financial instruments are initially recognised on the date of the contract and are initially and subsequently measured at fair value. The fair value of derivative financial instruments is reflected as an asset when the fair value is positive, and as a liability when the fair value is negative.

The method of recognition of changes in fair value of derivative financial instruments depends on whether the derivative financial instrument is designated as and meets the requirements of hedging instruments, and the nature of the hedged item. The Group designates certain foreign exchange derivative financial instruments for cash flow hedging of foreign currency bonds exposed to exchange rate risk.

At the inception of the hedging, The group documents the economic, relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedges items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

Cash flow hedge that quantity for hedge accounting

The Group's hedges are cash flow hedges. A cash flow hedge is a hedge of an exposure to changes in cash flow. The gains or losses arising from the hedging instruments belong to the effective part of the hedging, which is included in other comprehensive income as a cash flow hedging reserve by the Group. The amount of the cash flow hedge reserve is the lower of the absolute amounts of:

- the cumulative gain or loss on the hedging instrument since the start of the hedging;
- The cumulative change in the present value of the expected future cash flows of the hedged item since the inception of the hedge.

The amount of the cash flow hedge reserve included in other comprehensive income in each period is the change in the current cash flow hedge reserve.

The part of the gain or loss arising from the hedging instrument that is ineffective in the hedging shall be included in the current profit and loss.

When the Group terminates the use of hedge accounting for cash flow hedges, the accumulated cash flow hedge reserves recognized in other comprehensive income shall be treated in accordance with the following accounting policies:

- If the hedged future cash flow is still expected to occur, the accumulated cash flow hedge reserve shall be retained, and shall be accounted for in accordance with the above cash flow hedge accounting policies;
- If the hedged future cash flow is not expected to occur, the accumulated cash flow hedge reserve shall be transferred out of other comprehensive income and included in the current profit and loss.

(10) Inventories

(a) Classification

Inventories comprise raw materials in stock, aviation consumables, finished goods, costs to fulfil a contract (see Note 2(25)(a)) and turnover materials, and are stated at the lower of cost and net realisable value.

(b) Valuation method for inventory delivered

Raw materials in stock, finished goods and aviation consumables are accounted for using the weighted average method upon delivery.

(c) Amortisation methods of low-value consumables and recyclable materials

Turnover materials include low-value consumables and recyclable materials, etc. Recyclable materials are amortized in stages, and low-value consumables are amortized by one-off write-off method when they are used.

(d) Basis for determining the net realisable value of inventories and provision for decline in the value of inventories

Provision for decline in the value of inventories is determined at the excess amount of the carrying amounts of the inventories over their net realisable value. Net realisable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs and estimated costs necessary to make the sale and related taxes.

(e) The Group adopts the perpetual inventory system.

(11) Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its joint ventures and associates.

A subsidiary is an investee over which the Company is able to exercise control. A joint venture is a joint arrangement which is structured through a separate vehicle over which the Group has joint control together with other parties and only has rights to the net assets of the arrangement based on legal forms, contractual terms and other facts and circumstances. An associate is the investee over which the Group has significant influence by participating in the financial and operating policy decisions.

Investments in subsidiaries are presented in the Company's financial statements using the cost method, and are adjusted to the equity method when preparing the consolidated financial statements, and investments in joint ventures and associates are accounted for using the equity method.

(a) Determination of investment cost

For long-term equity investments arising from business combinations involving enterprises under common control, the initial investment cost shall be the share of the carrying amount of equity of the acquiree in the consolidated financial statements of the ultimate controlling party as at the combination date; for long-term equity investments arising from business combinations involving enterprises not under common control, the investment cost shall be the combination cost.

For long-term equity investments acquired not through a business combinations: for long-term equity investments acquired by payment in cash, the initial investment cost shall be the purchase price actually paid; for long-term equity investments acquired by issuing equity securities, the initial investment cost shall be the fair value of the equity securities issued.

(b) Subsequent measurement and recognition methods of gains and losses

Long-term equity investments accounted for using the cost method are measured at the initial investment cost. Cash dividend or profit distribution declared by an investee is recognised as investment income in profit or loss for the current period.

For long-term equity investments that are accounted for using the equity method, where the initial investment cost exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the investment is initially measured at cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is included in profit or loss for the current period and the cost of the long-term equity investment is adjusted upwards accordingly.

Under the equity method, the Group recognises the investment income according to its share of net profit or loss of the investee. The Group discontinues recognising its share of the net losses of an investee after the carrying amounts of the long-term equity investment together with any long-term interests that in substance form part of the investor's net investment in the investee are reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions are satisfied, the Group continues recognising the estimated losses that it needs to bear. The changes of the Group's share of the investee's equity other than those arising from the net profit or loss, other comprehensive income and profit distribution, are recognised in the Group's capital reserve and the carrying amounts of the long-term equity investment are adjusted accordingly. The carrying amount of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by an investee. The unrealised profits or losses arising from the transactions between the Group and its investees are eliminated in proportion to the Group's equity interest in the investees, based on which the investment gain or losses are recognised. For the loss on the intra-group transaction amongst the Group and its investees attributable to asset impairment losses, any unrealised loss is not eliminated.

(c) Basis for determining existence of control, joint control, significant influence over investees

Control means having power over an investee, enjoying variable returns through involvement in relevant activities of the investee, and being able to impact the amount of such variable returns by using the power over the investee.

Joint control is the agreed sharing of control over an arrangement, and the decision of activities relating to such arrangement requires the unanimous consent of the Group and other parties sharing control.

Significant influence is the power to participate in making the decisions on financial and operating policies of the investee, but is not control or joint control over making those policies.

(d) Impairment of long-term equity investments

The carrying amounts of long-term equity investments in subsidiaries, joint ventures and associates are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2(19)).

(12) Investment properties

Investment properties, including land use rights that have already been leased out, buildings that are held for the purpose of leasing and buildings that are being constructed or developed for future use for leasing, are measured initially at cost. Subsequent expenditures incurred in relation to an investment property are included in the cost of the investment property when it is probable that the associated economic benefits will flow to the Group and their costs can be reliably measured; otherwise, the expenditures are recognised in profit or loss for the period in which they are incurred.

The Group adopts the cost model for subsequent measurement of investment properties. Buildings and land use rights are depreciated or amortised to their estimated net residual values over their estimated useful lives. The estimated useful lives, the estimated net residual values that are expressed as a percentage of cost and the annual depreciation rates of investment properties are presented as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation/ amortisation rates
Buildings	10 to 50 years	5%	9.50%-1.90%
Land use rights	20 to 50 years	0%	5.00%-2.00%

When an investment property is transferred to owner-occupied property, it is reclassified to fixed asset or intangible asset at the date of the transfer. When an owner-occupied property is transferred out for earning rentals or for capital appreciation, the fixed asset or intangible asset is transferred to investment properties at the date of the transfer. Upon the transfer, amount is recognised at the carrying amount prior to the transfer.

The investment property's estimated useful life, net residual value and depreciation (amortisation) method applied are reviewed and adjusted as appropriate at each year-end.

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The net amount of proceeds from sale, transfer, retirement or damage of an investment property net of its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

Fixed assets comprise buildings (including freehold land), motor vehicles, computers and electronic equipment, aircraft and aircraft engines, rotatables and high-value aircraft maintenance tools, machinery and equipment, office equipment and other equipment.

Fixed assets are recognised when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. Fixed assets purchased or constructed are initially measured at cost at the time of acquisition.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

(b) Depreciation method for fixed assets

Except for replacement parts for overhaul of engine, fixed assets are depreciated using the straight-line method to allocate the recorded amount of the assets to their estimated residual values over their estimated useful lives. For the fixed assets that have been provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, the estimated net residual values expressed as a percentage of cost and the annual depreciation rates of fixed assets are presented as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation rates
Buildings	10 to 50 years	5%	9.50%-1.90%
Port equipment	28 to 40 years	0%	3.57% to 2.50%
Motor vehicles (excluding electromobiles)	2 to 20 years	0%-5%	50.00%-4.75%
Motor vehicles (electromobiles)	2 years	5%	47.50%
Machinery and equipment (automatic sorting equipment imported from abroad)	15 years	5%	6.33%
Machinery and equipment (excluding automatic sorting equipment imported from abroad or warehouse operation equipment)	2 to 10 years	0%-5%	50.00%-9.50%
Computers and electronic equipment	2 to 5 years	0%-5%	50.00%-19.00%
Office equipment and other equipment	2 to 20 years	0%-5%	50.00%-4.75%
Aircraft and engine bodies	10 years	5%	9.50%
High-value aircraft maintenance tools	5 years	5%	19.00%
Replacement parts for overhaul of aircraft fuselage	1.5 to 10 years	0%	66.67%-10.00%
Rotables	10 years	5%	9.50%

Replacement parts for overhaul of engines are depreciated using the units-of-production method and taking the expected usable recurring number as the unit of production.

No amortisation is provided for freehold land.

The estimated useful life or expected usable recurring number and the estimated net residual value of a fixed asset and the depreciation method applied to the asset are reviewed, and adjusted as appropriate at each year-end.

(c) The carrying amounts of fixed assets are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2(19)).

(d) Disposal of fixed assets

A fixed asset is derecognised on disposal or when no future economic benefit is expected from its use or disposal. The amount of proceeds from disposals on sale, transfer, retirement or damage of a fixed asset net of its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

(14) Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for their intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month. The carrying amount of construction in progress is reduced to the recoverable amount when the recoverable amount is below its carrying amount (Note 2(19)).

(15) Borrowing costs

The Group's borrowing costs that are directly attributable to the acquisition and construction of a fixed asset that needs a substantially long period of time for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use and the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

For the specific borrowings obtained for the acquisition or construction of an asset qualifying for capitalisation, the amount of borrowing costs eligible for capitalisation is determined by deducting any interest income earned from depositing the unused specific borrowings in the banks or any investment income arising on the temporary investment of those borrowings during the capitalisation period.

For general borrowings utilised for the acquisition and construction of an asset qualifying for capitalisation, the capitalised amount of the general borrowings is determined by the weighted average of the excess of accumulated capital expenditure over capital expenditure of the special borrowings multiplied by the weighted average effective interest rate of the utilised general borrowings. The effective interest rate is the interest rate at which the future cash flows of the borrowings over the estimated life or a shorter applicable period are discounted into the initial recognised amount of the borrowings.

(16) Intangible assets

Intangible assets include software, land use rights, trademark rights, customer relationships and patents etc., which are measured at cost.

(a) Software

Software is measured at actual cost and amortised on the straight-line basis over 2 to 10 years.

(b) Land use rights

Land use rights are amortised on the straight-line basis over their estimated useful lives.

(c) Trademark rights

Purchased trademark rights are measured at cost at the time of acquisition. Trademark rights recognised under business combinations involving enterprises not under common control are recorded at fair value. Trademark rights are amortised on the straight-line basis over 5 to 20 years.

(d) Customer relationships

Customer relationships refer to intangible assets recognised under business combinations involving enterprises not under common control. Customer relationships are recorded at fair value and amortised on the straight-line basis over the expected beneficial period.

(e) Patents

Patents are amortised on the straight-line basis over 5 to 10 years.

(f) Periodical review of useful life and amortisation method

For an intangible asset with a finite useful life, review of its useful life and amortisation method is performed at each year-end, with adjustment made as appropriate.

(g) Impairment of intangible assets

The carrying amounts of intangible assets are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2(19)).

(17) Research and development

The expenditure on an internal research and development project is classified into expenditure on the research phase and expenditure on the development phase based on its nature and whether there is material uncertainty that the research and development activities can form an intangible asset at end of the project.

Expenditure on the research phase is recognised in profit or loss in the period in which it is incurred. Expenditure on the development phase is capitalised only if all of the following conditions are satisfied:

- it is technically feasible to complete the intangible asset so that it will be available for use or sales;
- management intends to complete the intangible asset, and use or sell it;
- it can be demonstrated how the intangible asset will generate economic benefits;

- there are adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development phase can be reliably measured.

Other development expenditures that do not meet the conditions above are recognised in profit or loss in the period in which they are incurred. Capitalised development expenditures previously recognised as expenses are not recognised as an asset in a subsequent period. Capitalised expenditure on the development phase is presented as capitalised development expenditures in the balance sheet and transferred to intangible assets at the date when the asset is ready for its intended use.

(18) Long-term prepaid expenses

Long-term prepaid expenses include settling-in allowance and introduction fee for pilots, the expenditure for improvements to right-of-use assets, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on a straight-line basis over the expected beneficial period (2 to 20 years) and are presented at actual expenditure net of accumulated amortisation.

(19) Impairment of long-term assets

Fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, investment properties measured using the cost model and long-term equity investments in subsidiaries, joint ventures and associates are tested for impairment if there is any indication that the assets may be impaired at the balance sheet date; intangible assets not ready for their intended use and freehold land are tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an asset impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, the carrying amount of goodwill is allocated to the related asset groups or sets of asset groups which are expected to benefit from the synergies of the business combinations. If the result of the test indicates that the recoverable amount of an asset group

or a set of asset groups, including the allocated goodwill, is lower than its carrying amount, the corresponding impairment loss is recognised. The impairment loss is first deducted from the carrying amount of goodwill that is allocated to the asset group or the set of asset groups, and then deducted from the carrying amounts of other assets within the asset group or the set of asset groups in proportion to the carrying amounts of assets other than goodwill.

Once the above asset impairment loss is recognised, it will not be reversed for the value recovered in the subsequent periods.

(20) Employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for termination of employment relationship, which include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

(a) Short-term employee benefits

Short-term employee benefits include employee wages or salaries, bonus, allowances and subsidies, staff welfare, premiums or contributions on medical insurance, work injury insurance and maternity insurance, housing funds, union running costs and employee education costs. The employee benefit liabilities are recognised in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets. Employee benefits which are non-monetary benefits are measured at fair value.

(b) Post-employment benefits

The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. A defined contribution plan is a post-employment benefit plan in which the Group pays fixed fees to an independent fund without further payment obligations; a defined benefit plan is a post-employment benefit plan other than a defined contribution plan. During the reporting period, the Group's post-employment benefits mainly include endowment insurance and unemployment insurance paid for employees, which are defined contribution plans. Individual overseas subsidiaries set up and operate defined pension plans, which are defined benefit plans and the amount is not significant.

Basic pensions insurance

The Group's employees in mainland China participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the pensions are calculated according to local regulations for pension plan. When employees retire, the local labour and social security authority is obliged to pay the basic pensions to them. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(c) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss for the current period at the earlier of the following dates: 1) when the Group cannot unilaterally withdraw an employment termination plan or a curtailment proposal; 2) when the Group recognises costs or expenses related to a restructuring that involves the payment of termination benefits.

The termination benefits expected to be settled within one year since the balance sheet date are classified as current liabilities.

(d) Employee incentives

The Group provides incentive plans for on-the-job employees who comply with certain conditions, and makes payments based on the schedule. Provisions for employee incentives are initially measured at the best estimate necessary to settle the present obligation, and expensed as incurred. The Group integrates separation rate, time value of money and other factors into account at initial measurement. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is expensed as incurred. The carrying amount of provisions for employee incentives is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

(21) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognised for the deductible tax losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognised for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognised for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combinations, which affects neither accounting profit nor taxable profit (or deductible tax losses). At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised for deductible temporary differences, deductible tax losses and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible tax losses and tax credits can be utilised.

Deferred tax liabilities are recognised for temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries, associates and joint ventures will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilised, the corresponding deferred tax assets are recognised.

Deferred tax assets and deferred tax liabilities are offset when:

- the deferred tax assets and liabilities are related to the same tax payer within the Group and the same taxation authority; and,
- that tax payer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

(22) Provisions

Provisions are recognised when the Group has a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

The carrying amount of provisions is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The provisions expected to be settled within one year since the balance sheet date are classified as current liabilities.

(23) Share-based payments

(a) Categories of share-based payments

A share-based payment is a transaction in which an enterprise grants equity instruments or assumes liabilities that are determined based on equity instruments, in exchange for services rendered by employees or another party. Equity instruments include the equity instruments that are linked to the enterprise, the parent company of the enterprise or another accounting entity within the same group. Share-based payments comprise equity-settled and cash-settled payments.

(b) Basis for determining the best estimate of exercisable equity instruments

At each balance sheet date in the vesting period, the Group would make best estimate in accordance with the newly acquired information such as changes in the number of employees entitled to equity instruments, and amend the number of exercisable equity instruments. On the exercisable date, the ultimate estimated number of exercisable equity instruments coincides with the actual number.

(c) Accounting treatment of implementation of share-based payments

(i) Equity-settled share-based payments

The equity-settled share-based payments where the Group grants shares or other equity instruments as a consideration in return for services, are measured at the fair value of the equity instruments at the grant date. Where the share-based payments are not exercisable until the service in the vesting period is completed or specified performance conditions are met, then at each balance sheet date within the vesting period, the service obtained in the current period shall be included in relevant cost or expenses and in capital reserve at the fair value of the equity instruments at the grant date based on the best estimates of the quantity of exercisable equity instruments made by the Group, in accordance with latest changes in the number of exercisable employees and subsequent information.

(ii) Cash-settled share-based payments

The cash-settled share-based payments where the Group calculates and determines the cash payments or any other asset obligation on the basis of shares or other equity instruments in return for services, are measured at the fair value of the liabilities calculated based on relevant equity instruments. Where the share-based payments is not exercisable until the service in the vesting period is completed or specified performance conditions are met, then at each balance sheet date within the vesting period, the service obtained in the current period shall be included in cost or expenses and in liabilities at the fair value of the Group's liabilities based on the best estimates of the quantity of exercisable equity instruments made by the Group. At each balance sheet date and settlement date before relevant liabilities are settled, the fair value of the liabilities is remeasured and the changes are recognised in profit or loss.

(24) Government grants

Government grants refer to the monetary or non-monetary assets obtained by the Group from the government, including tax return, fiscal subsidy, etc.

Government grants are recognised when the grants can be received and the Group can comply with all attached conditions. If a government grant is a monetary asset, it will be measured at the amount received or receivable. If a government grant is a non-monetary asset, it will be measured at its fair value. If it is unable to obtain its fair value reliably, it will be measured at its nominal amount.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income refer to the government grants other than those related to assets.

Government grants related to assets are recorded as deferred income and recognised in profit or loss on a systemic basis over the useful lives of the assets. Government grants related to income that compensate the future costs, expenses or losses are recorded as deferred income and recognised in profit or loss, or deducted against related costs, expenses or losses in reporting the related expenses; government grants related to income that compensate the incurred costs, expenses or losses are recognised in profit or loss, or deducted against related costs, expenses or losses directly in the current period. The Group applies the presentation method consistently to the similar government grants in the financial statements.

Government grants related to daily activities are included in operating profit. Government grants not related to daily activities are included in non-operating income or expenses.

(25) Revenue recognition

The Group recognises revenue at the consideration that the Group is entitled to charge as expected when the Group has fulfilled the performance obligations in the contract, that is, the customer obtains control over relevant goods or services.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

In respect of a contract obligation that is to be fulfilled within a period, the Group should recognise the revenue based on the progress of the obligation fulfilment within the period, except that the progress of the obligation fulfilment fails to be reasonably determined; in respect of a contract obligation that is to be fulfilled at a point in time, the Group should recognise the revenue once the customer obtains the control over relevant goods/services.

In addition, the Group judges whether it is acting as a principal or an agent based on if it has the control right over goods before the transfer of the goods. Provided that the Group has control over goods before the transfer of the goods, it is acting as a principal and recognise relevant revenue, base on consideration receivable or received, by applying gross method; otherwise it is acting as an agent and should recognise revenues at the amount of the commission or service fee which the Group expects to be entitled to receive, which is calculated according to total consideration received or receivable net of the amount due to other related parties or fixed commission amount or rate.

(a) Rendering of logistics and freight forwarding services

The Group's revenue from logistics and freight forwarding services includes domestic express service income such as time-definite express and economic express; cold transportation and medical service income; freight service income; intra-city on-demand delivery service income; supply chain and international service income (including international express service, international freight transport and forwarding service, as well as supply chain service) etc.

The Group recognises revenue based on the progress of the service performed within period, which is determined based on proportion of costs incurred to date to the estimated total costs or days spent to the estimated total days. As at the balance sheet date, the Group re-estimates the progress of the service performed to reflect the actual status of contract performance.

When the Group recognises revenue based on the progress of the service performed, the amount with unconditional right to consideration obtained by the Group is recognised as accounts receivable, and the rest is recognised as contract assets. Meanwhile, provision for accounts receivable and contract assets is recognised on the basis of expected credit losses (Note 2(9)). If the contract consideration received or receivable exceeds the progress of the service performed, the excess portion will be recognised as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

Contract costs include costs to fulfil a contract and costs to obtain a contract. Costs incurred for provision of the aforesaid services are recognised as costs to fulfil a contract, which is carried forward to the cost of revenue when revenue recognised based on the progress of the service performed. Incremental costs incurred by the Group for the acquisition of the aforesaid service contract are recognised as the costs to obtain a contract. For the costs to obtain a contract with the amortisation period within one year, the costs are charged to profit or loss when incurred. For the costs to obtain a contract with the amortisation period beyond one year, the costs are charged in the current profit or loss on the same basis as aforesaid revenue of rendering of services recognised under the relevant contract. If the carrying amount of the contract costs is higher than the remaining consideration expected to be obtained by rendering of the service net of the estimated cost to be incurred, the Group makes provision for impairment on the excess portion and recognises it as asset impairment losses. As at the balance sheet date, based on whether the amortisation period of the costs to fulfil a contract is more than one year when initially recognised, the amount of the Group's costs to fulfil a contract net of related provision for asset impairment is presented as inventories or other non-current assets. For costs to obtain a contract with amortisation period beyond one year at the initial recognition, the amount net of related provision for asset impairment is presented as other non-current assets.

(b) Sales of goods

Revenue from sales of goods is recognised when the Group has delivered goods to the agreed delivery location pursuant to the contract and the customer has confirmed the acceptance of the goods, and the delivery note is signed by both parties.

The credit terms granted to customers by the Group are generally short, in line with industry practice, and do not have a significant financing component.

(c) Other services

The Group's services also includes communication service, maintenance service, research and development and technical service and other services.

With regard to certain maintenance service and research and development and technical services, the Group recognises revenue at a point in time when the services are delivered to customers. For other services, the Group recognises revenue based on the progress of the service performed within period, which is determined based on proportion of costs incurred to date to the estimated total costs as at the balance sheet date.

(26) Dividend distribution

Cash dividends are recognised as liabilities in the period in which the dividends are approved by the shareholders' meeting.

(27) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) The Group as the lessee

At the commencement date, the Group shall recognise the right-of-use asset and measure the lease liability at the present value of the lease payments that are not paid at that date. Lease payments include fixed payments, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lessee exercises an option to terminate the lease. Variable lease payments in proportion to sales are excluded from lease payments and recognised in profit or loss as incurred. Lease liabilities that are due within one year (inclusive) as from the balance sheet date are included in the current portion of non-current liabilities.

Right-of-use assets of the Group comprise leased buildings, machinery and equipment, motor vehicles, etc. Right-of-use assets are measured initially at cost which comprises the amount of the initial measurement of lease liabilities, any lease payments made at or before the commencement date and any initial direct costs, less any lease incentives received. If there is reasonable certainty that the Group will obtain ownership of the underlying asset by the end of the lease term, the asset is depreciated over its remaining useful life; otherwise the asset is depreciated over the shorter of the lease term and its remaining useful life. The carrying amount of the right-of-use assets is reduced to the recoverable amount when the recoverable amount is below the carrying amount (Note 2(19)).

For short-term leases with a term of 12 months or less and leases of an individual asset (when new) of low value, the Group may, instead of recognising right-of-use assets and lease liabilities, include the lease payments in the cost of the underlying assets or in the profit or loss for the current period on a straight-line basis over the lease term.

The Group shall account for a lease modification as a separate lease if both: (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; (2) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the contract.

For a lease modification that is not accounted for as a separate lease, the Group shall redetermine the lease term at the effective date of the lease modification, and remeasure the lease liability by discounting the revised lease payments using a revised discount rate, except that the contract changes directly resulting from COVID-19 are accounted for by applying the practical expedient. For a lease modification which decreases the scope of the lease or shortens the lease term, the Group decreases the carrying amount of the right-of-use asset, and recognises in profit or loss any gain or loss relating to the partial or full termination of the lease. For other leases which lead to the remeasurement of lease liabilities, the Group correspondingly adjusts the carrying amount of the right-of-use asset.

For the rental exemptions directly due to COVID-19 and being granted before 30 June 2022 only, the Group applies the practical expedient and records the exemption amount in profit or loss when the agreement is reached to dismiss the original payment obligation with corresponding adjustment of lease liabilities.

(b) The Group as the lessor

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. An operating lease is a lease other than a finance lease.

(i) Operating leases

Where the Group leases out self-owned buildings, machinery and equipment, and motor vehicles under operating leases, lease income therefrom is recognised on a straight-line basis over the period of the lease. Variable rental that is linked to a certain percentage of sales is recognised in lease income as incurred.

For the rental exemptions directly due to COVID-19 and being granted before 30 June 2022 only, the Group applies the practical expedient, accounts for the exemptions as variable lease payments and records the exemption amount in profit or loss in the exemption period.

Except that the above contract changes directly resulting from COVID-19 are accounted for by applying the practical expedient, for a lease modification, the Group accounts for it as a new lease from the effective date of the modification, and considers any lease payments received in advance and receivable relating to the lease before modification as receivables of the new lease.

(ii) Finance leases

At the commencement date of the lease term, the Group recognises the lease payments receivable under a finance lease and derecognises relevant assets. The finance lease receivables are presented as long-term receivables; finance lease receivables due within one year (inclusive) as from the balance sheet date are included in the current portion of non-current assets.

(28) Segment information

The Group identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenue and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

(29) Critical accounting estimates and judgements

The Group continually evaluates the critical accounting estimates and key judgements applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

(a) Critical accounting estimates and key assumptions

(i) Measurement of expected credit losses

For financial assets and contract assets at amortised cost, the Group calculates expected credit losses based on exposure at default and expected credit loss rates. The Group refers to internal historical information, such as credit losses, and considers the impact of historical credit loss experience according to current situation and forward-looking information to determine expected credit loss rates. And management takes the customer's credit status, credit history, operating status as well as collaterals, the guarantee ability of the guarantor and other information into consideration. The Group monitors and reviews relevant assumptions about expected credit losses regularly. Where there is a difference between the actual bad debts and the original estimate, such difference will affect the Group's provision for bad debts of the above assets in the future period.

(ii) Risk of impairment on long-term assets other than goodwill

As described in Note 2(19), freehold land (fixed assets) and intangible assets not ready to use are tested annually for impairment. Fixed assets other than freehold land, right-of-use assets, construction in progress, intangible assets, investment properties, and long-term equity investments, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

When assessing whether the above assets are impaired, management mainly evaluates and analyses: (1) whether events affecting asset impairment occurred; (2) whether the present value of expected cash flows arising from the continuing use or disposal of the asset is lower than its carrying amount; and (3) whether the significant assumptions used in the calculation of the present value of the estimated cash flows are appropriate.

Relevant assumptions adopted by the Group to determine impairment, e.g. changes in assumptions on discount rate and growth rate used to calculate the present value of future cash flows, may have material impact on the present value used in the impairment test, and cause impairment in the above-mentioned long-term assets of the Group.

(iii) Provision for impairment of goodwill

The Group performed impairment assessment of goodwill at each balance sheet date. The recoverable amount of asset groups and sets of asset groups is the higher of fair value less costs to sell and the present value of the future cash flows expected to be derived from them. These calculations require use of estimates (Note 4(21)).

(iv) Determination of fair value of financial instruments by valuation techniques.

The fair value of a financial instrument that is not traded in an active market is determined by valuation techniques. Valuation techniques primarily refer to direct comparison method and income method, including reference to the prices used in recent orderly transactions between market participants, reference to the current fair value of other financial instruments that are substantially identical, discounted cash flow analysis, option pricing models, etc. Observable market information is applied in valuation techniques to the extent possible. When observable market information is not available, management will make estimate of significant unobservable information included in the valuation method. Different valuation techniques or inputs may lead to significant differences between fair value estimates.

(v) Uncertain tax position and recognition of deferred tax assets

The Group pays corporate income tax in various regions. In normal business activities, the final tax treatment of some transactions and matters is uncertain. When accruing income tax expenses in various regions, the Group needs to make significant judgments. If there is a difference between the final determination of these tax matters and the amount originally recorded, the difference will have an impact on the income tax expense and the amount of deferred income tax during the period when the above final determination is made.

Deferred tax assets are recognised for the deductible tax losses and deductible temporary differences that can be carried forward to subsequent years to the extent that it is probable that taxable profit in the future will be available against which the deductible tax losses and deductible temporary differences can be utilised. Whether to recognise the deferred tax assets arising from deductible tax losses and deductible temporary differences largely depends on the judgement of management on: (i) whether the accumulated deductible tax losses and deductible temporary differences in prior years are still effective, and (ii) whether sufficient taxable income that can be used to deduct deductible tax losses and deductible temporary differences can be obtained in the future period. Where there is a difference between the situation and the original estimate, such difference will affect the Group's deferred tax assets and income tax expenses in the future period.

(vi) Assessment of the fair value of identifiable net assets in acquisition transactions and goodwill recognition

As stated in Note 2(5)(b), identifiable net assets acquired in a business combinations involving enterprises not under common control are recognised at the fair value at the acquisition date, and if the combination cost exceeds the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill.

The assessment of the fair value of identifiable assets and liabilities involves critical estimates and judgements from management, in particular, the identification of intangible assets and the evaluation of their fair values, thereby affecting the recognition of goodwill. As stated in Note 5(1)(b), In a business combination, the Group had acquired 51.5% shares of Kerry Logistics Network Co., Ltd. ("Kerry Logistics"). The valuation process afterward identified intangible assets (customer relationships and trademarks use rights) of approximately RMB6.732 billion and goodwill of approximately RMB4.131 billion. The assessment of the fair value of identifiable net assets on the acquisition date includes the identification of intangible assets, the selection of valuation methods, and the forecast of future cash flows, which involves critical estimates and judgements about the key assumptions including revenue growth rate, EBIT rate, assets contribution rate, customer churn rate, trademarks royalty rates and the remaining useful life of the identified intangible assets and discount rate, etc. Different inputs used in the key assumptions may lead to significant differences between fair value estimates.

(b) Critical judgements in applying the accounting policies

(i) Judgement on significant influence of the Group over investees

The investees over which the Group has significant influence are accounted for under the equity method. In judging the significant influence over an investee, management considers based on one or more of the following circumstances and all facts and circumstances: (1) the shareholding in the investee; (2) whether it appoints representative in the Board of Directors or a similar authority of the investee; (3) whether it participates in making decisions on financial and operating policies of the investee; (4) whether it has significant transaction with the investee; (5) whether it assigns management personnel to the investee; (6) whether it provides key technical materials to the investee, and all facts and circumstances are considered.

(ii) Determination of the scope of consolidation

As stated in Note 2(6), the Group consolidates a subsidiary from the date of obtaining actual control, and excludes it out of the scope of consolidation from the date of losing the actual control. Control exists when the Group has all three of the following elements: (1) the investor possesses power over the investee and the degree of dispersion of equity in other non-controlling interests; (2) has exposure to variable returns from its involvement with the investee's related activities; and (3) the ability to use the power over the investee to affect the returns.

Where variations in relevant facts and circumstances cause a change of these factors, a reassessment will be made.

(30) Significant changes in accounting policies

The Ministry of Finance released the revised *CAS 21 – Lease* ("new lease standard") in 2018, and the *Notice on Adjusting the Application Scope of the Provisions on the Accounting Treatment Regarding COVID-19-Related Rent Concessions* (Cai Kuai [2021] No. 9), the *Circular on Issuing Interpretation No. 14 of Accounting Standards for Business Enterprises* (Cai Kuai [2021] No. 1) and *Q&A on Implementation of Accounting Standards for Business Enterprises* in 2021. The financial statements for the year ended 31 December 2021 were prepared in accordance with the above standard, circular and Q&A, and the impacts on the financial statements of Group and the Company are as follows:

In accordance with relevant provisions of the new lease standard, the Group and the Company would not reassess the contracts that have already existed prior to the date of initial application. The Group and the Company recognised the cumulative effect of the standard as an adjustment to the opening balance of relevant line items in the financial statements in 2021. The comparatives for the year ended 31 December 2020 were not restated.

The contents and reasons of the changes in accounting policies	The line items affected	The amounts affected (debit/(credit))	
		1 January 2021	
		Consolidated	Company
<p>For the operating lease contracts that have already existed prior to the initial application of the new lease standard, the Group and the Company adopt different transition approaches based on the remaining lease term:</p> <p>If the remaining lease term exceeds 12 months, the Group and the Company will recognize lease liabilities based on the remaining lease payments and incremental borrowing rates on January 1, 2021, and make necessary adjustments based on prepaid rents by an amount equal to the lease liabilities. After confirming the right-of-use asset. The Group and the Company adopted a simplified method to assess whether the right-of-use asset was impaired on the date of initial application. Since there was no onerous lease contract on the date of initial application, there was no significant impact on the financial statements.</p> <p>The Group and the Company apply the practical expedient for leases with a remaining lease term of 12 months or less and existing operating lease contracts of low-value assets, under which the right-of-use assets and lease liabilities are not recognised. There is no significant impact on the financial statements.</p> <p>In applying the new lease standard, except for prepaid rentals and lease deposit expenditures relating to the short-term leases and low-value asset leases which are still recorded in cash outflows from operating activities using practical expedient according to the new lease standard, other prepaid rentals and lease deposit expenditures are recorded in cash outflows from financing activities.</p>	Right-of-use assets	10,507,588	–
	Lease liabilities	(6,300,693)	–
	Current portion of non-current liabilities	(3,663,439)	–
	Advances to suppliers	(543,456)	–

The contents and reasons of the changes in accounting policies	The line items affected	The amounts affected (debit/(credit))	
		1 January 2021	
		Consolidated	Company
In applying the new lease standard, the Group and the Company reclassified fixed assets held under finance leases from "fixed assets" to "right-of-use assets", and finance lease payables from "long-term payables" to "lease liabilities".	Right-of-use assets	30,337	–
	Fixed assets	(30,337)	–
	Long-term payables	3,498	–
	Lease liabilities	(3,498)	–
	Current portion of non-current liabilities – long-term payables	11,634	–
	Current portion of non-current liabilities – lease liabilities	(11,634)	–

As at 1 January 2021, the Group and the Company adopted the same discount rate for lease contracts with similar characteristics to account for lease liabilities. The weighted average of incremental borrowing rates adopted was 4.18%.

As at 1 January 2021, the Group and the Company reconciled the outstanding minimum operating lease payments disclosed under the old lease standard to lease liabilities under the new lease standard as follows:

	Consolidated	Company
Future minimum operating lease payments disclosed as at 31 December 2020	13,243,404	–
Less: Lease contracts effective after 1 January 2021 (excluding taxes)	(582,861)	–
Value-added tax ("VAT")	(689,898)	–
Future minimum operating lease payments adjusted	11,970,645	–
Present value of the above minimum operating lease payments discounted using the incremental borrowing rate	10,826,942	–
Add: Finance lease payable as at 31 December 2020	15,132	–
Less: Present value of payments for leases with a term of 12 months or less	(862,810)	–
Lease liabilities recognised as at 1 January 2021 (including current portion of non-current liabilities)	9,979,264	–

3. Taxation

The main categories and rates of taxes applicable to the Group are set out below:

Category	Tax rate	Tax base
Enterprise income tax	Note (1)	Taxable income
VAT	Note (2)	Taxable value-added amount (Tax payable is calculated using the taxable sales amount/taxable service income multiplied by the applicable tax rate less deductible VAT input of the current period or taxable turnover amount multiplied by the VAT rate)
City maintenance and construction tax	7%, 5%, 1%	Amount of VAT paid
Educational surcharge	3%	Amount of VAT paid
Local educational surcharge	2%	Amount of VAT paid
Customs duty	At applicable tax rate	Customs dutiable value through examination and approval of the Customs

In addition, pursuant to the *Interim Measures for the Collection, Use and Management of the Civil Aviation Development Fund* (Cai Zong [2012] No. 17) issued by the Ministry of Finance, SF Airlines Company Limited ("SF Airlines") pays the civil aviation development fund based on classification of flight routes, maximum take-off weight, flight mileage and applicable collection standards, and includes such payment in cost.

The *Announcement on the Cancellation of Port Construction Fees and Adjustment to Relevant Policies of the Civil Aviation Development Fund* (Announcement [2021] No. 8) was issued by the Ministry of Finance on 19 March 2021. Since 1 April 2021, the collection standards for the civil aviation development fund payable by airlines has been reduced by 20% in accordance with the *Notice of the Ministry of Finance on Adjusting the Relevant Policies of Certain Government Funds* (Cai Shui [2019] No. 46) on the basis of a 50% reduction.

(1) Enterprise income tax

Pursuant to the *Announcement on Implementation of the Policy of Deduction of Relevant Enterprise Income Tax for Equipment and Appliance* (Cai Shui [2018] No. 54), and the *Announcement on Extending the Implementation Period of Certain Preferential Tax Policies* (Cai Shui [2021] No. 6) issued by the Ministry of Finance and State Taxation Administration, for equipment newly purchased from 1 January 2018 to 31 December 2023 and with a unit value of less than RMB5 million, the one-time period cost can be deducted against the taxable income in the following month after the asset is put into use, instead of being deducted annually in its useful life.

Besides, the preferential enterprise income tax policies to which the Group is entitled mainly include:

(a) Pursuant to the *Notice on the Policies and Catalogue of Income Tax Preferences for Enterprises in Guangdong Hengqin New Area, Fujian Pingtan Comprehensive Experimental Zone, and Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperative Zone* (Cai Shui [2014] No. 26) and the *Notice on Continuing the Policies of Income Tax Preferences for Enterprises in Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperative Zone* (Cai Shui [2021] No. 30) jointly issued by the Ministry of Finance and the State Taxation Administration, the Group's subsidiaries as below are subject to enterprise income tax at the preferential rate of 15% from 2014 to 2025.

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Guangdong S.F. E-commerce Co., Ltd.	25%	15%
Shenzhen S.F. Supply Chain Co., Ltd.	25%	15%
Shenzhen S.F. International Logistics Co., Ltd.	25%	15%
Shenzhen S.F. Information Service Technology Co., Ltd.	25%	15%
Junhe Information Technology (Shenzhen) Co., Ltd.	25%	15%
SF Sharing Precision Information Technology (Shenzhen) Co., Ltd.	25%	15%

(b) Pursuant to the *Notice on Tax Policy Issues Concerning Further Implementing the Western China Development Strategy* (Cai Shui [2011] No. 58) and the *Notice on Issues Concerning the Implementation of the Tax Policies for the Development of Western China by Ganzhou City* (Cai Shui [2013] No. 4) jointly issued by the Ministry of Finance, the General Administration of Customs and the State Taxation Administration, and the *Announcement on Continuing the Enterprise Income Tax Policies for the Development of Western China* (Announcement [2020] No. 23) jointly issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on 23 April 2020, the Group's subsidiaries as below are subject to enterprise income tax at the preferential rate of 15% until the end of 31 December 2030:

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Xi'an Shunlu Logistics Co., Ltd.	25%	15%
Chengdu Taishun Logistics Co., Ltd.	25%	15%
Chongqing Huiyifeng Logistics Co., Ltd.	25%	15%
S.F. Express (Chongqing) Co., Ltd.	25%	15%
Guizhou S.F. Express Co., Ltd.	25%	15%
Yunnan S.F. Express Co., Ltd.	25%	15%
Sichuan S.F. Express Co., Ltd.	25%	15%
Ganzhou S.F. Express Co., Ltd.	25%	15%
Xi'an S.F. Express Co., Ltd.	25%	15%
Guangxi S.F. Express Co., Ltd.	25%	15%
S.F. Express (Ningxia) Co., Ltd.	25%	15%
Inner Mongolia S.F. Express Co., Ltd.	25%	15%
Xinjiang S.F. Express Co., Ltd.	25%	15%
Qinghai S.F. Express Co., Ltd.	25%	15%
Lanzhou S.F. Express Co., Ltd.	25%	15%
Yunnan Shunhe Freight Co., Ltd.	25%	15%
Qinghai S.F. Juyi Supply Chain Management Co., Ltd.	25%	15%
Gansu Shunhefeng Freight Co., Ltd.	25%	15%
Shaanxi S.F. Freight Co., Ltd.	25%	15%
Sichuan Shunhefeng Freight Co., Ltd.	25%	15%
Xinjiang Shunhefeng Freight Co., Ltd.	25%	15%
Chongqing S.F. Zhida Supply Chain Management Co., Ltd.	25%	15%
Chongqing Xuefeng Refrigerates Logistics Co., Ltd.	25%	15%
Ningxia S.F. Freight Co., Ltd.	25%	15%
Sichuan Wu Lian Yi Da Technology Co., Ltd.	25%	15%
Guangxi S.F. Freight Co., Ltd.	25%	15%

(c) Pursuant to the *Notice on Tax Policy Issues Concerning Further Implementing the Western China Development Strategy* (Cai Shui [2011] No. 58) jointly issued by the Ministry of Finance, the General Administration of Customs and the State Taxation Administration, and the *Announcement on Continuing the Enterprise Income Tax Policies for the Development of Western China* (Announcement [2020] No. 23) jointly issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on 23 April 2020, the Group's subsidiaries, which are registered in Tibet Autonomous Region, are subject to enterprise income tax at the preferential rate of 15% as stipulated in the Western China Development Strategy from 1 January 2011 to 31 December 2030. Pursuant to the *Notice of the People's Government of the Tibet Autonomous Region on Issuing the Regulations on Preferential Policies for Investment Promotion of the Tibet Autonomous Region (Provisional)* (Zang Zheng Fa [2018] No. 25), the Group's subsidiaries, which are registered in Tibet Autonomous Region are temporarily exempt from the region's share of entitlement to enterprise income tax payable from 1 January 2018 to 31 December 2021. In other words, the region's share of entitlement to 40% in the enterprise income tax payable at the rate of 15% is exempted during the above period.

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Tibet S.F. Express Co., Ltd.	25%	9%

(d) In accordance with Article 2 of the *Notice on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises* (Cai Shui [2019] No. 13) jointly issued by the Ministry of Finance and the State Taxation Administration, during the period from 1 January 2019 to 31 December 2021, the annual taxable income of a small low-profit enterprise that is not more than RMB1 million shall be recognised at 25% of income and be subject to the enterprise income tax rate of 20%; the annual taxable income that is more than RMB1 million but less than RMB3 million shall be recognised at 50% of income and be subject to the enterprise income tax rate of 20%.

In accordance with the *Announcement on Implementing the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households* (Cai Shui [2021] No. 12) issued by the Ministry of Finance and the State Taxation Administration, during the period from 1 January 2021 to 31 December 2022, the annual taxable income of a small low-profit enterprise that is not more than RMB1 million shall be subject to one-half reduced enterprise income tax on the basis of the above preferential policies.

Therefore, the portion of annual taxable income of the Group's subsidiaries as below not exceeding RMB1 million is recognised at 12.5%, and they are subject to enterprise income tax at the rate of 20%; the portion of annual taxable income of the Group's subsidiaries exceeding RMB1 million but not exceeding RMB3 million is recognised at 50%, and they are subject to enterprise income tax at the rate of 20%:

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Ningbo Shuncheng Logistics Co., Ltd.	25%	20%
Guizhou Shunlu Logistics Co., Ltd.	25%	20%
Ezhou Shunlu Logistics Co., Ltd.	25%	20%
Zhengzhou Shuncheng Logistics Co., Ltd.	25%	20%
Shenzhen S.F. Research Institution Co., Ltd.	25%	20%
Shanghai Chengbai Technology Co., Ltd.	25%	20%
Shenyang Fengtai E-Commerce Industrial Park Management Co., Ltd.	25%	20%
Xuzhou Fengtai Industrial Park Management Co., Ltd.	25%	20%
Ezhou Fengtai Qisheng Logistics Development Co., Ltd.	25%	20%
Ezhou Fengyutai Helin Logistics Development Co., Ltd.	25%	20%
Yangzhou Fengyutai Enterprise Management Co., Ltd.	25%	20%
Shenzhen Fengtai E-Commerce Industrial Park Property Service Co., Ltd.	25%	20%
Taizhou Fengtai E-Commerce Industrial Park Operation and Management Co., Ltd.	25%	20%
Taixing Fengtai Industrial Park Operation and Management Co., Ltd.	25%	20%

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Huai'an Fengtai Enterprise Management Co., Ltd.	25%	20%
Quanzhou Fengyutai Enterprise Management Co., Ltd.	25%	20%
Hefei Jietai Enterprise Management Co., Ltd.	25%	20%
Beijing Fengyutai Operations and Management Co., Ltd.	25%	20%
Shenzhen Shunfeng Runtai Management Consulting Co., Ltd.	25%	20%
Guangxi Shunnongfengwei Technology Co., Ltd.	25%	20%
Dongguan Jiada Express Service Co., Ltd.	25%	20%
Shenzhen Xuefeng Cold Chain Logistics Co., Ltd.	25%	20%
Changsha Xueyuan Cold Chain Logistics Co., Ltd.	25%	20%
Exel Supply Chain (Xiamen) Co., Ltd.	25%	20%
Huai'an Fengyutai Enterprise Management Co., Ltd.	25%	20%
Suzhou Fengtai E-commerce Industrial Park Management Co., Ltd.	25%	20%
Beijing Yijie Enterprise Management Co., Ltd.	25%	20%
Shenzhen S.F. International Industry Co., Ltd.	25%	20%
Yirongcheng Information Service (Wuhan) Co., Ltd.	25%	20%
Shenzhen Fengwang Holdings Co., Ltd.	25%	20%
Chongqing Jieyutai Enterprise Management Co., Ltd.	25%	20%
Shenzhen SF Airport investment Co., Ltd.	25%	20%
SF Cold Chain Logistics Co., Ltd.	25%	20%
Wuhan Fengwang Express Co., Ltd.	25%	20%
Guangdong Shunqihe Technology Co., Ltd.	25%	20%
Shenzhen Shunxi Management Consulting Co., Ltd.	25%	20%
Guangxi Shunong Fengnong Agricultural Technology Co., Ltd.	25%	20%
Zhijiang SF Supply Chain Management Co., Ltd.	25%	20%

(e) As per Article 28 of the *Enterprise Income Tax Law of the People's Republic of China*, the high and new technology enterprises eligible for key support from the State are entitled to a reduced tax rate of 15%. Through filing with local taxation bureaus, the Group's subsidiaries as below are qualified as high and new technology enterprises, and entitled to the preferential tax rates for high and new technology enterprises eligible for key support from the State. The subsidiaries as below are subject to a tax rate of 15% in the reporting period (2020: 15%).

Name of subsidiary	Local statutory tax rate	Preferential tax rate
S.F. Hengtong Pay Co., Ltd.	25%	15%
Beijing S.F. Intra-city Technology Co., Ltd.	25%	15%
SF Technology	25%	15%
Shenzhen Fengyi Technology Co., Ltd.	25%	15%
Shenzhen FengChiShunXing Information Technology Co., Ltd.	25%	15%

(f) Pursuant to the *Notice on the Policies of Income Tax Preferences for Enterprises in Hainan Free Trade Port* (Cai Shui [2020] No. 31) jointly issued by the Ministry of Finance and the State Taxation Administration, the Group's subsidiaries, which are registered in Hainan Free Trade Port, are subject to enterprise income tax at the preferential rate of 15% from 1 January 2020 to 31 December 2024.

Name of subsidiary	Local statutory tax rate	Preferential tax rate
Hainan S.F. Express Co., Ltd.	25%	15%
Hainan SF Freight Co., Ltd.	25%	15%

(g) In addition, the Group's subsidiaries located in Hong Kong SAR, Macao SAR, Singapore, Japan, Korea, USA and Thailand are subject to enterprise income tax at the rates of 16.5%, 12%, 17%, 23.2%, 22%, 21% and 20% respectively in the reporting period.

In addition to the above subsidiaries, the Company and the Group's other major subsidiaries are subject to enterprise income tax at the rate of 25%.

(2) VAT

According to different businesses, VAT rates applicable to those subsidiaries located in Mainland China of the Group include:

Business type	Applicable VAT rates
Sales of goods and leasing of tangible movable assets	13%
Transportation service (i) (ii)	9%
	6%
	3% (applicable to small-scale taxpayers before 1 March 2020)
Logistics supporting service (i) (ii) (iii)	1% (applicable to small-scale taxpayers excluding those of Hubei Province from 1 March 2020 to 31 December 2021), 0% (applicable to small-scale taxpayers of Hubei Province from 1 March 2020 to 31 December 2021)
Research and development and technical service	6%
Information technology service	6%
Property leases	9%

(i) Pursuant to the *Announcement on Policies for Deepening the Value-Added Tax Reform* (Cai Shui [2019] No. 39) and the *Announcement on Clarifying the Additional Value-Added Tax Credit Policy for the Life Service Industry* (Cai Shui [2019] No. 87), from 1 April 2019 to 31 December 2021, taxpayers whose sales amount from providing postal service, telecommunication service, modern service and life services accounts for more than 50% of the total sales amount are allowed to credit the amount of input tax deductible in the current period plus 10% thereof against the amount of taxes payable; from 1 October 2019 to 31 December 2021, taxpayers whose sales amount from providing life services accounts for more than 50% of the total sales amount are allowed to credit the amount of input tax deductible in the current period plus 15% thereof against the amount of taxes payable.

(ii) In accordance with the *Announcement on Relevant Tax Policies Supporting the Prevention and Control of the Outbreak of Novel Coronavirus Pneumonia (COVID-19)* (Announcement [2020] No. 8) and the *Announcement on the Implementation Period of the Tax and Fee Policies Supporting the Prevention and Control of the COVID-19 Outbreak, the Guarantee of Supply During the COVID-19 Outbreak and Other Matters* (Announcement [2020] No. 28) jointly issued by the Ministry of Finance and the State Taxation Administration on 6 February 2020 and 15 May 2020 respectively, from 1 January 2020 to 31 December 2020, taxpayers' revenue from transportation of key supporting materials for epidemic prevention and control, provision of public transportation services, living services as well as the express delivery service of essential living materials for residents will be exempted from VAT, city maintenance and construction tax, educational surcharge and local educational surcharge.

Pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Continuing the Implementation of Policies of Partial Tax Preferences in Response to COVID-19* (Announcement [2021] No. 7) jointly issued by the Ministry of Finance and the State Taxation Administration on 17 March 2021, the above policies of tax preferences were extended to 31 March 2021.

(iii) Pursuant to the *Announcement on the Value-Added Tax Policies on Supporting the Resumption of Work and Business of Individual Industrial and Commercial Households* (Announcement [2020] No. 13) and the *Announcement on Extending the Applicable Period of the Policies for Reduction and Exemption of Value-added Tax on Small-scale Taxpayers* (Announcement [2020] No. 24) jointly issued by the Ministry of Finance and the State Taxation Administration on 28 February 2020 and 30 April 2020 respectively, from 1 March to 31 December 2020, taxable sales revenue of small-scale taxpayers of Hubei Province subject to VAT at the rate of 3% before shall be exempted from VAT; while the prepaid VAT items subject to the prepaid collection rate of 3% before shall be suspended for the prepayment of VAT. Taxable sales revenue of small-scale taxpayers in other provinces, autonomous regions and municipalities directly under the central government excluding Hubei Province subject to VAT at the rate of 3% before shall be subject to VAT at the preferential rate of 1%; while the prepaid VAT items in such regions subject to the prepaid collection rate of 3% before shall be subject to prepaid VAT at the preferential rate of 1%.

Pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Continuing the Implementation of Policies of Partial Tax Preferences in Response to COVID-19* (Announcement [2021] No. 7) jointly issued by the Ministry of Finance and the State Taxation Administration on 17 March 2021, the above policies of tax preferences were extended to 31 December 2021.

4. Notes to the consolidated financial statements

(1) Cash at bank and on hand

	31 December 2021	31 December 2020
Cash on hand	48,513	79
Cash at bank(c)	16,067,702	5,582,702
Balances with central bank from Group Finance Company	548,204	1,066,630
Including: – statutory reserve (a)	540,300	1,001,338
– excess reserve (b)	7,904	65,292
Balance with other banks form Group Finance Company	18,569,253	9,614,351
Other cash balances(c)	76,182	126,993
Interest receivable	5,197	27,137
	35,315,051	16,417,892
Including: Overseas deposits	9,330,693	1,478,585

(a) On 18 September 2016, the Group incorporated S.F. Holding Group Finance Co., Ltd. (“Group Finance Company”). Statutory reserve of Group Finance Company deposited with the central bank represents required statutory reserve paid by financial enterprises in the People’s Bank of China (“PBOC”) at 5% (2020: 6%) of deposits from customers denominated in RMB. Statutory reserve deposits are not available for use by the Group in its day to day operations, which are restricted cash.

(b) Surplus reserve of Group Finance Company deposited with the central bank represents the excess over the required statutory reserve paid by financial institutions in the central bank, and it is bank deposit that can be readily drawn on demand.

(c) As at 31 December 2021, the bank deposits of RMB9,600,000 were deposits in commercial banks to guarantee general bank credit (Note 4(25)(c)) and RMB1,832,000 is the security deposit for the Group to apply for a letter of guarantee from the bank. Other cash balances of RMB25,194,000 is the security deposit received by the Group from a third party. According to the contract, the security deposit needs to be returned after the cooperation is completed. These funds are all restricted funds(As at 31 December 2020: Nil).

(2) Financial assets held for trading

	31 December 2021	31 December 2020
Structural deposits	9,730,665	6,276,848
Fund Investments	653,828	75
	10,384,493	6,276,923

(3) Notes receivable

	31 December 2021	31 December 2020
Bank acceptance notes	220,472	158,521
Commercial acceptance notes	96,783	7,956
	317,255	166,477

As at December 31, 2021, the Group measured the provision for bad debts in accordance with the expected credit losses for the entire life. The Group believes that the bank acceptance notes held in the portfolio do not have significant credit risks and will not incur significant losses due to bank default.

(4) Accounts receivable

	31 December 2021	31 December 2020
Accounts receivable	31,476,627	17,076,917
Less: Provision for bad debts	(1,034,869)	(227,853)
	30,441,758	16,849,064

The Group adopts regular settlement method for logistics and freight forwarding services provided to some customers. At each month-end, the outstanding part becomes accounts receivable.

(a) The ageing of accounts receivable is analysed as follows:

	31 December 2021	31 December 2020
Within 1 year (inclusive)	31,027,603	16,941,299
1 to 2 years (inclusive)	236,070	102,274
Over 2 years	212,954	33,344
	31,476,627	17,076,917

(b) As at 31 December 2021, the five largest accounts receivable aggregated by debtor were summarised and analysed as follows:

	31 December 2021		
	Amount	Amount of provision for bad debts	% of total balance
Sum of the five largest accounts receivable	2,737,112	(4,777)	8.70%

(c) Provision for bad debts

For accounts receivable, the Group recognises the lifetime expected credit loss provision.

As at 31 December 2021, accounts receivable for which the related provision for bad debts was provided on the individual basis were analysed as follows:

	Ending balance	Lifetime expected credit loss rate	Provision for bad debts	Reason
Receivables from related parties	–	–	–	
Receivables from non-related parties	559,591	100.00%	(559,591)	The debtor encountered financial distress, etc
	559,591		(559,591)	

As at 31 December 2020, accounts receivable for which the related provision for bad debts was provided on the individual basis were analysed as follows:

	Ending balance	Lifetime expected credit loss rate	Provision for bad debts	Reason
Receivables from related parties	–	–	–	
Receivables from non-related parties	130,647	100.00%	(130,647)	The debtor encountered financial distress, etc
	130,647		(130,647)	

As at 31 December 2021, accounts receivable for which the related provision for bad debts was provided on the grouping basis were analysed as follows:

	Amount	Lifetime expected credit loss rate	Amount
Related party grouping	278,423	–	–
Non-related party grouping	30,638,613	1.55%	(475,278)
	30,917,036		(475,278)

As at 31 December 2020, accounts receivable for which the related provision for bad debts was provided on the grouping basis were analysed as follows:

	Amount	Lifetime expected credit loss rate	Amount
Related party grouping	292,870	–	–
Non-related party grouping	16,653,400	0.58%	(97,206)
	16,946,270		(97,206)

(d) In 2021, the Group's provision for bad debts amounted to RMB605,865,000 (2020: RMB218,488,000), and there was no provision for bad debts reversed (Note 4(24)).

(e) In 2021, the provision for bad debts of accounts receivable that were written off amounted to RMB60,613,000 and no accounts receivable with amounts that were individually significant were written off (Note 4(24)).

(5) Advances to suppliers

(a) The ageing of advances to suppliers is analysed below:

Ageing	31 December 2021		31 December 2020	
	Amount	% of total balance	Amount	% of total balance
Within 1 year (inclusive)	2,826,165	96.25%	2,985,170	93.97%
1 to 2 years (inclusive)	73,490	2.50%	165,666	5.22%
Over 2 years	36,591	1.25%	25,683	0.81%
	2,936,246	100.00%	3,176,519	100.00%

As at 31 December 2021, advances to suppliers with ageing over one year were mainly prepaid materials, transportation expenses, etc. That is because relevant business transactions were still being performed.

(b) As at 31 December 2021, the five largest advances to suppliers aggregated by debtor were summarised and analysed as follows:

	31 December 2021	
	Amount	% of total balance
Sum of the five largest advances to suppliers	592,373	20.17%

(6) Loans and advances

As at 31 December 2021, the balance of loans and advances was formed by the external loans issued by S.F. Finance (Hong Kong) Limited, a subsidiary of the Group in Hong Kong (31 December 2020: S.F. Finance (Hong Kong) Limited and Group Finance Company).

(a) Loans and advances by individual and enterprise

	31 December 2021	31 December 2020
Personal loans	73	75
Enterprise loans		
Non-related party loans	68,308	92,660
Related party loans (Note 8(4)(c))	–	63,939
Loans and advances – total	68,381	156,674
Less: Provision for loan losses	(65,748)	(95,756)
Loans and advances – net	2,633	60,918

(b) Loans and advances analysed by type of collateral

	31 December 2021	31 December 2020
Credit loans	61,608	149,700
Guaranteed loans	6,773	6,974
Loans and advances – total	68,381	156,674

(c) As at 31 December 2021, the book balance of the Group's loans and advances that are overdue and at Stage 3 was RMB65,681,000 (31 December 2020: RMB94,197,000), and bad debts had been fully accrued.

(d) In 2021, the Group made no provision for bad debts, and the provision for bad debts reversed amounted to RMB27,688,000 (2020: RMB88,209,000 provided and no provision for bad debts reversed) (Note 4(24)).

(7) Other receivables

	31 December 2021	31 December 2020
Current accounts receivable from related parties (Note 8(4)(d))	492,057	325,200
Guarantees and deposits	1,413,769	844,765
Cash to collect on behalf of customers	689,476	504,889
Receivables from equity transfer	344,662	207,604
Tax paid on behalf of others	154,965	118,850
Airlines subsidy and financial rebate	105,652	202,549
Employee borrowings and advances	95,564	76,334
Entrusted loan principal receivable	27,000	27,000
Social insurance premium prepaid	23,515	18,054
Others	999,967	296,135
	4,346,627	2,621,380
Less: Provision for bad debts	(108,109)	(127,816)
	4,238,518	2,493,564

(a) The ageing of other receivables based on the point of occurrence is analysed as follows:

	31 December 2021	31 December 2020
Within 1 year (inclusive)	3,638,859	2,001,898
1 to 2 years (inclusive)	297,337	333,174
Over 2 years	410,431	286,308
	4,346,627	2,621,380

As at 31 December 2021, other receivables with ageing over 1 year mainly represented deposits and guarantees, entrusted loans receivable and receivables from equity transfer.

(b) Provision for losses and changes in book balance statements

(i) The Group measures the loss provision for other receivables based on the expected credit losses for the next twelve months or the entire duration.

	Stage 1		Stage 3		Total	
	Expected credit losses in the following 12 months (Portfolio)		Lifetime expected credit losses (credit impaired)			
	Ending balance	Provision for bad debts	Ending balance	Provision for bad debts	Ending balance	Provision for bad debts
31 December 2020	2,495,057	(12,293)	126,323	(115,523)	2,621,380	(127,816)
Net increase/provision in the current year	1,752,426	(7,472)	–	–	1,752,426	(7,472)
Reversal in the current year	–	–	(15,000)	15,000	(15,000)	15,000
Write-off/Disposal in the current year	(5,311)	5,311	(6,868)	6,868	(12,179)	12,179
31 December 2021	4,242,172	(14,454)	104,455	(93,655)	4,346,627	(108,109)

As at 31 December 2021 and 31 December 2020, the Group did not have any other receivables at Stage 1 for which the related provision for bad debts was provided on the individual basis.

As at 31 December 2021, other receivables at Stage 1 for which the related provision for bad debts was provided on the grouping basis were analysed as follows:

	Ending balance	Expected credit loss rate in the following 12 months	Provision for bad debts	Reason
Provided on the grouping basis:				
Related party grouping	492,057	–	–	Expected credit loss method
Non-related party grouping	3,750,115	0.39%	(14,454)	
	4,242,172		(14,454)	

As at 31 December 2020, other receivables at Stage 1 for which the related provision for bad debts was provided on the grouping basis were analysed as follows:

	Ending balance	Expected credit loss rate in the following 12 months	Provision for bad debts	Reason
Provided on the grouping basis:				
Related party grouping	325,200	–	–	Expected credit loss method
Non-related party grouping	2,169,857	0.57%	(12,293)	
	2,495,057		(12,293)	

As at 31 December 2021 and 31 December 2020, the Group did not have any other receivables at Stage 2.

As at 31 December 2021, other receivables at Stage 3 for which the related provision for bad debts was provided on the individual basis were analysed as follows:

	Ending balance	Lifetime expected credit losses	Provision for bad debts	Reason
Provided on the individual basis:				
Entrusted loans receivable	27,000	60.00%	(16,200)	The debtor encountered financial distress
Receivables from equity transfer	77,455	100.00%	(77,455)	The debtor encountered financial distress
	104,455		(93,655)	

As at 31 December 2020, other receivables at Stage 3 for which the related provision for bad debts was provided on the individual basis were analysed as follows:

	Ending balance	Lifetime expected credit losses	Provision for bad debts	Reason
Provided on the individual basis:				
Entrusted loans receivable	27,000	60.00%	(16,200)	The debtor encountered financial distress
Receivables from equity transfer	92,455	100.00%	(92,455)	The debtor encountered financial distress
Others	6,868	100.00%	(6,868)	The debtor encountered financial distress, etc
	126,323		(115,523)	

As at 31 December 2021 and 31 December 2020, the Group did not have any other receivables at Stage 3 for which the related provision for bad debts was provided on the grouping basis.

(c) In 2021, the Group's provision for bad debts amounted to RMB7,472,000 (2020: RMB113,090,000), and the provision for bad debts reversed was RMB15,000,000 (2020: Nil) (Note 4(24)).

(d) In 2021, the provision for bad debts of other receivables that were written off amounted to RMB12,154,000 (2020: RMB12,475,000) (Note 4(24)) and no other receivables with amounts that were individually significant were written off (2020: Nil).

(e) As at 31 December 2021, the five largest other receivables aggregated by debtor were summarised and analysed as follows:

	Nature of business	Ageing	31 December 2021		
			Amount	Amount of provision for bad debts	% of total balance
Shenzhen Hive Box Technology Co., Ltd. ("Hive Box Technology")	Agency collection and payment	Within 3 months	371,433	–	8.55%
Shanghai Huizhisen Supply Chain Co.,Ltd	Receivables from equity transfer	Within 1 year	167,172	–	3.85%
Rosy Century Holdings Limited	Agency collection and payment	Within 1 year	120,113	–	2.76%
Shanghai Zhixin Investment Management Co., Ltd.	Receivables from equity transfer	Within 1 year	71,795	(359)	1.65%
Tianhao (China) Investment Co.,Ltd	Receivables from equity transfer	Within 1 year	49,518	(248)	1.14%
			780,031	(607)	17.95%

(8) Inventories

Inventories are summarised by category as follows:

	31 December 2021		
	Ending balance	Provision for decline in the value of inventories and impairment of contract liabilities	Carrying amount
Raw materials in stock	588,354	(1,108)	587,246
Finished goods	497,617	(6,777)	490,840
Aviation consumables	268,985	–	268,985
Turnover materials	166,153	–	166,153
Costs to fulfil a contract	33,597	–	33,597
	1,554,706	(7,885)	1,546,821

	31 December 2020		
	Ending balance	Provision for decline in the value of inventories and impairment of contract liabilities	Carrying amount
Raw materials in stock	423,929	–	423,929
Aviation consumables	241,874	–	241,874
Finished goods	191,151	(5,280)	185,871
Properties under development	79,095	–	79,095
Turnover materials	31,952	–	31,952
Costs to fulfil a contract	24,230	–	24,230
	992,231	(5,280)	986,951

(9) Contract assets

	31 December 2021	31 December 2020
Contract assets	1,041,152	401,040
Less: Provision for impairment of contract assets	(2,905)	(2,005)
	1,038,247	399,035

For contract assets, the Group recognises the lifetime expected credit loss provision regardless of whether there exists a significant financing component. As at 31 December 2021 and 31 December 2020, the Group's contract assets were not overdue, and the Group assessed that no impairment loss should be recognised on an individual basis.

(10) Other current assets

	31 December 2021	31 December 2020
Input VAT to be offset	7,299,204	4,536,908
Prepaid enterprise income tax	236,852	153,563
Others	3,557	2,606
	7,539,613	4,693,077

(11) Long-term receivables

	31 December 2021	31 December 2020
Finance lease receivables (a)	726,349	122,346
Deposit for house purchase	277,904	277,904
Interest-free loans to employees receivable (b)	237,255	377,265
Others	8,328	–
Less: Provision for bad debts	(21,984)	(14,170)
Current portion of long-term receivables	(351,489)	(156,241)
	876,363	607,104

(a) Finance lease receivables

	31 December 2021	31 December 2020
Finance lease receivables	811,886	127,806
Less: Unrealised finance gains	(85,537)	(5,460)
Amortised cost of finance lease receivables	726,349	122,346
Less: Provision for bad debts	(20,686)	(12,137)
Current portion of finance lease receivables	(249,416)	(32,133)
	456,247	78,076

After the balance sheet date, the Group's minimum lease proceeds at undiscounted contractual cash flows (including interest calculated at the contract rate (or the prevailing rate at the balance sheet date in the case of a floating rate)) are analysed as below:

	31 December 2021	31 December 2020
Within 1 year (inclusive)	311,050	44,271
1 to 2 years (inclusive)	288,158	37,173
2 to 3 years (inclusive)	177,484	33,314
Over 3 years	35,194	13,048
	811,886	127,806

(b) Interest-free loans to employees receivable

	31 December 2021	31 December 2020
Interest-free loans to employees receivable	250,940	406,677
Less: Prepaid discount interest	(13,685)	(29,412)
Amortised cost of interest-free loans to employees	237,255	377,265
Less: Provision for bad debts	(1,255)	(2,033)
Current portion of interest-free loans to employees	(97,833)	(124,108)
	138,167	251,124

Interest-free loans to employees receivable represented the interest-free loans to qualified employees with a term of 5 years.

(12) Long-term equity investments

	31 December 2021	31 December 2020
Cost:		
– Joint ventures	2,593,932	2,457,553
– Associates	4,844,027	1,337,753
	7,437,959	3,795,306
Less: Provision for impairment		
– Joint ventures	–	(22,587)
– Associates	(177,872)	(125,488)
	(177,872)	(148,075)
Joint ventures (a)	2,593,932	2,434,966
Associates (b)	4,666,155	1,212,265
	7,260,087	3,647,231

(a) Joint ventures

	Carrying amount as at 31 December 2020	Movements in the current year						Carrying amount as at 31 December 2021	Balance of provision for impairment loss at the end of the year
		Increase/(decrease) in investments	Share of net profit/(loss) under equity method	Other changes in equity (i)	Cash dividends/profit declared	Provision for impairment loss	Exchange differences on translation of foreign currency financial statements		
Hubei International Logistics Airport Co., Ltd.	1,373,301	-	(16,689)	-	-	-	-	1,356,612	-
Gem-shunxin Industrial Technology Co., Ltd.	490,662	-	7,920	1,861	-	-	-	500,443	-
ZBHA Group Co., Ltd. ("ZBHA")	230,429	-	7,591	-	-	-	-	238,020	-
Jinfeng Borun (Xiamen) Equity Investment Partnership (Limited Partnership)	149,354	-	(6,180)	-	-	-	-	143,174	-
CC SF China Logistics Properties Investment Fund, L.P.	-	98,985	(3,620)	-	-	-	(1,797)	93,568	-
Beijing Wulian Shuntong Technology Co., Ltd. ("Wulian Shuntong")	89,572	-	(6,287)	-	-	-	-	83,285	-
Ezhou CCCC SF Express Airport Industrial Park Investment Development Co., Ltd.	-	72,000	294	-	-	-	-	72,294	-
CR-SF International Express Co., Ltd.	29,754	-	6,236	-	-	-	-	35,990	-
Shenzhen Fengsu Technology Co., Ltd. ("Fengsu Technology")	22,905	(1,751)	(2,417)	224	-	-	-	18,961	-
POST110Ü	22,441	-	(3,139)	-	(5,386)	-	184	14,100	-
Others	26,548	14,191	(2,841)	-	-	-	(413)	37,485	-
	2,434,966	183,425	(19,132)	2,085	(5,386)	-	(2,026)	2,593,932	-

(b) Associates

	Carrying amount as at 31 December 2020	Movements in the current year								Carrying amount as at 31 December 2021	Balance of provision for impairment loss at the end of the year
		Business combinations involving enterprises not under common control	Increase/ (Decrease) In investments	Share of net profit/(loss) under equity method	Share of other comprehensive income	Other changes in equity (i)	Cash dividends or profits declared	Provision for impairment loss	Exchange differences on translation of foreign currency financial statements		
SF REITs	-	-	1,152,527	12,270	-	-	-	-	(13,291)	1,151,506	-
Chiwan Container Terminal Co Ltd	-	914,282	-	15,223	-	-	-	-	(9,633)	919,872	-
Giao Hang Tiet Kiem Joint Stock Company	-	332,466	-	17,138	-	-	-	-	(13,709)	335,895	-
Beijing Bei Jian Tong Cheng International Logistics Co., Ltd.	-	318,327	-	748	-	-	-	-	(684)	318,391	-
PT. Puninar SaranaRaya	-	249,349	-	1,552	-	-	-	-	4,380	255,281	-
Asia Airfreight Terminal Company Limited	-	249,350	-	5,812	-	-	-	-	(4,250)	250,912	-
Amass Freight International Co. Ltd.	208,700	-	-	30,832	-	-	-	-	-	239,532	-
Zhejiang Galaxis Technology Co., Ltd.	205,935	-	-	(7,123)	-	(10,392)	-	-	-	188,420	-
Zhuhai Biyao Industrial Technology Co., Ltd.	112,225	-	-	(8,879)	-	-	-	-	-	103,346	(8,031)
Jiangsu Chiata Foton Co., Ltd.	102,710	-	-	(2,748)	-	-	-	-	-	99,962	-
Dazhangfang Network Technology Co., Ltd. ("Dazhangfang Information Technology")	99,906	-	-	(5,184)	-	-	-	-	-	94,722	-
Dunho Weiheng (Zhuhai) Supply Chain Management Co., Ltd.	62,356	-	27,546	(1,139)	-	-	-	-	-	88,763	-
KENGIC Intelligent Technology Co., Ltd. ("KENGIC Intelligent")	76,206	-	-	15,190	-	(8,020)	-	-	-	83,376	-
Suan Plu Thani Limited	-	75,387	-	3,123	-	-	-	-	(632)	77,878	-

	Carrying amount as at 31 December 2020	Movements in the current year								Carrying amount as at 31 December 2021	Balance of provision for impairment loss at the end of the year
		Business combination involving enterprises not under common control	Increase/ (Decrease) In investments	Share of net profit/(loss) under equity method	Share of other comprehensive income	Other changes in equity (i)	Cash dividends or profits declared	Provision for impairment loss	Exchange differences on translation of foreign currency financial statements		
Feng Wang Investment Co., Ltd.	47,813	-	-	(1,041)	(88)	-	-	-	-	46,684	-
Shenzhen Fenglian Technology Co., Ltd.	-	-	38,826	(2,326)	-	5,699	-	-	-	42,199	-
PT TRI ADI BERSAMA	14,336	-	28,703	(2,035)	(3)	-	-	-	(1,270)	39,731	-
Langxing UAV System Co., Ltd.	39,286	-	-	(2,134)	-	-	-	-	-	37,152	-
SCS Logistics Co., Ltd.	29,852	-	-	3,211	-	-	(2,250)	-	-	30,813	-
Beijing Qiangua Technology Co., Ltd.	-	-	25,000	(50)	-	-	-	-	-	24,950	-
FKmalls Cross Border Supply Chain Limited	-	24,043	-	(582)	-	-	-	-	(403)	23,058	-
KOSPA	22,734	-	-	825	-	-	-	-	(674)	22,885	-
Aerospace Times Feipeng Co., Ltd.	-	-	20,000	-	-	-	-	-	-	20,000	-
Wuhan Shunluo Supply Chain Management Co., Ltd.	16,307	-	-	1,797	-	-	-	-	-	18,104	-
Shenzhen Zhi Hang UAV Co., Ltd.	23,792	-	-	2,530	-	-	-	(11,212)	-	15,110	(11,212)
Guangdong Shucheng Technology Co., Ltd.	19,143	-	60	(2,279)	-	-	-	(7,051)	-	9,873	(7,051)
Shenzhen Canbeidou Supply Chain Management Co., Ltd.	31,029	-	-	(877)	-	-	-	(25,586)	-	4,566	(25,586)
Shanghai EYouTong Technology Development Co., Ltd.	9,389	-	-	(854)	-	-	-	(8,535)	-	-	(8,535)
Others (ii)	90,546	23,505	11,136	(11,208)	-	6,297	-	-	2,898	123,174	(117,457)
	1,212,265	2,186,709	1,303,798	61,792	(91)	(6,416)	(2,250)	(52,384)	(37,268)	4,666,155	(177,872)

(i) Those represent changes in equity resulting from capital injections by investors other than the Group.

(13) Investments in other equity instruments

	31 December 2021	31 December 2020
Equity of listed companies	241,936	891,159
Equity of unlisted companies	6,568,835	4,136,330
	6,810,771	5,027,489

	31 December 2021	31 December 2020
Equity of listed companies		
– Cost	272,354	580,534
– Accumulated changes in fair value	(30,418)	310,625
	241,936	891,159
Equity of unlisted companies		
– Cost	3,502,503	3,106,021
– Accumulated changes in fair value	3,066,332	1,030,309
	6,568,835	4,136,330

(14) Other non-current financial assets

	31 December 2021	31 December 2020
Financial assets held for trading (over 1 year):		
Industry fund investments	552,130	441,135
Special scheme equity-class securities	235,821	390,391
Others	90,072	–
	878,023	831,526

(15) Investment properties

	Buildings	Land use rights	Total
Cost			
31 December 2020	1,631,376	816,420	2,447,796
Transfer from self-used assets in the current year (Note 4(16), (17), (19))	2,401,200	600,885	3,002,085
Increase arising from business combinations involving enterprises not under common control	874,638	481,087	1,355,725
Transfer to self-used assets in the current year (Note 4(16), (19))	(385,256)	(93,405)	(478,661)
Decrease due to disposal of subsidiaries in the current year	(628,224)	(664,806)	(1,293,030)
Effect of translation of foreign currency financial statements	(504)	(13,483)	(13,987)
31 December 2021	3,893,230	1,126,698	5,019,928
Accumulated depreciation			
31 December 2020	139,992	88,399	228,391
Transfer from self-used assets in the current year (Note 4(16), (19))	13,390	40,252	53,642
Provision in the current year	43,668	16,714	60,382
Transfer to self-used assets in the current year (Note 4(16), (19))	(20,539)	(7,273)	(27,812)
Decrease due to disposal of subsidiaries in the current year	(62,638)	(81,162)	(143,800)
Effect of translation of foreign currency financial statements	(487)	(621)	(1,108)
31 December 2021	113,386	56,309	169,695
Carrying amount			
31 December 2021	3,779,844	1,070,389	4,850,233
31 December 2020	1,491,384	728,021	2,219,405

As at 31 December 2021, the Group was still in the process of applying for certificates of ownership for certain buildings with carrying amount of RMB2,129,546,000 (cost of RMB2,158,274,000) (31 December 2020: carrying amount of RMB656,266,000 and cost of RMB671,021,000).

As at 31 December 2021, investment properties with carrying amount of RMB224,440,000 (31 December 2020: RMB77,181,000) were pledged as collateral for long-term and short-term borrowings (Note 4(25)(b) and Note 4(34)(c)).

As at 31 December 2021 and 31 December 2020, the Group assessed that no impairment loss should be recognised for investment properties.

(16) Fixed assets

	Buildings	Motor vehicles	Computers and electronic equipment	Aircraft, aircraft engines, rotables and high-value maintenance tools	Machinery and equipment	Office equipment and other equipment	Total
Cost							
31 December 2020	7,735,999	5,475,630	3,615,717	9,171,985	4,456,899	6,171,337	36,627,567
Transfer from construction in progress (Note 4(17))	1,803,794	193,329	49,666	1,991,236	1,992,461	2,895,481	8,925,967
Transfer from investment properties in the current year (Note 4(15))	385,256	-	-	-	-	-	385,256
Addition in the current year	1,554,841	1,203,826	847,928	182,844	442,803	411,226	4,643,468
Increase arising from business combinations involving enterprises not under common control	5,854,286	1,000,553	783,226	-	2,299,823	1,018,850	10,956,738
Transfer to investment properties in the current year (Note 4(15))	(462,302)	-	-	-	-	-	(462,302)
Other decrease in the current year	(43,218)	(844,015)	(336,997)	(152,030)	(149,073)	(372,241)	(1,897,574)
Decrease due to disposal of subsidiaries in the current year	(1,663,999)	-	(24,081)	-	(5,412)	(2,103)	(1,695,595)
Reclassification in the current year	-	2,162	(3,630)	-	(108,344)	109,812	-
Effect of translation of foreign currency financial statements	(78,260)	(20,292)	(13,615)	-	(20,279)	(14,587)	(147,033)
31 December 2021	15,086,397	7,011,193	4,918,214	11,194,035	8,908,878	10,217,775	57,336,492
Accumulated depreciation							
31 December 2020	870,501	3,680,986	2,331,366	3,504,465	1,178,125	2,705,472	14,270,915
Transfer from investment properties in the current year (Note 4(15))	20,539	-	-	-	-	-	20,539
Provision in the current year	269,946	996,388	730,260	1,065,352	474,482	1,094,167	4,630,595
Business combinations involving enterprises not under common control	693,882	543,972	524,446	-	919,449	631,638	3,313,387
Transfer to investment properties in the current year (Note 4(15))	(13,390)	-	-	-	-	-	(13,390)
Other decrease in the current year	(25,727)	(781,147)	(281,262)	(130,542)	(81,166)	(283,357)	(1,583,201)
Decrease due to disposal of subsidiaries in the current year	(181,862)	-	(12,176)	-	(384)	(316)	(194,738)
Reclassification in the current year	-	2,088	103	-	(76,627)	74,436	-
Effect of translation of foreign currency financial statements	(6,063)	(7,695)	(7,402)	-	(1,200)	(11,245)	(33,605)
31 December 2021	1,627,826	4,434,592	3,285,335	4,439,275	2,412,679	4,210,795	20,410,502
Carrying amount							
31 December 2021	13,458,571	2,576,601	1,632,879	6,754,760	6,496,199	6,006,980	36,925,990
31 December 2020	6,865,498	1,794,644	1,284,351	5,667,520	3,278,774	3,465,865	22,356,652

(i) As at 31 December 2021, carrying amount of the freehold land, which was included in the buildings disclosed above, was RMB932,242,000.

(ii) Among fixed assets added during the year include:

On November 30, 2021, the Group exercised the right of first refusal to purchase the asset-backed special plan of Huatai Jiayue-SF Industrial Park Phase I No. 1 to acquire Shenzhen Shunze Industrial Park Management Co., Ltd. (“Shenzhen Shunze”) and Shenzhen Shuntai Industrial Park Management Co., Ltd. (“Shenzhen Shuntai”) 100% equity (“the subject of exercise”). The exercise price is about RMB1,996,720,000 in total for the appraisal value of the property assets of the logistics industrial park under the special plan. After deducting the acquired liabilities, the total value is approximately RMB666,000,000. The total transfer price of the equity in this transaction is approximately RMB1,330,720,000. The transaction was completed on December 8, 2021 (the “Purchase Date”).

The acquisition meets the concentration test and is treated in accordance with the principle of asset purchase. The fixed assets (buildings) and intangible assets (land use rights) purchased are recognized on the purchase date at their fair value of RMB1,494,993,000 and RMB467,320,000 respectively.

(iii) In 2021, the amount of depreciation expenses charged to cost of revenue, selling and distribution expenses, general and administrative expenses and research and development expenses was RMB4,588,519,000 (2020: RMB3,580,530,000).

(iv) As at 31 December 2021, fixed assets with carrying amount of RMB1,688,091,000 (31 December 2020: RMB181,287,000) were pledged as collateral for short-term and long-term borrowings (Note 4(25)(b) and Note 4(34)(c)).

(v) Fixed assets with pending certificates of ownership

	31 December 2021			
	Cost	Accumulated depreciation	Provision for impairment loss	Carrying amount
Buildings	1,882,361	(59,224)	–	1,823,137

	31 December 2020			
	Cost	Accumulated depreciation	Provision for impairment loss	Carrying amount
Buildings	1,782,960	(96,134)	–	1,686,826

In addition, as at 31 December 2021, buildings with carrying amount of RMB20,968,000 and cost of RMB29,844,000 (31 December 2020: carrying amount of RMB22,375,000 and cost of RMB29,844,000) represented public rental houses with restricted property rights purchased by the Group for enterprise talents.

(vi) As at 31 December 2021 and 31 December 2020, the Group assessed that no impairment loss should be recognised for fixed assets.

(vii) Disposal of aircraft engines, rotables and high-value aircraft maintenance tools

	Reason for disposal	2021			Carrying amount
		Cost	Accumulated depreciation	Provision for impairment loss	
Aircraft rotables	Scrapped	2,665	(1,166)	–	1,499
Aircraft rotables	Sold	102	(7)	–	95
High-value maintenance tools	Scrapped	52	(35)	–	17
		2,819	(1,208)	–	1,611

	2020				
	Reason for disposal	Cost	Accumulated depreciation	Provision for impairment loss	Carrying amount
Aircraft rotables	Scrapped	2,023	(641)	–	1,382
Aircraft rotables	Sold	1,827	(75)	–	1,752
High-value maintenance tools	Scrapped	34	(23)	–	11
		3,884	(739)	–	3,145

(17) Construction in progress

	31 December 2021	31 December 2020
Industrial Park Projects	5,004,254	2,774,531
Relocation and Renovation Project of Distribution Hubs	1,472,333	688,118
Aircraft import and refit	1,051,191	848,658
Qianhai S.F. Headquarters Office	484,092	724,190
Others	559,333	344,357
	8,571,203	5,379,854

Name of projects	Budget	31 December 2020	Increase in the current year	Transfer to other long-term assets in the current year (iv)	Other decrease in the current year	31 December 2021	% of project investment in budget (iii)	Progress of project	Accumulative amount of capitalised borrowing costs	Including: Borrowing costs capitalised in the current year (Note 4(53))	Capitalisation rate	Source of funds
Industrial Park Projects	16,886,852	2,774,531	5,550,444	(3,064,874)	(255,847)	5,004,254	55.54%	55.54%	-	-	-	Self-owned funds
Relocation and Renovation Project of Distribution Hubs	17,196,384	688,118	6,232,992	(5,448,511)	(266)	1,472,333	53.68%	53.68%	-	-	-	Self-owned funds
Aircraft import and refit	2,595,658	848,658	2,238,123	(2,017,891)	(17,699)	1,051,191	96.69%	96.69%	-	-	-	Self-owned funds
Qianhai S.F. Headquarters Office	1,022,684	724,190	168,587	(408,685)	-	484,092	87.30%	87.30%	84,699	6,007	4.61%	Self-owned funds and loans from financial institutions
Others		344,357	1,517,514	(1,276,184)	(26,354)	559,333						Self-owned funds
		5,379,854	15,707,660	(12,216,145)	(300,166)	8,571,203			84,699	6,007		

(i) As at 31 December 2021 and 31 December 2020, the Group considered that no impairment loss should be recognised for construction in progress.

(ii) As at 31 December 2021, construction in progress with carrying amount of RMB47,010,000 (31 December 2020: RMB52,268,000) was pledged as collateral for long-term borrowings (Note 4 34(c)).

(iii) For aircraft import and refit, the percentage of project investment in budget is related to the investment for the current period; for the other projects, the percentage of project investment in budget is related to the accumulative investment.

(iv) The construction in progress transferred to long-term assets for the current year amounted to RMB12,216,145,000, including RMB8,925,967,000 transferred to fixed assets, RMB1,938,898,000 transferred to investment properties and RMB1,351,280,000 transferred to long-term prepaid expenses.

(18) Right-of-use assets

	Buildings	Machinery and equipment	Motor vehicles	Computers and electronic equipment	Total
Cost					
1 January 2021	10,521,029	6,541	10,222	133	10,537,925
Increase in the current year	10,608,480	5,308	24,433	–	10,638,221
Business combinations involving enterprises not under common control	3,047,278	38,648	968,735	–	4,054,661
Decrease in the current year	(1,258,221)	(4,709)	(10,764)	–	(1,273,694)
Effect of translation of foreign currency financial statements	(82,187)	(427)	(3,014)	–	(85,628)
31 December 2021	22,836,379	45,361	989,612	133	23,871,485
Accumulated depreciation					
1 January 2021	–	–	–	–	–
Provision in the current year	5,475,634	6,166	45,481	41	5,527,322
Business combinations involving enterprises not under common control	1,147,624	13,691	323,441	–	1,484,756
Decrease in the current year	(418,622)	(2,874)	(282)	–	(421,778)
Effect of translation of foreign currency financial statements	(14,691)	(142)	(1,067)	–	(15,900)
31 December 2021	6,189,945	16,841	367,573	41	6,574,400
Carrying amount					
31 December 2021	16,646,434	28,520	622,039	92	17,297,085
1 January 2021(Note 2(30))	10,521,029	6,541	10,222	133	10,537,925

As at 31 December 2021, the Group considered that no impairment loss should be recognised for right-of-use assets.

(19) Intangible assets

	Land use rights	Purchased software	Self-developed software	Patents	Trademark rights	Customer relationships	Others	Total
Cost								
31 December 2020	6,077,755	574,252	3,980,088	19,100	224,021	2,590,205	85,259	13,550,680
Transfer from investment properties in the current year (Note 4(15))	93,405	-	-	-	-	-	-	93,405
Transfer from capitalised development expenditures in the current year (Note 4(20))	-	-	1,550,279	-	-	-	-	1,550,279
Business combinations involving enterprises not under common control	1,507,195	31,843	-	-	4,314,215	2,493,495	130,730	8,477,478
Addition in the current year	2,314,649	44,913	-	5,698	2,381	-	65,006	2,432,647
Transfer to investment properties in the current year (Note 4(15))	(600,885)	-	-	-	-	-	-	(600,885)
Disposal in the current year	(289)	(12,722)	(207,714)	-	-	-	-	(220,725)
Decrease due to disposal of subsidiaries in the current year	(2,302,878)	-	(102,591)	(344)	(9)	-	(635)	(2,406,457)
Effect of translation of foreign currency financial statements	(34,779)	(1,540)	-	(106)	(78,760)	(106,928)	(2,614)	(224,727)
31 December 2021	7,054,173	636,746	5,220,062	24,348	4,461,848	4,976,772	277,746	22,651,695
Accumulated amortisation								
31 December 2020	558,214	440,534	1,524,469	5,093	28,191	280,861	26,018	2,863,380
Transfer from investment properties in the current year (Note 4(15))	7,273	-	-	-	-	-	-	7,273
Provision in the current year	146,136	27,395	1,026,373	2,438	220,924	176,897	16,160	1,616,323
Business combinations involving enterprises not under common control	103,732	22,539	-	-	65,803	-	93,577	285,651
Transfer to investment properties in the current year (Note 4(15))	(40,252)	-	-	-	-	-	-	(40,252)
Disposal in the current year	(9)	(10,045)	(103,564)	-	-	-	-	(113,618)
Decrease due to disposal of subsidiaries in the current year	(269,267)	-	(52,770)	(50)	(2)	-	(174)	(322,263)
Effect of translation of foreign currency financial statements	(5,294)	(1,024)	-	(77)	(4,520)	(10,727)	(1,531)	(23,173)
31 December 2021	500,533	479,399	2,394,508	7,404	310,396	447,031	134,050	4,273,321
Provision for impairment loss								
31 December 2020	-	-	54,186	-	-	-	-	54,186
Increase in the current year	-	-	-	-	-	-	-	-
31 December 2021	-	-	54,186	-	-	-	-	54,186
Carrying amount								
31 December 2021	6,553,640	157,347	2,771,368	16,944	4,151,452	4,529,741	143,696	18,324,188
31 December 2020	5,519,541	133,718	2,401,433	14,007	195,830	2,309,344	59,241	10,633,114

(a) In 2021, the amount of amortisation expenses charged to cost of revenue, selling and distribution expenses, general and administrative expenses and research and development expenses was RMB1,487,797,000 (2020: RMB982,310,000).

(b) As at 31 December 2021, intangible assets with carrying amount of RMB232,730,000 (31 December 2020: RMB1,287,262,000) were pledged as collateral for short-term and long-term borrowings (Note 4(25)(b) and Note 4(34)(c)).

(c) As at 31 December 2021, the Group was still in the process of applying for certificates of ownership for land use rights with carrying amount of RMB227,698,000 (cost of RMB239,669,000) (31 December 2020: carrying amount of RMB589,105,000 and cost of RMB595,620,000).

(d) As at 31 December 2021, the intangible assets developed by the Group accounted for 15.12% (31 December 2020: 22.58%) of the carrying amount of intangible assets.

	31 December 2021	31 December 2020
Carrying amount of self-developed intangible assets	2,771,368	2,401,433
Carrying amount of intangible assets	18,324,188	10,633,114
Proportion	15.12%	22.58%

During 2021, the Group assessed that there was no need to make an impairment provision for self-developed software (2020: RMB24,073,000) and as at 31 December 2021, the balance of impairment provision for self-developed software was RMB54,186,000 (31 December 2020: RMB54,186,000).

(20) Capitalised development expenditures

	31 December 2020	Increase in the current year	Transfer to intangible assets in the current year (Note 4(19))	Disposal of subsidiaries in the current year	31 December 2021
Quick Delivery System	18,073	18,216	(6,513)	–	29,776
Warehousing Management System	20,572	66,356	(57,801)	–	29,127
Customer Service System	21,456	98,100	(98,358)	–	21,198
Unmanned Aerial Vehicle Project	60,650	7,415	(47,298)	–	20,767
Car-free Carriage Platform	13,136	29,874	(23,771)	–	19,239
International Business System	36,981	100,061	(118,979)	–	18,063
TS Industrial Solutions System	11,284	20,148	(22,399)	–	9,033
Settlement Platform System	18,640	36,258	(47,486)	–	7,412
Big Data Platform System	15,353	14,141	(24,488)	–	5,006
Geographic Information System	13,180	1,417	(9,889)	–	4,708
Airfreight Capacity Platform Phase II	11,556	8,832	(16,004)	–	4,384
Fengsheng System	10,144	32,045	(39,863)	–	2,326
SF INTRA-CITY Projects	21,376	91,606	(111,464)	–	1,518
Fengyuan Platform	10,736	25,496	(36,232)	–	–
Others	257,766	879,643	(889,734)	(76,996)	170,679
	540,903	1,429,608	(1,550,279)	(76,996)	343,236

As at 31 December 2021, the Group considered that no impairment loss should be recognised for capitalised development expenditures.

(21) Goodwill

	31 December 2020	Increase in the current year	Decrease in the current year	Exchange differences on translation of foreign currency financial statements	31 December 2021
Cost:					
Kerry Logistics	–	4,131,192	–	(59,433)	4,071,759
SF Supply Chain Business	2,851,243	–	–	(82,484)	2,768,759
SF/HAVI China Logistics (Cayman Islands)	340,191	–	–	(9,729)	330,462
Guangdong Shunxin Freight Co., Ltd.	149,587	–	–	–	149,587
Chongqing Xuefeng Refrigerates Logistics Co., Ltd.	24,069	–	–	–	24,069
Bangwei Logistics (Hong Kong) Co., Ltd.	–	15,492	–	(308)	15,184
Suzhou Hengding Logistics Co., Ltd.	5,677	–	–	–	5,677
Sichuan Wu Lian Yi Da Technology Co., Ltd.	4,940	–	–	–	4,940
Chengdu Shunyifeng Pharmaceuticals Co., Ltd.	2,435	–	–	–	2,435
Hanxing Industrial Co., Ltd.	1,434	–	–	(41)	1,393
	3,379,576	4,146,684	–	(151,995)	7,374,265
Less: Provision for impairment loss (Note 4(24))					
Chengdu Shunyifeng Pharmaceuticals Co., Ltd.	(2,435)	–	–	–	(2,435)
	3,377,141	4,146,684	–	(151,995)	7,371,830

(a) Goodwill increased in the current year arose from acquisition of 51.5% of the equity interests in Kerry Logistics (Note 5(1)(b)).

(b) All the goodwill has been allocated by the Group to the relevant asset groups or sets of asset groups at the acquisition date. The Group's allocation of goodwill was not changed for the year ended 31 December 2021.

(c) During the goodwill impairment assessment, the Group compares the carrying amount of the relevant assets or sets of asset groups (including goodwill) with their recoverable amount. If the recoverable amount is lower than the carrying amount, the difference shall be included in profit or loss for the current period.

(i) The recoverable amounts of Kerry Logistics's relevant sets of asset groups are determined based on the fair value of assets less costs of disposal. Kerry Logistics is a listed company in the Stock Exchange of Hong Kong Limited ("SEHK"). Thus, the evaluation of fair value of Kerry Logistics's relevant sets of asset groups are determined based on the market price of Kerry Logistics shares held by the Group in the SEHK on 31 December 2021. The Group considered that no impairment loss should be recognised since the recoverable amounts are higher than the carrying amount.

(ii) The recoverable amounts of SF Supply Chain Business's relevant sets of asset groups are calculated based on the seven-year forecast approved by management, together with a long-term growth rate in the remaining forecast period, determined by the present value of the future cash flows.

The major assumptions applied in cash flows projections are presented as follows:

	2021	2020
Revenue growth rates in the first seven-year forecast period	-1.90%~14.20%	3.60%~32.10%
Long-term growth rate	3.00%	3.00%
Profit margin	2.00%~6.22%	0.80%~6.87%
Pre-tax discount rate	14.10%	12.50%

The Group determined revenue growth rates and profit margin based on past performance and expectations of market development. Long-term growth rate is for the remaining forecast period which exclude first seven-year forecast period. According to the long-term inflation rate of Mainland China and Hong Kong, the Group adopts a long-term growth rate of 3%. The discount rate adopted by the Group is the pre-tax interest rate which is able to reflect the risks specific to the related asset groups and sets of asset groups.

(22) Long-term prepaid expenses

	31 December 2020	Business combinations involving enterprises not under common control	Increase in the current year	Amortisation in the current year	Other decrease in the current year	31 December 2021
Improvements to right-of-use assets	1,297,197	293,590	1,416,066	(790,229)	(63,508)	2,153,116
Settling-in allowance and introduction fee for pilots	519,549	–	202,841	(85,677)	(4,227)	632,486
Prepaid discount interest on interest-free loans to employees	29,412	–	–	(13,406)	(2,321)	13,685
Others	14,579	–	115,708	(18,273)	(207)	111,807
	1,860,737	293,590	1,734,615	(907,585)	(70,263)	2,911,094

(23) Other non-current assets

	31 December 2021	31 December 2020
Advances for engineering equipment	1,651,326	804,531
Prepayment for equity transactions	149,715	30,300
Prepayment for land use right acquisitions	–	405,425
Prepaid for leases contracts	–	222,391
	1,801,041	1,462,647

(24) Asset/Credit impairment and provision for losses

	31 December 2020	Increase in the current year		Decrease in the current year			Exchange differences on translation of foreign currency financial statements	31 December 2021
		Business combinations involving enterprises not under common control	Provision	Reversal	Write-off	Others		
Provision for bad debts	369,839	263,785	620,406	(15,000)	(72,767)	716	(2,017)	1,164,962
Including: Provision for bad debts of accounts receivables (Note 4(4))	227,853	263,785	605,865	-	(60,613)	(4)	(2,017)	1,034,869
Provision for bad debts of other receivables (Note 4(7))	127,816	-	7,472	(15,000)	(12,154)	(25)	-	108,109
Provision for bad debts of long-term receivables (Note 4(11))	14,170	-	7,069	-	-	745	-	21,984
Provision for impairment of factoring receivables	124,086	-	1,233	-	-	(1,504)	-	123,815
Provision for impairment of loans and advances (Note 4(6))	95,756	-	-	(27,688)	-	-	(2,320)	65,748
Sub-total	589,681	263,785	621,639	(42,688)	(72,767)	(788)	(4,337)	1,354,525
Provision for impairment of long-term equity investments (Note 4(12))	148,075	-	52,384	-	-	(22,587)	-	177,872
Provision for impairment of intangible assets (Note 4(19))	54,186	-	-	-	-	-	-	54,186
Provision for impairment of inventory (Note 4(8))	5,280	2,734	7,106	-	-	(7,235)	-	7,885
Provision for impairment of contract assets (Note 4(9))	2,005	-	900	-	-	-	-	2,905
Provision for impairment of goodwill (Note 4(21))	2,435	-	-	-	-	-	-	2,435
Sub-total	211,981	2,734	60,390	-	-	(29,822)	-	245,283
	801,662	266,519	682,029	(42,688)	(72,767)	(30,610)	(4,337)	1,599,808

(25) Short-term borrowings

	31 December 2021	31 December 2020
Unsecured borrowings	9,811,391	7,438,651
Guaranteed borrowings (a)	8,388,798	440,749
Secured borrowings (b)	159,598	-
Secured bank overdrafts (c)	37,417	-
Others	-	117,170
	18,397,204	7,996,570

(a) As at 31 December 2021, guaranteed borrowings of RMB8,388,798,000 (31 December 2020: RMB440,749,000) were guaranteed by SF Holdings or subsidiaries within the Group.

(b) As at December 31, 2021, secured borrowings of RMB159,598,000 (31 December 2020: Nil) was secured by the following assets respectively:

	Book value of secured assets	Among: also secured for long-term borrowings
Fixed assets	1,550,383	268,982
Investment properties	91,282	91,282
Intangible assets	70,222	70,222
	1,711,887	430,486

(c) As at 31 December 2021, secured bank overdrafts of RMB34,417,000 (31 December 2020: Nil) was secured by bank deposits of RMB9,600,000 (Note 4(1)(c)).

(d) As at 31 December 2021, the range of annual interest rate of major short-term borrowings was 0.66% to 3.81% (31 December 2020: 2.50% to 4.35%).

(26) Accounts payables

	31 December 2021	31 December 2020
Payables to related parties (Note 8(4)(h))	415,824	314,266
Outsourcing cost payable	10,932,942	10,065,154
Transportation cost payable	8,473,886	2,044,198
Supply and material expenses payable	1,328,667	1,261,801
Office and rental fees payable	551,757	1,005,736
Customs cost payable	46,353	37,070
Others	1,718,246	756,715
	23,467,675	15,484,940

As at 31 December 2021, accounts payables with ageing over 1 year amounted to RMB113,362,000 (31 December 2020: RMB104,058,000), including outsourcing cost and transportation cost payable. The final settlement of the payment has not been made because the Group has not received the invoice from the supplier.

(27) Advances from customers

	31 December 2021	31 December 2020
Advances from related parties (Note 8(4)(i))	81	38
Advances of rental and others	27,304	27,538
	27,385	27,576

As at 31 December 2021, the Group had no advances from customers with ageing over 1 year (31 December 2020: Nil).

(28) Contract liabilities

	31 December 2021	31 December 2020
Advances from related parties (Note 8(4)(j))	5,273	19,977
Advances of freight charges and others	1,670,563	1,519,287
	1,675,836	1,539,264

Contract liabilities of RMB1,537,441,000 included in the carrying amount as at 31 December 2020 were transferred to revenue for the year ended 31 December 2021.

(29) Employee benefits payable

	31 December 2021	31 December 2020
Short-term employee benefits payable (a)	5,512,603	4,276,902
Defined contribution plans payable (b)	62,860	33,927
	5,575,463	4,310,829

(a) Short-term employee benefits payable

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Wages and salaries, bonus, allowances and subsidies	3,859,956	25,124,547	(23,988,048)	4,996,455
Employee welfare	7,083	313,685	(303,003)	17,765
Social security contributions	17,823	630,100	(619,973)	27,950
Including: Medical insurance	16,516	543,617	(534,137)	25,996
Work injury insurance	730	64,178	(63,508)	1,400
Maternity insurance	577	22,305	(22,328)	554
Housing funds	11,706	361,451	(356,934)	16,223
Labour union funds and employee education funds	352,959	481,215	(447,675)	386,499
Non-monetary welfare	24,043	1,343,873	(1,321,845)	46,071
Others	3,332	318,092	(299,784)	21,640
	4,276,902	28,572,963	(27,337,262)	5,512,603

Non-monetary welfare provided by the Group for employees primarily were non-monetary subsidies in various forms which were measured at fair value.

(b) Defined contribution plans

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Basic pensions insurance	33,021	1,125,777	(1,097,552)	61,246
Unemployment insurance	906	33,041	(32,333)	1,614
	33,927	1,158,818	(1,129,885)	62,860

(30) Taxes payable

	31 December 2021	31 December 2020
Enterprise income tax payable	2,066,730	1,264,423
Unpaid VAT	626,827	448,743
Individual income tax payable	110,885	90,188
City maintenance and construction tax payable	22,807	20,749
Educational surcharge payable	17,058	15,255
Others	29,244	15,906
	2,873,551	1,855,264

(31) Other payables

	31 December 2021	31 December 2020
Current accounts payable to related parties (Note 8(4)(k))	476,990	375,954
Engineering equipment payable	6,046,000	3,681,942
Payables of cash on delivery service	1,619,423	1,393,659
Deposits payable	1,361,142	901,721
Recharge card payable	329,306	294,040
Warranty deposits payable	228,822	128,946
Management fees payable	138,941	186,269
Professional service fee payable	93,864	11,551
Investments payable	83,002	–
Others	1,142,792	556,712
	11,520,282	7,530,794

As at December 31, 2021, other payables with an account age of more than one year were RMB657,392,000 (December 31, 2020:RMB474,286,000), mainly the undue deposits of continuing business and the unsettled engineering equipment funds, etc.

(32) Current portion of non-current liabilities

	31 December 2021	31 December 2020
Current portion of lease liabilities (Note 4(36))	5,989,616	–
Current portion of long-term borrowings (Note 4(34))	1,458,374	803,722
Current portion of debentures payable (a)	830,321	1,939,715
Current portion of long-term payables (Note 4(37))	22,637	12,434
Current portion of cash-settled share-based payments (Note 4(38))	34,855	–
Current portion of employee incentives (Note 4(38))	–	189,480
	8,335,803	2,945,351

(a) Current portion of debentures payable

	31 December 2020	Interest accrual	Amortisation of premium/discount	Reclassification from debentures payable in the current year (Note 4(35))	Repayment for the current year	Exchange differences on translation of foreign currency financial statements	31 December 2021
The First Debentures of 2017	3,642	–	–	397,480	(17,480)	–	383,642
The First Debentures of 2018	814,009	20,115	196	–	(834,320)	–	–
The First Middle-term Notes of 2018	1,012,512	31,964	124	–	(1,044,600)	–	–
Overseas debentures denominated in USD of 2018	58,609	–	–	131,445	(131,445)	(1,350)	57,259
The First Debentures of 2019	3,106	–	–	310,992	(11,070)	–	303,028
Overseas debentures denominated in USD of 2020	47,837	–	–	128,258	(128,258)	(1,102)	46,735
Green Corporate Debentures of 2021 (1st instalment)	–	–	–	12,844	–	–	12,844
Overseas debentures denominated in USD of 2021	–	–	–	26,813	–	–	26,813
	1,939,715	52,079	320	1,007,832	(2,167,173)	(2,452)	830,321

(33) Other current liabilities

	31 December 2021	31 December 2020
Super&short term commercial paper (a):		
The Third Phase of 2021	1,010,453	–
The Fourth Phase of 2021	484,994	–
The Fifth Phase of 2021	503,865	–
Short term corporate debentures (b):		
The First Phase of 2021	1,017,992	–
The Second Phase of 2021	508,428	–
The Third Phase of 2021	504,204	–
Output VAT to be transferred (contract liabilities)	97,113	92,356
	4,127,049	92,356

(a) The super&short term commercial paper is detailed as follows:

	Par value	Date of issue	Term	Interest rate
The Third Phase of 2021	1,000,000	6 August 2021	270 days	2.63%
The Fourth Phase of 2021	480,000	13 August 2021	270 days	2.62%
The Fifth Phase of 2021	500,000	16 September 2021	270 days	2.78%

(b) The short term corporate debentures are detailed as follows:

	Par value	Date of issue	Term	Interest rate
The First Phase of 2021	1,000,000	From 20 May 2021 to 21 May 2021	270 days	2.94%
The Second Phase of 2021	500,000	From 3 June 2021 to 4 June 2021	1 year	2.98%
The Third Phase of 2021	500,000	From 3 September 2021 to 6 September 2021	1 year	2.79%

(34) Long-term borrowings

	31 December 2021	31 December 2020
Guaranteed borrowings (a)	2,974,052	202,750
Pledged borrowings (b)	1,343,378	-
Unsecured borrowings	526,365	1,955,998
Secured borrowings (c)	125,408	510,794
	4,969,203	2,669,542
Less: Current portion of long-term borrowings (Note 4(32))		
Guaranteed borrowings	(1,080,395)	(102,750)
Pledged borrowings	(343,484)	-
Unsecured borrowings	(490)	(636,020)
Secured borrowings	(34,005)	(64,952)
	(1,458,374)	(803,722)
	3,510,829	1,865,820

(a) As at 31 December 2021, the Group's guaranteed borrowings of RMB2,927,467,000 (31 December 2020: RMB140,000,000) were guaranteed by subsidiaries within the Group and guaranteed borrowings of RMB46,585,000 (31 December 2020: RMB60,000,000) were guaranteed by Taisen Holding and Havi Group LP (U.S.).

(b) As at 31 December 2021, the entitlement to receivables arising from aircraft financial leasing business of subsidiary SF Airlines were pledged by subsidiary Shunyuan Financial Leasing (Tianjin) Co., Ltd. ("Shunyuan Financial Leasing") for the pledged bank borrowings of RMB1,343,378,000 (31 December 2020: Nil). As at 31 December 2021, balance of receivables pledged was RMB1,519,672,000.

(c) As at December 31, 2021, secured borrowings of RMB125,408,000 were secured by the following assets respectively:

	Book value of secured assets	Among: also secured for short-term borrowings
Fixed assets	406,690	268,982
Intangible assets	232,730	70,222
Investment properties	224,440	91,282
Construction in progress	47,010	-
	910,870	430,486

As at December 31, 2020, secured borrowings of RMB510,058,000 were secured by the following assets respectively:

	Book value of secured assets	Among: also secured for short-term borrowings
Intangible assets	1,287,262	–
Fixed assets	181,287	–
Investment properties	77,181	–
Construction in progress	52,268	–
	1,597,998	–

Besides, as at 31 December 2021, Taisen Holding provided a full joint and several liability guarantee for RMB86,395,000 of the above secured borrowings (31 December 2020: RMB103,270,000).

(d) As at 31 December 2021, the annual interest rate of major long-term borrowings ranged from 0.84% to 4.90% (31 December 2020: 3.20% to 5.39%).

(35) Debentures payable

	31 December 2020	Issued in the current year	Issuance expenses	Interest accrual	Amortisation of premium/discount	Exchange differences on translation of foreign currency financial statements	Current portion of debentures payable (Note 4(32))	31 December 2021
The First Debentures of 2017	380,000	–	–	17,480	–	–	(397,480)	–
The First Debentures of 2019	299,816	–	–	11,070	106	–	(310,992)	–
Green Corporate Debentures of 2021 (1st instalment)	–	500,000	(712)	12,844	155	–	(12,844)	499,443
Overseas debentures denominated in USD of 2018	3,243,910	–	–	131,445	6,534	(74,699)	(131,445)	3,175,745
Overseas debentures denominated in USD of 2020	4,501,704	–	–	128,258	6,089	(103,663)	(128,258)	4,404,130
Overseas debentures denominated in USD of 2021	–	7,665,780	(71,690)	26,813	1,038	(18,076)	(26,813)	7,577,052
	8,425,430	8,165,780	(72,402)	327,910	13,922	(196,438)	(1,007,832)	15,656,370

	Currency	Par value	Date of issue	Term	Amount (equivalent to RMB)
The First Debentures of 2017 (a)	RMB	530,000	17 October 2017	3+2 years	530,000
The First Debentures of 2019 (b)	RMB	300,000	20 September 2019	3 years	300,000
Green Corporate Debentures of 2021 (1st instalment) (c)	RMB	500,000	From 23 April 2021 to 26 April 2021	3 years	500,000
Overseas debentures denominated in USD of 2018 (d)	USD	500,000	27 July 2018	5 years	3,407,509
Overseas debentures denominated in USD of 2020 (e)	USD	700,000	20 February 2020	10 years	4,903,115
Overseas debentures denominated in USD of 2021 (f)	USD	400,000	17 November 2021	5 years	2,555,260
Overseas debentures denominated in USD of 2021 (f)	USD	300,000	17 November 2021	7 years	1,916,445
Overseas debentures denominated in USD of 2021 (f)	USD	500,000	17 November 2021	10 years	3,194,075

(a) Taisen Holding was approved to issue corporate debentures of no more than RMB2 billion (inclusive) in instalments to the public under the Regulatory Permission [2017] No. 1015 as issued by the China Securities Regulatory Commission. In 2017, Taisen Holding publicly issued the corporate debentures (“the First Debentures of 2017”) to qualified investors. The debenture interest shall be annually calculated at simple interest rate, and the nominal interest rate is 4.6%, with interest paid annually and the final instalment of interest paid with the principal. The debenture has the put options for investors, and investors are entitled to the right to choose to put all or part of the debenture held by them at par value to Taisen Holding on the interest payment date for the third year since issued such debenture. In October 2020, the debenture at par value of RMB150,000,000 was paid in advance. The bond is due in October 2022 and is therefore classified as a non-current liability due within one year.

(b) Taisen Holding was approved to issue corporate debentures of no more than RMB2 billion (inclusive) in instalments to the public under the Regulatory Permission [2019] No. 388 as issued by China Securities Regulatory Commission. In 2019, Taisen Holding publicly issued the corporate debentures (1st instalment) (“the First Debentures of 2019”) to qualified investors. The debenture interest shall be annually calculated at simple interest rate, and the nominal interest rate is 3.69%, with interest paid annually and the final instalment of interest paid with the principal. The bond is due in September 2022 and is therefore classified as a non-current liability due within one year.

(c) Taisen Holding was approved to issue corporate debentures of no more than RMB2 billion (inclusive) in instalments to the public under the Regulatory Permission [2019] No. 388 as issued by China Securities Regulatory Commission. In 2021, Taisen Holding publicly issued the Green Corporate Debentures (1st instalment) (specially for carbon neutrality) (“Green Corporate Debentures of 2021 (1st instalment)”) to qualified investors. The debenture interest shall be annually calculated at simple interest rate, and the nominal interest rate is 3.79%, with interest paid annually and the final instalment of interest paid with the principal.

(d) On 26 July 2018, S.F. Holding Investment Limited, a wholly-owned overseas subsidiary of the Company, issued debentures of USD500 million overseas (“Overseas debentures denominated in USD of 2018”). The debentures were listed on the SEHK on 27 July 2018. The nominal interest rate is 4.13% per annum, and the interest is paid semi-annually, for which the Company provides unconditional and irrevocable cross-border guarantee.

(e) On 20 February 2020, S.F. Holding Investment Limited, a wholly-owned overseas subsidiary of the Company, issued debentures of USD700 million overseas (“Overseas debentures denominated in USD of 2020”). The debentures were listed on SEHK on 21 February 2020. The nominal interest rate is 2.875% per annum, and the interest is paid semi-annually, for which the Company provides guarantee.

(f) On 17 November 2021, S.F. Holding Investment 2021 Limited, a wholly-owned overseas subsidiary of the Company, issued debentures of USD1.2 billion overseas (“Overseas debentures denominated in USD of 2021”). The debentures were listed on SEHK on 18 November 2021. The nominal interest rate is 2.375%, 3.000% and 3.125% for 5-year debentures, 7-year debentures and 10-year debentures, respectively, and the interest is paid semi-annually, for which the Company provides guarantee.

(36) Lease liabilities

	31 December 2021	31 December 2020
Lease liabilities	16,931,554	–
Less: Current portion of non-current liabilities (Note 4(32))	(5,989,616)	–
	10,941,938	–

As at 31 December 2021, payments for leases not yet commenced to which the Group was committed amounted to RMB1,311,912,000 (Note 14(3)).

(37) Long-term payables

	31 December 2021	31 December 2020
Borrowings from minority shareholders	239,904	–
Shares acquisition	144,446	–
Finance leases payable	–	15,132
Others	270	7,504
Less: Current portion of long-term payables (Note 4(32))	(22,637)	(12,434)
	361,983	10,202

(38) Long-term employee benefits payable

	31 December 2021	31 December 2020
Cash-settled share-based payments	328,607	119,063
Employee incentives	–	189,480
Others	58,002	26,477
Less: Current portion of cash-settled share-based payments (Note 4(32))	(34,855)	–
Current portion of employee incentives (Note 4(32))	–	(189,480)
	351,754	145,540

(39) Deferred income

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Government grants (a)	414,736	337,107	(61,601)	690,242

As at 31 December 2021, these grants have been received while pending for further recognition in income.

(a) The government grants related to deferred income in the current year are presented as follows:

Government grants	31 December 2020	Business combinations involving enterprises not under common control	Increase in the current year	Amount recognised in other income in the current year (Note 4(54))	Decrease due to disposal of subsidiaries in the current year	31 December 2021	Related to assets/income
Huanggang Baitan Lake Organising Committee Project	203,324	-	125,061	-	-	328,385	Related to assets
Construction development fund for Tianjin Project	41,330	-	25,000	(275)	-	66,055	Related to assets
Special municipal supporting fund for Ezhou Transshipment Centre Project	-	-	43,409	-	-	43,409	Related to assets
Grant for maintenance of aircraft engines	28,505	-	16,486	(2,002)	-	42,989	Related to assets
Enterprise expansion fund	683	-	34,758	(285)	-	35,156	Related to assets
Ma'anshan Industrial Park Project	14,201	-	7,000	(334)	-	20,867	Related to assets
Weihai industrial development support fund	16,311	-	-	(124)	-	16,187	Related to assets
Construction project for modern supply chain system	9,066	-	10,741	(4,860)	-	14,947	Related to assets
Land support funds for Hebi Industrial Park	-	-	14,000	-	-	14,000	Related to assets
Others	101,316	12,310	48,342	(28,600)	(25,121)	108,247	Related to assets
	414,736	12,310	324,797	(36,480)	(25,121)	690,242	

(40) Deferred tax assets and deferred tax liabilities**(a) Deferred tax assets before offsetting**

	31 December 2021		31 December 2020	
	Deductible temporary differences and deductible tax losses	Deferred tax assets	Deductible temporary differences and deductible tax losses	Deferred tax assets
Deductible tax losses	3,796,937	908,150	4,293,803	1,019,823
Depreciation and amortisation differences	1,705,396	387,524	803,137	176,077
Accrued expenses	1,019,634	230,956	916,495	211,149
Unrealised profits from internal transactions	591,359	147,840	567,805	141,951
Provision for asset impairment	483,455	114,729	418,871	97,648
The new lease standard	405,855	97,700	–	–
Others	278,911	66,397	379,953	93,473
	8,281,547	1,953,296	7,380,064	1,740,121
Including:				
Expected to be recovered within 1 year (inclusive)		475,005		385,850
Expected to be recovered after 1 year		1,478,291		1,354,271
		1,953,296		1,740,121

(b) Deductible tax losses and deductible temporary differences that are not recognised as deferred tax assets are analysed as follows:

	31 December 2021	31 December 2020
Deductible tax losses (c)	14,124,575	6,200,347
Deductible temporary differences	658,298	229,507
	14,782,873	6,429,854

(c) The following table shows unrecognised deductible tax losses based on its expiration date:

	31 December 2021	31 December 2020
2021	–	221,049
2022	310,912	249,847
2023	716,966	523,916
2024	1,847,817	1,508,971
2025	3,696,061	2,548,822
2026 and subsequent years	7,552,819	1,147,742
	14,124,575	6,200,347

(d) Deferred tax liabilities before offsetting

	31 December 2021		31 December 2020	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Appreciation in asset value arising from business combinations involving enterprises not under common control	11,575,663	2,789,802	2,629,789	613,611
Depreciation and amortisation differences	5,960,715	1,429,624	3,824,111	905,252
Changes in fair value of investments in other equity instruments	833,810	208,452	932,870	233,218
Income form equity restructuring	584,857	146,214	–	–
Changes in fair value upon reclassification of remaining equity of Hive Box Technology	446,796	111,699	446,796	111,699
Others	505,726	102,951	98,717	24,679
	19,907,567	4,788,742	7,932,283	1,888,459
Including:				
Expected to be recovered within 1 year (inclusive)		419,244		323,259
Expected to be recovered after 1 year		4,369,498		1,565,200
		4,788,742		1,888,459

(e) The net balances of deferred tax assets and liabilities after offsetting are as follows:

	31 December 2021	31 December 2020
Deferred tax assets – net	1,566,714	1,539,268
Deferred tax liabilities – net	4,402,160	1,687,606

(41) Share capital

	31 December 2020	Increase in the current year(i)	Decrease in the current year	31 December 2021
Ordinary shares denominated in RMB (Note 1)	4,556,440	349,773	–	4,906,213

	31 December 2019	Increase in the current year (ii)	Decrease in the current year (Note 4(43)(ii))	31 December 2020
Ordinary shares denominated in RMB(ii)	4,414,585	144,312	(2,457)	4,556,440

(i) As mentioned in Note 1, the Company completed the 2021 A-share non-public offering in October 2021, increasing the share capital by RMB349,773,000 and the capital reserve by RMB19,562,789,000.

(ii) The Company publicly issued convertible corporate debentures (“convertible debentures”) totalling RMB5.8 billion on 18 November 2019 under the Regulatory Permission [2019] No. 1903 as issued by the China Securities Regulatory Commission. The convertible debentures have a term of six years, from 18 November 2019 to 18 November 2025. Holders of the convertible debentures can exercise the right to convert the convertible debentures into stocks of the Company at the current conversion price during the period from the first trading day after six months following the end of the issuance of convertible debentures to the maturity date.

As at 31 December 2020, the convertible debentures were fully converted into equity. The share capital was increased by RMB144,312,000, the capital reserve was increased by RMB5,758,688,000 and other equity instruments was deducted by RMB768,938,000.

(42) Capital reserve

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Share premium				
– Capital contribution by shareholders (Note 1)	15,768,464	19,562,789	–	35,331,253
– Transfer of convertible corporate debentures to share capital	5,758,688	–	–	5,758,688
– Capital reserve from transactions with minority shareholders	325,673	1,954,186	–	2,279,859
– Transfer of convertible corporate debentures issued by subsidiaries to share capital	1,980,870	–	–	1,980,870
– Share-based payment in capital contribution by shareholders	31,449	–	–	31,449
– Business combinations involving enterprises under common control	(76,633)	–	–	(76,633)
Other capital reserve				
– Share-based payments included in capital reserve	264,637	287,553	–	552,190
– Others (i)	352,069	–	(9,147)	342,922
	24,405,217	21,804,528	(9,147)	46,200,598

	31 December 2019	Increase in the current year	Decrease in the current year	31 December 2020
Share premium				
– Capital contribution by shareholders	15,768,464	–	–	15,768,464
– Business combinations involving enterprises under common control	(76,633)	–	–	(76,633)
– Transfer of convertible corporate debentures to share capital (Note 4(41)(ii))	–	5,758,688	–	5,758,688
– Transfer of convertible corporate debentures issued by subsidiaries to share capital	–	1,980,870	–	1,980,870
– Share-based payments in capital contribution by shareholders (Note 4(43)(ii))	88,760	–	(57,311)	31,449
– Capital reserve from transactions with minority shareholders	–	325,673	–	325,673
Other capital reserve				
– Share-based payments included in capital reserve	47,011	217,626	–	264,637
– Others (i)	296,417	202,125	(146,473)	352,069
	16,124,019	8,484,982	(203,784)	24,405,217

(i) Other changes in the current period are mainly the changes in equity caused by changes in owner's equity of the investee except for net profit and loss and other comprehensive income.

(43) Treasury stock

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Treasury stock (i)	394,993	–	–	394,993

	31 December 2019	Increase in the current year	Decrease in the current year (ii)	31 December 2020
Treasury stock	454,761	–	(59,768)	394,993

(i) In accordance with the *Proposal of Repurchasing Shares by Centralised Price Bidding* approved in the 19th session of the fourth Board of Directors on 31 January 2019, the Company repurchased a portion of corporate shares for employee stock ownership plan or share-based incentive plan through centralised price bidding by self-owned funds with a total of 11,010,729 shares, and recognised treasury stock of RMB394,993,000.

(ii) Besides, ordinary A shares, which were issued by the Company to the incentive recipients of the restricted shares incentive plan in 2017 and 2018, counted at 7,788,643 shares with raised funds totalling RMB202,256,000, including an increment of share capital of RMB7,789,000 and an increment of capital reserve of RMB194,467,000. In addition, the repurchasing obligation is recognised in liabilities (as purchase of treasury stock) at the number of restricted shares issued multiplied by the repurchasing price.

From 2018 to 2020, the Company adjusted the restricted shares at the end of each period based on the dismissal of former incentive recipients and the completion of incentive conditions of the restricted shares. The treasury stock of RMB1,327,000, RMB141,160,000 and RMB59,768,000 was deducted in 2018, 2019 and 2020 respectively (with share capital down by RMB2,457,000 and capital reserve down by RMB57,311,000).

The aforementioned restricted shares incentive plan was completed in 2020.

(44) Special reserve

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Safety reserve	–	28,370	(28,370)	–

	31 December 2019	Increase in the current year	Decrease in the current year	31 December 2020
Safety reserve	–	26,655	(26,655)	–

Pursuant to the *Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds* (Cai Qi [2012] No. 16) issued by the Ministry of Finance and the State Administration of Work Safety on 14 February 2012, 1% of the income from the “Common cargo transportation business” which is operated by certain subsidiaries of the Group is appropriated to safety reserve. The safety reserve is recognised in profit or loss as the “Special reserve” item for the current period. When the accrued safety reserve is used under the prescribed conditions, it is written off against the original amount directly.

(45) Surplus reserve

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Statutory surplus reserve	745,043	202,732	–	947,775

	31 December 2019	Increase in the current year	Decrease in the current year	31 December 2020
Statutory surplus reserve	601,241	143,802	–	745,043

(46) Retained earnings

	2021	2020
Retained earnings at the beginning of the year	25,708,230	19,769,412
Add: Net profit attributable to shareholders of the parent company for the current year	4,269,098	7,326,079
Transfer from other comprehensive income to retained earnings	112,656	(1,798)
Less: Ordinary share dividends payable (a)	(1,499,992)	(1,188,302)
Appropriation to statutory surplus reserve	(202,732)	(143,802)
Appropriation to general risk reserve	(141,496)	(53,359)
Retained earnings at the end of the year	28,245,764	25,708,230

The Company held a shareholders' meeting on 9 April 2021. On the basis of the total share capital at the registration date on which the 2020 profit distribution plan was implemented less the special shares repurchased by the Company, a total of RMB1,499,992,000 of cash dividends were distributed to all shareholders at RMB3.30 (including tax) per 10 shares, without bonus shares being given or capital reserve being transferred into the share capital.

(47) Revenue and cost of revenue

	2021	2020
Revenue from main operations (a)	206,828,368	153,756,899
Revenue from other operations (b)	358,279	229,971
Total revenue	207,186,647	153,986,870
Cost of revenue from main operations	181,365,449	128,664,140
Cost of revenue from other operations	183,058	145,893
Total cost of revenue	181,548,507	128,810,033

(a) Revenue from main operations:

	2021	2020
Revenue from main operations:		
Logistics and freight forwarding services	203,690,237	151,743,162
Sales of goods	1,764,253	1,180,983
Others	1,373,878	832,754
	206,828,368	153,756,899

(b) Revenue from other operations:

	2021	2020
Revenue from other operations:		
Lease	164,568	123,141
Disposal of materials	11,084	10,148
Others	182,627	96,682
	358,279	229,971

(c) The Group's revenue is disaggregated as follows:

	2021			
	Logistics and freight forwarding services	Sales of goods	Others	Total
Revenue from main operations				
Including: At a point in time	–	1,764,253	363,090	2,127,343
Over time	203,690,237	–	887,645	204,577,882
Lease income	–	–	123,143	123,143
	203,690,237	1,764,253	1,373,878	206,828,368
Revenue from other operations				
Including: At a point in time	–	–	62,830	62,830
Over time	–	–	130,881	130,881
Lease income	–	–	164,568	164,568
	–	–	358,279	358,279

	2020			
	Logistics and freight forwarding services	Sales of goods	Others	Total
Revenue from main operations				
Including: At a point in time	–	1,180,983	242,264	1,423,247
Over time	151,743,162	–	477,956	152,221,118
Lease income	–	–	112,534	112,534
	151,743,162	1,180,983	832,754	153,756,899
Revenue from other operations				
Including: At a point in time	–	–	10,148	10,148
Over time	–	–	96,682	96,682
Lease income	–	–	123,141	123,141
	–	–	229,971	229,971

As at 31 December 2021, the Group's performance obligations that have been entered into but have not yet been performed or have not been fully performed are part of a contract for an estimated period of not more than one year.

(48) Taxes and surcharges

	2021	2020	Payment criteria
City maintenance and construction tax	149,822	140,381	Refer to Note 3
Stamp tax	130,747	76,894	
Educational surcharge	112,184	104,950	Refer to Note 3
Property tax	61,716	44,801	
Others	24,257	11,946	
	478,726	378,972	

(49) Selling and distribution expenses

	2021	2020
Outsourcing staff expenses	991,102	709,143
Employee benefits	931,847	804,289
Marketing expenses	362,953	207,324
Depreciation and amortisation expenses	203,153	178,083
IT and information platform expenses	179,717	187,145
Office and rental fees	57,186	104,404
Travelling and transportation expenses	31,085	23,905
Depreciation expenses of right-of-use assets	29,692	-
Supply and material expenses	27,117	27,387
Others	24,047	10,701
	2,837,899	2,252,381

(50) General and administrative expenses

	2021	2020
Employee benefits	12,116,458	9,480,247
Depreciation and amortisation expenses	567,536	292,167
Professional service fees	422,148	270,578
Outsourcing staff expenses	398,350	278,957
Office and rental fees	375,356	522,020
Entertainment expenses	211,687	163,811
Depreciation expenses of right-of-use assets	203,267	–
Brand royalties	146,454	117,489
Travelling and transportation expenses	140,344	103,476
Supply and material expenses	139,884	138,241
IT and information platform expenses	96,673	47,939
Others	211,506	184,836
	15,029,663	11,599,761

(51) Research and development expenses

	2021	2020
Employee benefits	1,159,940	981,257
Depreciation and amortisation expenses	524,202	365,046
IT and information platform expenses	217,361	156,178
Outsourcing staff expenses	146,854	110,437
Office and rental fees	22,781	27,794
Supply and material expenses	21,371	47,002
Professional service fees	19,886	25,380
Depreciation expenses of right-of-use assets	14,776	–
Travelling and transportation expenses	11,838	9,738
Others	15,830	18,726
	2,154,839	1,741,558

(52) Financial costs

	2021	2020
Interest on borrowings	1,015,357	1,036,798
Add: Interest expenses on lease liabilities	552,658	–
Less: Capitalised interest (Note 4(17))	(6,007)	(20,050)
Interest expenses	1,562,008	1,016,748
Less: Interest income	(187,794)	(185,708)
Net gains or losses on exchange	103,533	(23,664)
Commission expenses and others	85,612	45,171
	1,563,359	852,547

(53) Expenses by nature

The cost of revenue, selling and distribution expenses, general and administrative expenses and research and development expenses in the income statement are listed as follows by nature:

	2021	2020
Outsourcing staff cost	71,489,843	54,744,733
Outsourcing transportation cost	35,965,273	27,193,954
Transportation cost	34,888,921	14,267,068
Including: Aircraft maintenance costs	412,517	367,942
Employee benefits	27,830,922	24,312,484
Depreciation and amortisation expenses	7,024,360	5,280,079
Office and rental fees	5,819,629	8,119,715
Depreciation expenses of right-of-use assets	5,527,322	–
Supply and material expenses	5,424,753	4,826,753
Cost of revenue of goods	1,589,457	1,130,999
Claims expenses	1,329,641	1,165,539
IT and information platform expenses	992,470	828,385
Professional service fees	456,871	316,567
Customs cost	374,709	374,555
Marketing expenses	362,953	208,626
Travelling and transportation expenses	287,833	232,548
Entertainment expenses	214,867	168,351
Brand royalties	146,454	117,489
Others	1,844,630	1,115,888
	201,570,908	144,403,733

(i) In 2021, the Group's government grants which were offset against cost and expenses amounted to RMB401,821,000 (2020: RMB496,557,000) and were fully offset against the cost of revenue. Therein, the amount that was recognised in non-recurring profit or loss amounted to RMB215,386,000 (2020: RMB369,388,000).

(ii) As stated in Note 2(27), the Group directly recognises the lease payments of short-term leases and low value leases in profit or loss. In 2021, the amount was RMB2,737,492,000.

(54) Other income

	2021	2020	Related to assets/income
Tax preference	1,222,839	752,593	Related to income
Fiscal appropriation for logistics	436,452	428,913	Related to income
Grant from Social Security Bureau	72,368	98,158	Related to income
Amortisation of deferred income (Note 4(39))	36,480	39,270	Related to assets
	1,768,139	1,318,934	

(i) In 2021, the Group recognised other income of RMB1,768,139,000 (2020: RMB1,318,934,000). Therein, the amount recognised in non-recurring profit or loss was RMB622,710,000 (2020: RMB606,463,000).

(55) Investment income

	2021	2020
Investment income from disposal of subsidiaries (Note 5(2))	1,808,638	443,625
Investment income from financial assets held for trading	410,291	410,806
Other long-term equity investment disposal investment gains/(losses)	113,093	(40,734)
Share of net gains or losses of investees under equity method (Note 4(12))	42,660	(21,819)
Investment income from dividends of investment in other equity instruments	31,853	29,554
Investment income from wealth management products	–	29,379
	2,406,535	850,811

There is no significant restriction on recovery of investment income of the Group.

(56) Gains arising from changes in fair value

	2021	2020
Industry fund investments	100,683	109,402
Structural deposits	13,816	6,992
Special scheme equity-class securities	(16,570)	17,967
Others	1,020	(243)
	98,949	134,118

(57) Credit impairment losses

	2021	2020
Losses on bad debts of accounts receivables	605,865	218,488
Losses on impairment of long-term receivables	7,069	3,401
Losses on impairment of factoring receivables	1,233	49,567
(Reversal of)/Losses on bad debts of other receivables	(7,528)	113,090
(Reversal of)/Losses on impairment of loans and advances	(27,688)	88,209
	578,951	472,755

(58) Asset impairment losses

	2021	2020
Losses on impairment of long-term equity investments	52,384	3,700
Losses on impairment of inventory	7,106	5,280
Losses on impairment of contract assets	900	2,005
Losses on impairment of intangible assets	–	24,073
	60,390	35,058

(59) Gains/(Losses) on disposal of assets

	2021	Amount recognised in non-recurring profit or loss in 2021	2020	Amount recognised in non-recurring profit or loss in 2020
Losses on disposal of fixed assets	(29,921)	(29,921)	(11,624)	(11,624)
Gains on disposal of right-of-use assets	44,503	44,503	–	–
Gains/(Losses) on disposal of intangible assets	25,879	25,879	(540)	(540)
	40,461	40,461	(12,164)	(12,164)

(60) Non-operating income and expenses**(a) Non-operating income**

	2021	Amount recognised in non-recurring profit or loss in 2021	2020	Amount recognised in non-recurring profit or loss in 2020
Compensation income	65,643	65,643	32,583	32,583
Government grants (i)	19,362	19,362	56,379	56,379
Income from penalty	5,784	5,784	3,791	3,791
Others	198,753	198,753	136,473	136,473
	289,542	289,542	229,226	229,226

(i) Details of government grants

	2021	Related to assets/income	2020	Related to assets/income
General fiscal appropriation	18,479	Related to income	54,293	Related to income
Others	883	Related to income	2,086	Related to income
	19,362		56,379	

(b) Non-operating expenses

	2021	Amount recognised in non-recurring profit or loss in 2021	2020	Amount recognised in non-recurring profit or loss in 2020
Losses on scrapping of long-term assets	236,302	236,302	175,536	175,536
Compensation expenses	82,100	82,100	51,350	51,350
Donation expenses	46,444	46,444	24,869	24,869
Others	39,412	39,412	74,318	74,318
	404,258	404,258	326,073	326,073

(61) Income tax expenses

	2021	2020
Current income tax	2,848,895	3,323,135
Deferred income tax	365,573	(216,512)
	3,214,468	3,106,623

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the income statement to the income tax expenses is listed below:

	2021	2020
Total profit	7,133,681	10,038,657
Income tax expenses calculated at the standard tax rate of 25%	1,783,420	2,509,664
Income not subject to tax	(228,428)	(130,948)
Costs, expenses and losses not deductible for tax purposes	217,891	227,849
Effect of last-year tax filing differences	(28,965)	25,762
Effect of different tax rates among subsidiaries and branches on income tax expenses	(161,640)	(229,531)
Effect of tax preference	(185,747)	(96,432)
Deductible tax losses and deductible temporary differences for which no deferred tax asset was recognised in the current year	1,472,000	858,998
Reversal of previously recognised deductible tax losses for which deferred tax asset was recognised	429,211	49,843
Utilisation of deductible tax losses and other deductible temporary differences for which no deferred tax asset was recognised in prior periods	(60,088)	(67,624)
Recognition of deductible tax losses and other deductible temporary differences for which no deferred tax asset was recognised in prior periods	(23,186)	(40,958)
Income tax expenses	3,214,468	3,106,623

(62) Earnings per share**(a) Basic earnings per share**

Basic earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of outstanding ordinary shares of the parent company:

	2021	2020
Consolidated net profit attributable to ordinary shareholders of the parent company	4,269,098	7,326,079
Weighted average number of outstanding ordinary shares of the Company	4,603,725	4,464,060
Basic earnings per share (Yuan/share)	0.93	1.64
Including:		
– Basic earnings per share from continuing operations	0.93	1.64

(b) Diluted earnings per share

Diluted earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of outstanding ordinary shares of the Company. In 2021, the Company had no dilutive potential ordinary shares (2020: Existing):

	2021	2020
Consolidated net profit attributable to ordinary shareholders of the parent company	4,269,098	7,326,079
Add: Interest expenses from convertible corporate debentures of the Company (net of tax)	–	110,103
Adjusted consolidated net profit attributable to ordinary shareholders of the parent company for calculation of earnings per share	4,269,098	7,436,182
Weighted average number of outstanding ordinary shares of the Company	4,603,725	4,464,060
Add: Weighted average number of ordinary shares which convertible corporate debentures assumed to be fully converted into ordinary shares	–	81,370
Weighted average number of outstanding diluted ordinary shares	4,603,725	4,545,430
Diluted earnings per share (Yuan/share)	0.93	1.64

(63) Other comprehensive income

Other comprehensive income, the related income tax effect and the reclassifications to profit or loss in 2021 and 2020:

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2021			
	31 December 2020	Attributable to the parent company in the current year – net of tax	Other comprehensive income transferred into retained earnings	31 December 2021	Amount incurred before income tax for the current year	Less: Income tax (expenses)/credits	Attributable to the parent company – net of tax	Attributable to minority shareholders – net of tax
Other comprehensive income items which will not be reclassified subsequently to profit or loss								
Changes in fair value of other equity instruments	1,213,254	1,873,959	(112,656)	2,974,557	1,870,952	9,857	1,873,959	6,850
Other comprehensive income items which will not be transferred to profit or loss under the equity method	(1,187)	(91)	–	(1,278)	(91)	–	(91)	–
Other comprehensive income items which will be reclassified subsequently to profit or loss								
Cash flow hedging reserve	(22,858)	(4,536)	–	(27,394)	(4,536)	–	(4,536)	–
Exchange differences on translation of foreign currency financial statements	(45,240)	(283,414)	–	(328,654)	(133,261)	–	(283,414)	150,153
	1,143,969	1,585,918	(112,656)	2,617,231	1,733,064	9,857	1,585,918	157,003

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2020			
	31 December 2019	Attributable to the parent company in the current year – net of tax	Other comprehensive income transferred into retained earnings	31 December 2020	Amount incurred before income tax for the current year	Less: Income tax (expenses)/credits	Attributable to the parent company – net of tax	Attributable to minority shareholders – net of tax
Other comprehensive income items which will not be reclassified subsequently to profit or loss								
Changes in fair value of investments in other equity instruments	721,904	489,552	1,798	1,213,254	544,463	(54,911)	489,552	–
Other comprehensive income items which will not be transferred to profit or loss under the equity method	(2,060)	873	–	(1,187)	873	–	873	–
Other comprehensive income items which will be reclassified subsequently to profit or loss								
Cash flow hedging reserve	–	(22,858)	–	(22,858)	(22,858)	–	(22,858)	–
Exchange differences on translation of foreign currency financial statements	282,872	(328,112)	–	(45,240)	(325,720)	–	(328,112)	2,392
	1,002,716	139,455	1,798	1,143,969	196,758	(54,911)	139,455	2,392

(64) Notes to the cash flow statement**(a) Cash received relating to other operating activities**

	2021	2020
Inflows from cash on delivery service	82,642,080	80,856,645
Collection of current accounts of SF REIT after disposal	2,272,141	–
Government grants	1,374,878	1,296,977
Interest income	193,557	168,535
Others	3,988,144	1,233,421
	90,470,800	83,555,578

(b) Cash paid relating to other operating activities

	2021	2020
Outflows from cash on delivery service	83,113,338	80,458,461
Office and rental fees	6,209,655	8,687,678
Claims expenses	1,330,860	1,165,539
IT and information platform expenses	1,049,977	878,088
Professional service fees	427,814	329,482
Marketing expenses	382,548	221,144
Customs cost	365,425	368,099
Travelling and transportation expenses	303,479	246,501
Entertainment expenses	225,675	178,452
Compensation and penalty	106,022	76,426
Bank charges	85,608	45,171
Donation expenses	46,452	24,869
Others	3,841,540	2,515,046
	97,488,393	95,194,956

(c) Net cash received from disposal of subsidiaries

	2021	2020
Consideration arising from disposal of subsidiaries	4,135,481	820,720
Among: REITs related companies (Note 5(2)(a)(i))	2,424,278	–
Guangdong Fengxing Zhitu Tech Co., Ltd. ("Fengxing Zhitu technology")	1,025,042	–
Others	686,161	820,720
Less: Non-cash consideration for disposal of REITs related companies (Note 5(2)(a)(ii))	(1,152,527)	–
Cash received from equity swap to obtain subsidiaries (i)	–	(799,000)
Cash to be received in future periods	(100,534)	–
Cash held by the company on the day of loss of control	(559,868)	(92,344)
Among: REITs related companies	(222,842)	–
Fengxing Zhitu technology	(144,477)	–
Others	(192,549)	(92,344)
Add: Cash received in the current year for the disposal of subsidiaries in previous years	15,000	65,129
Others	–	70,624
Net cash received from disposal of subsidiaries	2,337,552	65,129

(i) In November 2020, the Group issued asset-backed securities through a special plan initiated and established by Huatai Securities (Shanghai) Asset Management Co., Ltd. with the five logistics industrial parks held by the Group as the underlying assets. Since then, Fengtai Asset has signed an equity swap agreement with the above-mentioned special plan. According to the agreement, Fengtai Assets will replace 100% of the equity of the subsidiary held by the above-mentioned special plan with a total price of RMB799,000,000 for the 100% equity of the subsidiary. The cash and cash equivalents held by subsidiaries obtained from the equity swap amounted to RMB799,000,000, which was recognized as cash received from acquiring subsidiaries in cash flow statement.

(d) Net cash paid to acquire subsidiaries

	2021	2020
Consideration for acquiring for subsidiaries by way of business combinations	14,775,405	80,380
Among: Kerry Logistics	14,550,982	–
Others	224,423	80,380
Less: Consideration to be paid in subsequent years	(10,100)	–
Cash paid in previous year	(30,300)	–
Exchange differences on translation of foreign currency financial statements	(5,821)	(2,700)
Cash held by the company on the day of purchase	(7,024,242)	(12,348)
Among: Kerry Logistics	(7,022,260)	–
Others	(1,982)	(12,348)
Add: The cash paid in the current year for the subsidiary acquired in the previous year	30,299	26,711
Net cash paid for subsidiaries acquired by way of business combination	7,735,241	92,043
Consideration for acquiring subsidiaries by way other than business combinations	1,389,990	–
Cash paid for the subsidiary acquired by way other than business combination in the current year	1,389,990	–
Among: Shenzhen Shunze (Note 4(16)(ii))	1,082,700	–
Shenzhen Shuntai (Note 4(16)(ii))	248,020	–
Others	59,270	–
Less: Cash held by the company on the day of purchase	(81,653)	–
Among: Shenzhen Shunze	(39,921)	–
Shenzhen Shuntai	(6,700)	–
Others	(35,032)	–
Net cash paid for subsidiaries acquired other than business combination	1,308,337	–
Net cash paid to acquire subsidiaries	9,043,578	92,043

(e) Cash received relating to other investing activities

	2021	2020
Redemption of bank wealth management products and structural deposits	114,495,200	112,187,104
Cash received for the disposal of subsidiaries by Kerry logistics in the current year before the acquisition	10,989,923	–
	125,485,123	112,187,104

(f) Cash paid relating to other investing activities

	2021	2020
Purchase of bank wealth management products and structural deposits	117,935,200	114,927,403
Net cash paid for disposal of subsidiaries	–	70,624
	117,935,200	114,998,027

(g) Cash paid relating to other financing activities

	2021	2020
Cash dividends paid in the current year declared by Kerry Logistics before the acquisition	10,819,033	–
Repayments of lease liabilities	6,266,239	–
Payments for rental deposits	136,153	–
Payment of financing expenses	91,743	16,807
Acquisition of minority interests	109,576	8,084
Repurchase of shares	–	58,663
Others	–	1,891
	17,422,744	85,445

In 2021, the total cash outflows relating to leases paid by the Group amounted to RMB9,226,746,000, except for the repayments of lease liabilities classified as cash paid relating to financing activities, the remaining was classified as cash paid relating to operating activities.

(65) Supplementary information to the cash flow statement**(a) Reconciliation from net profit to cash flows from operating activities**

	2021	2020
Net profit	3,919,213	6,932,034
Add: Asset impairment losses	60,390	35,058
Credit impairment losses	578,951	472,755
Depreciation of right-of-use assets	5,527,322	—
Depreciation of fixed assets	4,588,519	3,580,530
Depreciation of investment properties	60,382	54,520
Amortisation of intangible assets	1,487,797	982,310
Amortisation of long-term prepaid expenses	907,585	674,676
Losses on disposal of long-term assets	195,841	187,700
Gains arising from changes in fair value	(98,949)	(134,118)
Financial costs	1,590,849	981,127
Investment income	(2,406,535)	(850,811)
Recognised expenses on equity-settled share-based payments	349,308	242,688
Decrease/(increase) in deferred tax assets	72,641	(493,664)
Increase in deferred tax liabilities	292,932	277,152
Amortisation of deferred income	(36,480)	(39,270)
Increase in inventories	(370,579)	(110,529)
Increase in operating receivables	(6,196,150)	(8,488,671)
Increase in operating payables	4,834,568	7,020,432
Net cash flows from operating activities	15,357,605	11,323,919

(b) Net increase/(decrease) in cash and cash equivalents

	2021	2020
Cash and cash equivalents at the end of the year	34,813,768	15,466,484
Less: Cash and cash equivalents at the beginning of the year	(15,466,484)	(17,764,448)
Net increase/(decrease) in cash and cash equivalents	19,347,284	(2,297,964)

(c) Cash and cash equivalents

	31 December 2021	31 December 2020
Cash on hand	48,513	79
Cash at bank that can be readily drawn on demand	34,633,427	15,262,345
Other cash balances that can be readily drawn on demand	50,988	126,993
Other balances that can be readily drawn on demand	80,840	77,067
	34,813,768	15,466,484

(66) Monetary items denominated in foreign currency

As at 31 December 2021 and 31 December 2020, the Group's companies whose recording currency is RMB held financial assets and liabilities denominated in non-recording currency (mainly USD, HKD, and EUR), excluding financial assets and liabilities denominated in non-recording currency held by subsidiaries within the Group, of which the equivalent amounts in RMB (presentation currency of these financial statements) are listed as below:

	31 December 2021		
	Amount in the original currency	Exchange rate to RMB	Equivalent to RMB
Cash at bank and on hand –			
USD	59,886	6.3757	381,815
HKD	7,202	0.8176	5,889
EUR	100	7.2197	720
Receivables –			
USD	101,020	6.3757	644,070
HKD	46,533	0.8176	38,046
EUR	472	7.2197	3,408
Payables –			
USD	26,740	6.3757	170,486
HKD	10,266	0.8176	8,393
EUR	784	7.2197	5,663
SGD	409	4.3553	1,780

	31 December 2020		
	Amount in the original currency	Exchange rate to RMB	Equivalent to RMB
Cash at bank and on hand –			
USD	10,721	6.5249	69,954
HKD	11,807	0.8416	9,936
EUR	100	8.0250	802
Receivables –			
USD	10,074	6.5249	65,735
HKD	191	0.8416	161
EUR	116	8.0250	928
Payables –			
USD	9,251	6.5249	60,363
HKD	2,246	0.8416	1,890
EUR	424	8.0250	3,403

As at 31 December 2021 and 31 December 2020, the Group's overseas subsidiaries, except for those operating in Hong Kong, held no significant financial assets and liabilities denominated in non-recording currency. Those companies operating in Hong Kong with HKD as recording currency held financial assets and liabilities denominated in non-recording currency (mainly USD, RMB, EUR and SGD), excluding financial assets and liabilities denominated in non-recording currency held by subsidiaries within the Group, of which the equivalent amounts in HKD (recording currency of companies operating in Hong Kong) and RMB (presentation currency of these financial statements) are listed as below:

	31 December 2021			
	Amount in the original currency	Exchange rate to HKD	Equivalent to HKD	Equivalent to RMB
Cash at bank and on hand –				
RMB	13,958	1.2231	17,072	13,958
USD	11,428	7.7981	89,113	72,858
EUR	1,170	8.8304	10,327	8,444
Accounts receivables –				
RMB	5,452	1.2231	6,668	5,452
USD	7,013	7.7981	54,686	44,711
Accounts payables –				
RMB	14,745	1.2231	18,034	14,745
USD	8,441	7.7981	65,827	53,820
EUR	2,014	8.8304	17,785	14,541

	31 December 2020			
	Amount in the original currency	Exchange rate to HKD	Equivalent to HKD	Equivalent to RMB
Cash at bank and on hand –				
RMB	16,364	1.1882	19,444	16,364
USD	25,397	7.7526	196,889	165,704
EUR	344	9.5350	3,276	2,757
Receivables –				
RMB	1,799	1.1882	2,138	1,799
USD	6,780	7.7526	52,560	44,235
Payables –				
RMB	1,977	1.1882	2,349	1,977
USD	4,830	7.7526	37,445	31,514
EUR	3,994	9.5350	38,085	32,053

5. Changes in the consolidation scope

(1) Business combinations involving enterprises not under common control

(a) Main business combinations involving enterprises not under common control in 2021

Acquiree	Timing of acquisition	Acquisition cost	% of interest acquired	Method of acquisition	Acquisition date	Basis for determining the acquisition date	Revenue of the acquiree from the acquisition date to the end of the year	Net profit of the acquiree from the acquisition date to the end of the year	Cash flows from operating activities of the acquiree from the acquisition date to the end of the year	Net cash flows of the acquiree from the acquisition date to the end of the year
Kerry Logistics and its subsidiaries (i)	28 September 2021	14,550,982	51.50%	By cash	28 September 2021	Completion of equity delivery	20,260,964	883,124	2,123,547	400,543
Jiangsu Senyuan Household Appliance Technology Co., Ltd.	3 February 2021	202,000	100.00%	By cash	3 February 2021	Completion of equity delivery	776	1,162	(1,103)	583
Bangwei Logistics (Hong Kong) Co., Ltd.	30 April 2021	16,873	100.00%	By cash	30 April 2021	Completion of equity delivery	17,021	1,068	12,934	12,626
Lianyungang Fengtai Wulian Technology Co., Ltd.	1 July 2021	5,550	100.00%	By cash	1 July 2021	Completion of equity delivery	–	(75)	(402)	48
		14,775,405					20,278,761	885,279	2,134,976	413,800

(i) The net profit attributable to shareholders of the Company from the acquisition date of Kerry Logistics and its subsidiaries to the end of the year was RMB 371,005,000.

(b) On 28 September 2021 (“acquisition date”), the Group completed the acquisition of 51.5% equity of Kerry Logistics at a consideration of approximately HKD17,506,731,000, which equivalent to approximately RMB14,550,982,000. Then the Group controlled Kerry Logistics, and included Kerry Logistics and its subsidiaries in the scope of consolidation.

(i) Details of the consideration of acquisition and goodwill recognised are as follows:

	Kerry Logistics
Consideration of acquisition	
– Cash	14,550,982
Less: Fair value of the identifiable net assets acquired	(10,419,790)
Goodwill	4,131,192

(ii) The assets and liabilities of Kerry Logistics as at the acquisition date and 31 December 2020 are as follows:

	Acquisition date Fair value	Acquisition date Carrying amount	31 December 2020 Carrying amount
Cash at bank and on hand	7,025,678	7,025,678	7,139,649
Financial assets held for trading	1,197,012	1,197,012	107,805
Notes receivable	105,089	105,089	53,851
Accounts receivable	10,238,626	10,238,626	8,272,381
Prepayments	975,412	975,412	613,232
Other receivables	12,918,545	12,918,545	1,298,148
Inventories	325,524	325,524	340,683
Contract assets	209,146	209,146	90,934
Other current assets	23,443	23,443	246,494
Long-term equity investments	2,186,709	1,815,737	1,581,261
Investment properties	1,355,725	1,355,725	9,679,323
Fixed assets	7,643,308	5,435,489	8,813,785
Construction in process	314,001	374,153	649,120
Right-of-use assets	2,569,905	2,569,905	3,481,247
Intangible assets	8,166,604	1,230,630	1,188,841
Long-term deferred expense	293,590	293,590	429,044
Investments in other equity instruments	244,044	244,044	302,238
Other non-current financial assets	4,854	4,854	292,408
Deferred tax assets	110,917	110,917	82,862
Less: Borrowings	(5,985,174)	(5,985,174)	(7,769,267)
Payables	(5,022,912)	(5,022,912)	(4,585,094)
Employee benefits payables	(1,277,622)	(1,277,622)	(1,101,101)
Lease liabilities	(2,710,251)	(2,710,251)	(3,526,516)
Deferred tax liabilities	(2,490,007)	(257,227)	(626,428)
Other liabilities	(14,875,883)	(14,875,883)	(3,108,609)
Net assets	23,546,283	16,324,450	23,946,291
Less: Minority interests	(13,126,493)		
Fair value of the identifiable net assets acquired	10,419,790		

The Group uses the valuation techniques to determine the fair value of the transferred non-cash assets and of the liabilities incurred.

As at the acquisition date, the Group recognised Kerry Logistics' identifiable net assets at fair value. The fair value of identifiable net assets exceeded the carrying amount by RMB7,221,833,000, mainly comprising the recognition of intangible assets (trademark use rights and customer relationships), fixed assets (buildings etc.), land use rights, appreciation of long-term equity investments and corresponding deferred tax liabilities. The Group has engaged an independent valuer to assist in the identification and assessment of the fair value of fixed assets, land use rights, long-term equity investments, intangible assets (customer relationships and trademark use rights) of Kerry Logistics. The valuation method and critical assumptions applied are as follows:

The valuation methods used for buildings, land use rights and long-term equity investments are discounted future earnings method, income method, cost method and direct comparison method.

The valuation method used for trademark use is licensing fee savings method that calculates the current value of trademark use rights on the base date of evaluation by using an appropriate discount rate to discount the trademark fees saved through acquiring the use rights of related assets annually in the trademark's remaining useful period. The key assumptions applied in the valuation include revenue growth rate, trademark royalty rate, the remaining useful life of trademark and discount rate, etc.

The valuation method used for customer relationships is multi-period excess earnings method that calculates the current value of customer relationships on the base date of evaluation by using an appropriate discount rate to discount the aggregated present value of excess earnings after deduction of asset contribution from the after-tax economic benefits expected to arise from leveraging the customer relationships in future years. The key assumptions applied in the valuation include revenue growth rate, EBIT rate, contribution rates of contributing assets, customer churn rate, the remaining useful life of customer relationships and discount rate, etc.

(2) Disposal of subsidiaries

(a) Aggregated information of subsidiaries disposed in the reporting period:

Name of subsidiary	Proceeds from disposal	Disposal proportion	Method of disposal	Timing of losing control	Basis for judgement of timing of losing control	Difference between proceeds from disposal after deducting disposal costs and corresponding shares of net assets in the consolidated financial statements	Amount transferred from other comprehensive income etc. related to initial equity investment to investment income or loss
Beijing Huabao Lutong Automobile Investment Co., Ltd.	392,097	100.00%	Sales of equity	28 February 2021	Transfer of control right	30,002	-
Zhengzhou Fengtai E-commerce Industrial Park Management Co., Ltd.	170,824	100.00%	Sales of equity	31 March 2021	Transfer of control right	17,450	-
Company related to SF REITS (i)	2,424,278	100.00%	Sales of equity	13 May 2021	Transfer of control right	890,115	5,397
Ma'anshan Fengyutai Enterprise Management Co., Ltd.	68,240	100.00%	Sales of equity	24 September 2021	Transfer of control right	(9,211)	-
Shunyuan Commercial Factoring (Tianjin) Co., Ltd.	54,500	100.00%	Sales of equity	30 September 2021	Transfer of control right	3,686	-
Fengxing Zhitu Technology (ii)	1,025,042	69.26%	Sales of equity	28 October 2021	Transfer of control right	829,948	-
Shenzhen Fenglian Technology Co., Ltd.	500	19.00%	Sales of equity	31 December 2021	Transfer of control right	41,251	-
	4,135,481					1,803,241	5,397

(i) Company related to SF REITS

SF Real Estate Asset Management Co., LTD ("The manager of SF REITS") entered into a trust deed with DB Trustees (Hong Kong) Limited, pursuant to which SF REIT is established.

In May 2021, the Group transferred three wholly-owned subsidiaries (Foshan Runzhong Industrial Investment Co., Ltd., Wuhu Fengtai E-Commerce Industrial Park Management Ltd. and Gu Te Development Co., Ltd.) that held three property assets to the subsidiaries of SF REITS. The Group thus lost control over the above subsidiaries and ceased to include these subsidiaries in the scope of consolidation. The consideration of the equity transfer transaction was approximately HKD2,907,317,000 (equivalent to approximately RMB2,424,278,000). The Group recognised investment income of approximately HKD1,082,557,000 (equivalent to approximately RMB895,512,000), among which the transaction consideration of HKD1,394,400,000 (equivalent to approximately RMB1,152,527,000) was paid by the 35% fund shares issued by SF REITs to the Group.

SF REITS was listed on the Main Board of the Hong Kong SEHK on 17 May 2021. The Group holds 35% of SF REITs' unit interest.

(ii) Fengxing Zhitu Technology

As at October 28 2021, the Group transferred 59.36% equity interest in Fengxing Zhitu Technology to Mingde Holdings at the transaction consideration of RMB878,522,000. After this transaction, Fengxing Zhitu technology is no longer included in the scope of the group's consolidated statements. Since then, the Group has transferred the remaining 9.9% equity interest in Fenghang Zhitu Technology to a third party at the transaction consideration of RMB146,520,000. Upon completion of all share transfer transactions, the Group will no longer hold any equity interest in Fengxing Zhitu Technology.

The calculation of gains or losses on disposal is as follows:

	Amount
Consideration received from the disposal	1,025,042
Less: Share of net assets in the consolidated financial statements	(195,094)
Investment income from the disposal	829,948

(3) Other changes in the consolidation scope**(a) In 2021, the Group set up the following major subsidiaries by cash:**

Beijing Fengzan Technology Co., Ltd.

Shanghai Fengtiao Yushun Food and Beverage Management Co., Ltd.

Huai'an Fengyutai Enterprise Management Co., Ltd.

Luohe Fengtai Industrial Park Management Co., Ltd.

Quzhou Fengyikai Enterprise Management Co., Ltd.

Linyi Fengyikai Industrial Park Management Co., Ltd.

Ezhou S.F. Free Trade Supply Chain Management Co., Ltd.

Shanghai S.F. Multimodal Transportation Co., Ltd.

Chongqing Fengyutai Enterprise Management Co., Ltd.

Changzhou Fengyutai Enterprise Management Co., Ltd.

Sichuan Jieyutai Enterprise Management Co., Ltd.

Huai'an Fengtai E-Commerce Industrial Park Management Ltd.

Nanchang Jietai Industrial Park Management Co., Ltd.

Hefei Fengyutai Enterprise Management Co., Ltd.

Hefei Jiafeng Industrial Park Management Co., Ltd.

Jinhua Jietai Enterprise Management Co., Ltd.

Chengdu Shengyutai Enterprise Management Co., Ltd.

Jinan Hongtai Industrial Park Management Co., Ltd.

Yiyang Fengrui Enterprise Management Co., Ltd.

6. Interests in other entities

(1) Interests in subsidiaries

(a) First-tier, second-tier and other important subsidiaries of the Group are as follows:

	Place of registration	Major business location	Nature of business	Shareholding (%)		Method of acquisition
				Direct	Indirect	
Taisen Holding	Shenzhen	Shenzhen	Investment holding	100.00%	–	Reverse acquisitions
S.F. Express Co., Ltd.	Shenzhen	Shenzhen	International freight forwarding, domestic and international express service, etc.	–	100.00%	Business combinations involving enterprises under common control
SF Technology	Shenzhen	Shenzhen	Technical maintenance and development service	–	100.00%	By new establishment
Shenzhen Shunlu Logistics Co., Ltd.	Shenzhen	Shenzhen	Cargo transportation and freight forwarding	–	100.00%	Business combinations involving enterprises under common control
Anhui S.F. Telecommunication Service Co., Ltd.	Anhui Province	Anhui Province	Value-added telecommunication service	–	100.00%	By new establishment
Shenzhen Yuhui Management Consulting Co., Ltd.	Shenzhen	Shenzhen	Consulting service	–	100.00%	Business combinations involving enterprises under common control
Shenzhen S.F. Supply Chain Co., Ltd.	Shenzhen	Shenzhen	Supply chain management and other services	–	100.00%	By new establishment
SF Airlines	Shenzhen	Shenzhen	Transport service of aviation cargo	–	100.00%	Business combinations involving enterprises under common control
Fengtai Asset	Shenzhen	Shenzhen	E-Commerce industrial park asset management	–	100.00%	Business combinations involving enterprises under common control
Shenzhen Fengtai E-Commerce Industrial Park Investment Ltd.	Shenzhen	Shenzhen	Management consulting	–	100.00%	By new establishment
Shenzhen S. F. Airport Investment Co., Ltd.	Shenzhen	Shenzhen	Industrial investment	–	100.00%	By new establishment
SF Holding Limited	Hong Kong SAR	Hong Kong SAR	Investment holding	–	100.00%	Business combinations involving enterprises under common control
Group Finance Company	Shenzhen	Shenzhen	Financing, wealth management and consulting services	–	100.00%	By new establishment
Shenzhen SF Chuangxing Investment Co., Ltd.	Shenzhen	Shenzhen	Industrial investment	–	100.00%	By new establishment
Shenzhen Fengnong Technology Co., Ltd.	Shenzhen	Shenzhen	Retail	–	100.00%	By new establishment
Shenzhen Fenglang Supply Chain Co., Ltd.	Shenzhen	Shenzhen	Supply chain management and other services	–	100.00%	By new establishment
Shenzhen Shunfeng Runtai Management Consulting Co., Ltd.	Shenzhen	Shenzhen	Consulting service	–	100.00%	By new establishment
Shunyuanyuan Financial Leasing	Tianjin	Tianjin	Leasing business	–	100.00%	By new establishment
SF Multimodal Co., Ltd.	Shenzhen	Shenzhen	Goods delivery services	–	100.00%	By new establishment
Shenzhen Shunxi Management Consulting Co., Ltd.	Shenzhen	Shenzhen	Management consulting	–	100.00%	By new establishment
S.F. Insurance Broker (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	Insurance business	–	100.00%	By new establishment
S.F. Duolian Technology Co., Ltd.	Dongguan	Dongguan	Technology development	–	100.00%	By new establishment
Dongguan SF Taisen Enterprise Management Co., Ltd.	Dongguan	Dongguan	Property management	–	100.00%	By new establishment
SF Innovative Technology Co., Ltd.	Dongguan	Dongguan	Information technology service	–	100.00%	By new establishment
Shenzhen Shunheng Rongfeng Supply Chain Technology Co., Ltd.	Shenzhen	Shenzhen	Consulting service	–	100.00%	Business combinations involving enterprises under common control
Shenzhen Hengyi Logistics Service Co., Ltd.	Shenzhen	Shenzhen	Freight forwarding service	–	100.00%	Business combinations involving enterprises under common control
Shenzhen Lefeng Commercial Co., Ltd.	Shenzhen	Shenzhen	Factoring	–	100.00%	Business combinations involving enterprises under common control
Hangzhou SF Intra-city Industrial Co., Ltd.	Hangzhou	Hangzhou	Supply chain management and other services	–	55.85%	By new establishment
Shenzhen SF Express Zhongyuan Network Technology Co., Ltd.	Shenzhen	Shenzhen	Technology development and consulting services	–	100.00%	By new establishment
SF Sharing Precision Information Technology (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	Information technology service	–	100.00%	By new establishment
Hangzhou Shuangjie Supply Chain Co., Ltd.	Hangzhou	Hangzhou	Supply chain management and other services	–	100.00%	By new establishment
Shenzhen S.F. Express Co., Ltd.	Shenzhen	Shenzhen	Business and supply chain management	–	87.80%	By new establishment

	Place of registration	Major business location	Nature of business	Shareholding (%)		Method of acquisition
				Direct	Indirect	
Huanggang Xiufeng Education Investment Co., Ltd.	Huanggang	Huanggang	Consulting services regarding business information and business management	-	100.00%	By new establishment
Junhe Information Technology (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	Information technology and development services	-	51.00%	By new establishment
S.F. Digital Technology (Shenzhen) Services Co., Ltd.	Shenzhen	Shenzhen	Technology and consulting services	-	100.00%	By new establishment
Shenzhen S.F. International Industry Co., Ltd.	Shenzhen	Shenzhen	Information technology and consulting services	-	100.00%	By new establishment
Shenzhen S.F. Investment Co., Ltd.	Shenzhen	Shenzhen	Investment holding	-	100.00%	By new establishment
SF Cold Chain Logistics Co., Ltd.	Shenzhen	Shenzhen	Cargo transportation and freight forwarding	-	100.00%	By new establishment

(b) Subsidiaries in which the Group has significant minority interests

	Proportion of ownership interest held by minority shareholders	Profit or loss attributable to minority shareholders for the period from September 28 2021 to December 31 2021	Dividends paid to minority shareholders for the period from September 28 2021 to December 31 2021	Minority interests as at 31 December 2021
Kerry Logistics	48.50%	512,119	(46,607)	13,714,750

The significant financial information of the significant non-fully-owned subsidiaries of the Group is listed below:

	31 December 2021
Current assets	22,058,645
Non-current assets	23,566,766
Total assets	45,625,411
Current liabilities	14,795,606
Non-current liabilities	6,645,860
Total liabilities	21,441,466

	From September 28 2021 to December 31 2021
Revenue	20,260,964
Net profit (i)	883,124
Total comprehensive income (i)	921,320
Cash flows from operating activities	2,123,547

The above financial figures take into account the fair value of identifiable assets and liabilities at the point of acquisition of Kerry Logistics's equity and the adjustment effect of uniform accounting policies.

(i) The net profit attributable to shareholders of the Company from the purchase date to the end of the year was RMB 371,005,000, and the total comprehensive income from the purchase date to the end of the year attributable to shareholders of the Company was RMB252,516,000.

(ii) As at 31 December 2020, minority interests of the Group's subsidiaries had no significant influence on the Group.

(2) Interests in joint ventures and associates

(a) The Group's joint ventures have no significant influence on the Group and are summarised as follows:

	Ending balance/ Amount in the current year	Opening balance/ Amount in the prior year
Aggregated carrying amount of investments (Note 4(12)(a))	2,593,932	2,434,966
Aggregate of the following items in proportion:		
Net (loss)/profit	(19,132)	9,697
Other comprehensive income	–	–
Total comprehensive income	(19,132)	9,697

(b) The Group's associates have no significant influence on the Group and are summarised as follows:

	Ending balance/ Amount in the current year	Opening balance/ Amount in the prior year
Aggregated carrying amount of investments (Note 4(12)(b))	4,666,155	1,212,265
Aggregate of the following items in proportion:		
Net profit/(loss)	61,792	(31,516)
Other comprehensive income	(91)	873
Total comprehensive income	61,701	(30,643)

7. Segment information

The reportable segments of the Group are the business units that provide different logistics and freight forwarding services. Different businesses require different technologies and marketing strategies, and the Group, therefore, independently manages their operations and evaluates operating results, in order to make decisions about resources allocations and performance evaluations.

In 2021, the Group mainly had four reportable segments, including:

- Express segment, which provides time-define express and economy express except for large-size service, as well as medical product and cold chain delivery service;
- Freight segment, which provides large-size service and freight service;
- Intra-city segment, which provides intra-city on-demand delivery service;
- Supply chain and international business segment, which provide international express service, international freight transport and forwarding service, as well as supply chain service.

In 2021, the reportable segments of the Group have changed, and the segment information for 2020 has been restated in accordance with the caliber of 2021.

Inter-segment transfer prices are determined by reference to pricing policy of related party transactions.

(a) Segment information as at and for the year ended 31 December 2021 is as follows:

	Express segment	Freight segment	Intra-city segment	Supply chain and international segment	Undistributed units	Inter-segment elimination	Total
Revenue from external customers	132,319,106	28,356,404	5,117,905	39,979,632	1,413,600	–	207,186,647
Inter-segment revenue	12,515,607	2,812,134	3,056,509	474,522	9,465,837	(28,324,609)	–
Cost of revenue	124,054,968	29,990,841	8,079,144	36,164,215	9,337,828	(26,078,489)	181,548,507
Total profit/(loss)	5,969,116	(417,142)	(902,586)	1,075,223	1,427,145	(18,075)	7,133,681
Income tax expenses/(credits)	2,136,929	165,166	(3,735)	459,971	461,683	(5,546)	3,214,468
Net profit/(loss)	3,832,187	(582,308)	(898,851)	615,252	965,462	(12,529)	3,919,213
Total assets	81,086,911	9,544,584	4,064,825	60,901,366	135,934,182	(81,631,886)	209,899,982
Total liabilities	56,362,138	9,171,525	899,472	34,391,955	67,699,241	(56,539,596)	111,984,735
Depreciation and amortisation expenses	5,180,097	253,747	55,420	753,735	792,605	(11,244)	7,024,360
Credit impairment losses	310,456	110,648	4,477	190,763	(24,457)	(12,936)	578,951

In 2021, no revenue from a single customer exceeded 10% or more of the total revenue.

(b) Segment information as at and for the year ended 31 December 2020 is as follows:

	Express segment	Freight segment	Intra-city segment	Supply chain and international segment	Undistributed units	Inter-segment elimination	Total
Revenue from external customers	117,338,724	19,336,603	3,222,985	13,416,404	672,154	–	153,986,870
Inter-segment revenue	11,557,907	3,041,231	1,620,653	288,161	5,087,311	(21,595,263)	–
Cost of revenue	104,553,336	22,509,479	5,031,872	12,256,698	4,233,792	(19,775,144)	128,810,033
Total profit/(loss)	11,725,653	(1,157,575)	(783,047)	140,120	130,456	(16,950)	10,038,657
Income tax expenses/(credits)	3,229,532	(249,424)	(26,513)	37,167	115,608	253	3,106,623
Net profit/(loss)	8,496,121	(908,151)	(756,534)	102,953	14,848	(17,203)	6,932,034
Total assets	56,656,496	6,768,400	1,239,093	18,265,316	79,264,159	(51,033,422)	111,160,042
Total liabilities	35,358,821	5,924,381	1,011,633	12,992,118	38,147,221	(39,033,831)	54,400,343
Depreciation and amortisation expenses	4,104,914	159,091	37,107	307,292	675,969	(4,294)	5,280,079
Credit impairment losses	183,789	6,689	850	43,807	252,361	(14,741)	472,755

In 2020, no revenue from a single customer exceeded 10% or more of the total revenue.

8. Related parties and related party transactions

(1) General information of the controlling shareholder and subsidiaries

The general information and other related information of the subsidiaries are set out in Note 6(1).

(a) General information of the controlling shareholder

	Place of registration	Nature of business
Mingde Holdings	Shenzhen	Investment

The Company's ultimate holding company is Mingde Holdings, and the ultimate controlling person is Wang Wei.

(b) The balances and changes of registered capital of the controlling shareholder

	31 December 2020	Increase in the current year	Decrease in the current year	31 December 2021
Mingde Holdings	113,406	–	–	113,406

(c) The percentages of shareholding and voting rights in the Company held by the controlling shareholder

	31 December 2021		31 December 2020	
	Shareholding (%)	Voting rights (%)	Shareholding (%)	Voting rights (%)
Mingde Holdings	55.07%	55.07%	59.30%	59.30%

(2) Nature of related parties that do not control/are not controlled by the Company

Major related parties are listed as follows:

	Relationship with the Company
Shenzhen Fengxiang Information Technology Co., Ltd. ^{Note 1}	Controlled by the ultimate controlling person of the Company
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	Controlled by the ultimate controlling person of the Company
Shenzhen Shunshang Investment Co., Ltd.	Controlled by the ultimate controlling person of the Company
Zhejiang Yibao Network Technology Co., Ltd.	Controlled by the ultimate controlling person of the Company
Fengxing Zhitu Technology ^{Note 2}	Controlled by the ultimate controlling person of the Company
Shenzhen Shunfeng Hefeng Small Loan Co., Ltd.	Controlled by the ultimate controlling person of the Company
Suzhou Fengchengda Network Technology Co., Ltd.	Controlled by the ultimate controlling person of the Company
Hive Box Technology and its subsidiaries	Held by the ultimate controlling person
Guangdong Youxuanypin Commerce Co., Ltd ("Youxuanypin Commerce Co., Ltd") and its subsidiaries ^{Note 3}	Controlled by the ultimate controlling person of the Company before November 2020
Shenzhen Fengyi Technology Limited (Fengyi Technology)	Controlling shareholder's associate
Shenzhen Shunjie Fengda and its subsidiaries ("Shunjie Fengda")	The Group's associate
Kin Shun Information Technology Limited	The Group's associate
Wuhan Shunluo Supply Chain Management Co., Ltd.	The Group's associate
Dazhangfang Information Technology and its subsidiaries	The Group's associate
Hubei Jiuzhou Tongda Technology Development Co., Ltd.	The Group's associate
Shenzhen Zhongwang Finance and Tax Management Co., Ltd.	The Group's associate
Xi'an Huahan Air Passenger and Freight Service Co., Ltd.	The Group's associate

	Relationship with the Company
Qingdao Dakai Cargo Agency Co., Ltd.	The Group's associate
Chongqing Boqiang Logistics Co., Ltd.	The Group's associate
State Grid E-Commerce Yunfeng Logistics Technology (Tianjin) Co., Ltd.	The Group's associate
SCS Logistics Co., Ltd.	The Group's associate
KENGIC Intelligent and its subsidiaries	The Group's associate
SF REITS and its subsidiaries ^{Note 4}	The Group's associate
DHL Weiheng (Zhuhai) Supply Chain Management Co., Ltd	The Group's associate
Beijing Bei Jian Tong Cheng International Logistics Co., Ltd ^{Note 4}	The Group's associate
Sunway Express (H.K.) Limited ^{Note 4}	The Group's associate
Rabbit-Line Pay Company Limited ^{Note 4}	The Group's associate
Ezhou China Communications SF Airport Industrial Park Investment Development Co., Ltd. ^{Note 5}	The Group's joint venture
Shenzhen Shenghai Information Service Co., LTD (Shenghai Information)	The Group's joint venture
Wulian Shuntong and its subsidiaries	The Group's joint venture
CR-SF International Express Co., Ltd.	The Group's joint venture
ZBHA and its subsidiaries	The Group's joint venture
POST110Ü	The Group's joint venture
Global Connect Holding Limited	The Group's joint venture
Jinfeng Borun (Xiamen) Equity Investment Partnership (Limited Partnership)	The Group's joint venture
Wenzhou Fengbaoke Technology Co., Ltd.	The Group's joint venture
Zhongyunda Aviation Ground Services Co., Ltd.	The Group's joint venture before June 2021
Golden Arches (China) Co., Ltd. ("Golden Arches") and its subsidiaries	Significantly influenced by the key management of the Company
China International Marine Containers (Group) Ltd. ("China International Marine") and its subsidiaries	Significantly influenced by the key management of the Company after June 2020
China Pacific Insurance (Group) Co., Ltd. ("Pacific Insurance") ^{Note 6}	Significantly influenced by the key management of the Company before July 2019
SF Foundation	Organisation sponsored by controlling shareholders and the Company's subsidiaries, in which senior managers of the company serve on the Board of Management

Note 1: It was a company newly established by the ultimate controller of the Group in January 2021 so its transactions with the Group during the period from January to December 2020 and the balance as at 31 December 2020 are presented as "Not applicable".

Note 2: Once a subsidiary of the Group, as stated in Note 5 (2), the Group transferred the holding shares of Fengxing Zhitu Technology to the controlling shareholder of the Company, Mingde Holdings, on October 28, 2021, hence losing the control right of Fengxing Zhitu Technology. The actual control of Fengxing Zhitu Technology ceased and being out of the scope of consolidation. The company has become an enterprise controlled by the controlling shareholder. The transactions with Fengxing Zhitu Technology disclosed in this financial statement refer to the transactions took place from November to December 2021., the Group listed its transactions from January to December 2020 and the balance at December 31, 2020 as "Not applicable".

Note 3: The Company's original name was S. F. Holding (Group) Commerce Co., Ltd., which was disposed by the Group's ultimate controlling person in November 2020. Pursuant to the *Listing Rules of Shenzhen Stock Exchange*, it was no longer a related party of the Group since November 2021, so its related party transactions with the Group in 2021 refer to the transaction volumes made during the period from January to November 2021 while balance as at 31 December 2021 are presented as "Not applicable".

Note 4: It was a new associate of the Group during the reporting period, so its transactions with the Group during the period from January to December 2020 and the balance as at 31 December 2020 are presented as "Not applicable".

Note 5: It was a new joint venture of the Group during the reporting period, so its transactions with the Group during the period from January to December 2020 and the balance as at 31 December 2020 are presented as "Not applicable".

Note 6: It was a company significantly influenced by the key management of the Group before July 2019. Pursuant to the *Listing Rules of Shenzhen Stock Exchange*, it was not a related party of the Group as at August 2020. So its related party transactions with the Group refer to the transaction volumes made during the period from January to July 2020 while its related party transactions with the Group in 2021 are presented as "Not applicable".

(3) Related party transactions

(a) Pricing policies

The pricing method of transactions and transaction price between the Group and related parties are determined, following arm's length principle, by making reference to the market price or through negotiation between both parties.

(b) Sales of goods/Rendering of services

	Nature of the transaction	2021	2020
Golden Arches and its subsidiaries	Rendering of services	1,620,689	1,291,573
CR-SF International Express Co., Ltd.	Rendering of services	127,101	138,039
Fengyi Technology	Rendering of services	84,227	77,455
Hive Box Technology and its subsidiaries	Rendering of services	36,847	29,574
Ezhou China Communications SF Airport Industrial Park Investment Development Co., Ltd.	Rendering of services	23,550	Not applicable
Fengxing Zhitu Technology	Rendering of services	16,284	Not applicable
State Grid E-Commerce Yunfeng Logistics Technology (Tianjin) Co., Ltd.	Rendering of services	13,452	5,388
Youxuanypin Commerce Co., Ltd and its subsidiaries	Rendering of services	9,338	22,500
China International Marine and its subsidiaries	Rendering of services	8,729	1,306
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	Rendering of services	6,867	3,012
Shenzhen Shunfeng Hefeng Small Loan Co., Ltd.	Rendering of services	6,823	8,296
Suzhou Fengchengda Network Technology Co., Ltd.	Rendering of services	5,830	4,487
SCS Logistics Co., Ltd.	Rendering of services	5,303	2,773
Shenzhen Fengxiang Information Technology Co., Ltd.	Rendering of services	4,019	Not applicable
Wulian Shuntong and its subsidiaries	Rendering of services	1,517	57
SF Foundation	Rendering of services	1,270	16,778
Pacific Insurance	Rendering of services	Not applicable	12,853
Others	Rendering of services	39,661	92,266
		2,011,507	1,706,357

	Nature of the transaction	2021	2020
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	Sales of goods	4,386	-
Shenzhen Shunjie Fengda and its subsidiaries	Sales of goods	3,716	37,925
Others	Sales of goods	1,702	5,613
		9,804	43,538

(c) Receipt of service/Purchase of goods

	Nature of the transaction	2021	2020
CR-SF International Express Co., Ltd.	Receipt of service	613,849	488,038
Wulian Shuntong and its subsidiaries	Receipt of service	399,038	171,965
Shenzhen Shunjie Fengda and its subsidiaries	Receipt of service	282,889	211,347
SCS Logistics Co., Ltd.	Receipt of service	260,351	–
Hive Box Technology and its subsidiaries	Receipt of service	181,717	216,028
ZBHA and its subsidiaries	Receipt of service	152,160	153,843
Dazhangfang Information Technology and its subsidiaries	Receipt of service	114,151	61,691
Fengxing Zhitu Technology	Receipt of service	99,637	Not applicable
SF REITS and its subsidiaries	Receipt of service	29,672	Not applicable
Shenghai Information	Receipt of service	27,912	37,403
Xi'an Huahan Air Passenger and Freight Service Co., Ltd.	Receipt of service	18,212	22,053
Qingdao Dakai Cargo Agency Co., Ltd.	Receipt of service	16,922	22,991
Chongqing Boqiang Logistics Co., Ltd.	Receipt of service	14,152	10,356
Global Connect Holding Limited	Receipt of service	10,831	2,718
Shenzhen Shunshang Investment Co., Ltd.	Receipt of service	10,538	46,971
Shenzhen Zhongwang Finance and Tax Management Co., Ltd.	Receipt of service	9,674	7,249
Zhongyunda Aviation Ground Services Co., Ltd.	Receipt of service	9,134	11,597
Kin Shun Information Technology Limited	Receipt of service	8,128	108,556
POST110Ü	Receipt of service	5,944	34,312
Fengyi Technology	Receipt of service	5,140	5,230
Youxuanypin Commerce Co., Ltd and its subsidiaries	Receipt of service	3,461	2,085
Shenzhen Fengxiang Information Technology Co., Ltd.	Receipt of service	3,236	Not applicable
Pacific Insurance	Receipt of service	Not applicable	42,969
Others	Receipt of service	38,615	64,375
		2,315,363	1,721,777

	Nature of the transaction	2021	2020
KENGIC Intelligent and its subsidiaries	Purchase of goods	826,844	543,507
China International Marine and its subsidiaries	Purchase of goods	480,478	199,063
Shenzhen Fengxiang Information Technology Co., Ltd.	Purchase of goods	121,006	Not applicable
Fengyi Technology	Purchase of goods	89,193	215,902
Youxuanypin Commerce Co., Ltd and its subsidiaries	Purchase of goods	28,201	62,615
Hubei Jiuzhou Tongda Technology Development Co., Ltd.	Purchase of goods	11,197	138,214
Wenzhou Fengbaoke Technology Co., Ltd.	Purchase of goods	9,581	55,448
Others	Purchase of goods	5,402	374
		1,571,902	1,215,123

(d) Interest income/Interest expense

	Nature of the transaction	2021	2020
Wuhan Shunluo Supply Chain Management Co., Ltd.	Interest income	2,116	998
Others	Interest income	871	1,303
		2,987	2,301

	Nature of the transaction	2021	2020
Shenzhen Zhongwang Finance and Tax Management Co., Ltd.	Interest expense	57	76
Others	Interest expense	168	9
		225	85

(e) Leases

(i) Lease income recognised in the current year with the Group as the lessor

	Type of the leased asset	2021	2020
Fengyi Technology	Buildings	1,745	1,754
Others	Buildings	1,479	1,567
		3,224	3,321

(ii) Right-of-use assets increased in the current year with the Group as the lessee

	Type of the leased asset	2021	2020
SF REITS and its subsidiaries	Buildings	974,664	–
Shenzhen Shunshang Investment Co., Ltd.	Buildings	15,214	–
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	Buildings	13,116	–
		1,002,994	–

(iii) Depreciation and interest expenses borne in the current year by the Group as the lessee

	Type of the leased asset	2021	2020
SF REITS and its subsidiaries	Buildings	142,703	–
Shenzhen Shunshang Investment Co., Ltd.	Buildings	11,751	–
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	Buildings	926	–
		155,380	–

(f) Sales of equity

	2021	2020
Mingde Holdings	918,522	–
Jinfeng Borun (Xiamen) Equity Investment Partnership (Limited Partnership)	98,108	–
Zhejiang Yibao Network Technology Co., Ltd.	54,500	–
	1,071,130	–

In 2021, the Group earned a total of RMB715,001,000 in investment income from related parties from the above equity transactions

(g) Donation expenses

	2021	2020
SF Foundation	31,851	21,026

(h) Remuneration of key management

	2021	2020
Remuneration of key management	28,414	28,538

(4) Receivables from and payables to related parties**(a) Accounts receivables**

	31 December 2021	31 December 2020
Golden Arches and its subsidiaries	206,275	163,467
Fengyi Technology	23,464	50,110
Fengxing Zhitu Technology	20,628	Not applicable
Hive Box Technology and its subsidiaries	5,132	3,335
State Grid E-Commerce Yunfeng Logistics Technology (Tianjin) Co., Ltd.	4,359	3,685
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	3,891	930
SF REITS and its subsidiaries	1,689	Not applicable
CR-SF International Express Co., Ltd.	596	27,065
Shenzhen Shunjie Fengda and its subsidiaries	114	30,568
Zhongyunda Aviation Ground Services Co., Ltd.	Not applicable	4,003
Others	12,275	9,707
	278,423	292,870

(b) Advances to suppliers

	31 December 2021	31 December 2020
Hive Box Technology and its subsidiaries	22,679	23,155
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	133	3,257
Others	4,479	18,015
	27,291	44,427

(c) Loans and advances

	31 December 2021	31 December 2020
DHL Weiheng (Zhuhai) Supply Chain Management Co., Ltd	–	34,352
Wuhan Shunluo Supply Chain Management Co., Ltd.	[•]	24,406
Kin Shun Information Technology Limited	[•]	5,181
	–	63,939

(d) Other receivables

	31 December 2021	31 December 2020
Hive Box Technology and its subsidiaries	371,433	279,997
SF REITs and its subsidiaries	48,898	Not applicable
Golden Arches and its subsidiaries	40,229	29,397
Beijing Bei Jian Tong Cheng International Logistics Co., Ltd	12,821	Not applicable
Sunway Express (H.K.) Limited	4,972	Not applicable
Rabbit-Line Pay Company Limited	3,834	Not applicable
Shenzhen Shunjie Fengda and its subsidiaries	1,750	1,949
China International Marine and its subsidiaries	40	9,385
Others	8,080	4,472
	492,057	325,200

(e) Other non-current assets – Advances for engineering equipment

	31 December 2021	31 December 2020
KENGIC Intelligent and its subsidiaries	27,455	22,178
Hubei Jiuzhou Tongda Technology Development Co., Ltd.	26,340	–
Others	488	6,242
	54,283	28,420

(f) Long-term receivables (including current portion of long-term receivables)

	31 December 2021	31 December 2020
Shenzhen Shunjie Fengda and its subsidiaries	5,207	–
Hive Box Technology and its subsidiaries	235	–
	5,442	–

(g) Deposits from customers

	31 December 2021	31 December 2020
Shenzhen Zhongwang Finance and Tax Management Co., Ltd.	6,509	3,530
Others	1	1
	6,510	3,531

(h) Accounts payables

	31 December 2021	31 December 2020
Wulian Shuntong and its subsidiaries	98,917	71,206
Fengxing Zhitu Technology	72,497	Not applicable
SCS Logistics Co., Ltd.	58,979	–
CR-SF International Express Co., Ltd.	50,439	98,128
Shenzhen Shunjie Fengda and its subsidiaries	41,184	29,564
Shenzhen Fengxiang Information Technology Co., Ltd.	25,256	Not applicable
Hubei Jiuzhou Tongda Technology Development Co., Ltd.	15,561	32,041
Hive Box Technology and its subsidiaries	9,936	2,430
ZBHA and its subsidiaries	8,146	16,083
China International Marine and its subsidiaries	6,160	–
Shenghai Information	3,590	8,379
SF REITS and its subsidiaries	4,390	Not applicable
Xi'an Huahan Air Passenger and Freight Service Co., Ltd.	2,396	2,693
Qingdao Dakai Cargo Agency Co., Ltd.	2,181	1,344
Fengyi Technology	1,568	15,059
Shenzhen Zhongwang Finance and Tax Management Co., Ltd.	1,246	1,530
POST110Ü	466	4,057
Wenzhou Fengbaoke Technology Co., Ltd.	118	8,889
Dazhangfang Information Technology and its subsidiaries	110	1,109
Others	12,684	21,754
	415,824	314,266

(i) Advances from customers

	31 December 2021	31 December 2020
Wulian Shuntong and its subsidiaries	37	8
Hive Box Technology and its subsidiaries	30	17
Others	14	13
	81	38

(j) Contract liabilities

	31 December 2021	31 December 2020
Fengyi Technology	2,689	9,024
Golden Arches and its subsidiaries	1,335	5,195
Shenzhen Shunjie Fengda and its subsidiaries	184	4,816
Others	1,065	942
	5,273	19,977

(k) Other payables

	31 December 2021	31 December 2020
KENGIC Intelligent and its subsidiaries	240,661	216,780
China International Marine and its subsidiaries	189,713	102,949
Golden Arches and its subsidiaries	24,087	18,474
Hubei Jiuzhou Tongda Technology Development Co., Ltd.	13,734	29,842
Fengxing Zhitu Technology	1,907	Not applicable
Shenzhen Shunjie Fengda and its subsidiaries	1,405	465
Wulian Shuntong and its subsidiaries	1,085	306
Fengyi Technology	472	2,714
Others	3,926	4,424
	476,990	375,954

(l) Lease liabilities (including current portion of lease liabilities)

	31 December 2021	31 December 2020
SF REITS and its subsidiaries	816,579	–
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	9,330	–
Shenzhen Shunshang Investment Co., Ltd.	3,936	–
	829,845	–

(5) Commitments in relation to related parties

Commitments in relation to related parties contracted for by the Group but not yet necessary to be recognised on the balance sheet as at the balance sheet date are as follows:

Leases

– Lessee	31 December 2021	31 December 2020
Hangzhou Fengtai E-Commerce Industrial Park Management Ltd.	49,970	–
Others	–	908
	49,970	908

As at 31 December 2021, the Group had no significant lease-out commitments in relation to related parties.

9. Share-based payments

(1) Overview of share-based payments

Expenses recognised for the year arising from share-based payments were as follows:

	2021	2020
Equity-settled share-based payments	349,308	242,688
Cash-settled share-based payments	199,021	58,631
	548,329	301,319

(2) Information on equity-settled share-based payments

(a) Information on share-based payments of the Company

On 17 May 2018, the Company held the 2nd interim shareholders' meeting in 2018, at which the proposal of the *Restricted Shares Incentive Plan (Draft) and Summary for 2018* was approved. Authorised by the 2nd interim shareholders' meeting in 2018, the Company held the 15th meeting of the 4th Board of Directors on 13 June 2018, at which the *Proposal of Granting Restricted Shares to Incentive Recipients for 2018* was approved. The grant date of restricted shares is 13 June 2018.

The post lock-up periods and their schedules for the restricted shares for 2018 are presented in the table below:

Post lock-up period	Timing	Proportion of shares exercisable
1st post lock-up period	From the first trading day after 12 months since the registration of granting to the last trading day within 24 months after the registration of granting	50.00%
2nd post lock-up period	From the first trading day after 24 months since the registration of granting to the last trading day within 36 months after the registration of granting	50.00%

In addition to the Company's performance, individual performance assessment, which is specified in the *Restricted Shares Incentive Plan*, has also to be satisfied to unlock the restricted shares.

After it comes into the post lock-up period, the Group deals with unlocking procedures for the holders that meet unlocking conditions as well as repurchases and cancels the restricted shares that do not meet unlocking conditions. The repurchasing price comprises the granting price plus the interest accruing thereon at the current deposit rate.

If the Company transfers capital reserve to paid-in capital, distributes share dividends, splits shares, pays dividends, allocates shares or reduces shares after restricted shares are granted, the number and the price of repurchasing restricted shares shall be adjusted in accordance with the *Restricted Shares Incentive Plan*.

As at 23 March 2020, at the 3rd session of the 5th Board of Directors, the *Proposal of Repurchasing and Cancelling Certain Restricted Shares* was approved: the criteria of the performance assessment for the second post lock-up period for the restricted shares incentive plan for 2018 were not met, therefore the Company repurchased and cancelled the restricted shares in 2020.

The aforementioned restricted shares incentive plan was completed in 2020.

(b) Information on share-based payments of the Company's subsidiaries

The Group granted some equities or share options of several subsidiaries, to the senior management and other employees of the aforesaid companies or other subsidiaries within the Group respectively.

As at 31 December 2021, the equity-settled share-based payments of these companies recognised by the Group accumulated to RMB619,314,000 (31 December 2020: RMB270,006,000), including accumulated amounts attributable to shareholders of the parent company of RMB528,557,000 (31 December 2020: RMB241,004,000). In 2021, expenses recognised for equity-settled share-based payments amounted to RMB349,308,000 (2020: RMB242,688,000). The fair value at the grant date was recognised based on the discount cash flow model and the binomial tree model etc.

(3) Information on cash-settled share-based payments

Certain subsidiaries of the Group use their shares or the Company's shares as the calculation basis to grant cash-settled share-based payments to eligible employees of those subsidiaries.

As at 31 December 2021, liabilities arising from the cash-settled share-based payments accumulated to RMB328,607,000 (31 December 2020: RMB129,586,000). In 2021, expenses recognised for cash-settled share-based payments amounted to RMB199,021,000 (2020: RMB58,631,000). The fair value at the balance sheet date was recognised based on the discount cash flow model and the binomial tree model etc.

10. Commitments

(1) Capital commitments

(a) Capital expenditures contracted for by the Group but are not yet necessary to be recognised on the balance sheet as at the balance sheet date are as follows:

	31 December 2021	31 December 2020
Buildings, machinery and equipment	10,432,197	4,169,824
Investment contracts that have been signed but not fulfilled or not absolutely fulfilled	2,525,587	2,200,898
Acquisition of minority shareholders' interests	609,252	–
Others	11,067	4,898
	13,578,103	6,375,620

(2) Other commitments

(i) In November 2020, the Group issued asset-backed securities through the Special Scheme set up by Huatai Securities (Shanghai) Asset Management Co., Ltd. by using five logistics industrial parks held by it as underlying assets. Yiwu Fengyutai Enterprise Management Co., Ltd., Quanzhou Fengyutai Enterprise Management Co., Ltd., Wuxi Jietai Enterprise Management Co., Ltd. and Huai'an Fengtai Enterprise Management Co., Ltd. (collectively "Property Operators"), wholly-owned subsidiaries of the Group, worked as the property operators of the Special Scheme. In case that the actual operating income of the property assets does not reach 90% but is not lower than 80% of the target amount, the Property Operators were committed to compensate the insufficient part of the target amount with Taisen Holding providing guarantee for the compensation obligation.

At the end of each three years, the manager of the above Special Scheme accepts open-ended withdrawal and subscription of preferred securities within the withdrawal registering period. If the preferred securities shares that have not completed open-ended withdrawal are less than 20% of total undistributed principal of the preferred securities of RMB788 million, at the extension operation announcement date, Taisen Holding will purchase such preferred securities.

(ii) In September 2019, the Group issued asset-backed securities through the Special Scheme set up by Huatai Securities (Shanghai) Asset Management Co., Ltd. by using three logistics industrial parks held by it as underlying assets. Shenzhen Fengtai E-Commerce Industrial Park Property Service Ltd., Yiwu Fengyutai Enterprise Management Co., Ltd. and Huai'an Fengtai Enterprise Management Co., Ltd. ("Property Operators"), wholly-owned subsidiaries of the Group, worked as the property operators of the Special Scheme. In case that the actual operating income of the property assets does not reach 90% but is not lower than 80% of the target amount, the Property Operators was committed to compensate the insufficient part of the target amount with Taisen Holding providing guarantee for the compensation obligation.

At the end of each three years, the manager of the above Special Scheme accepts open-ended withdrawal and subscription of preferred securities within the withdrawal registering period. If the preferred securities shares that have not completed open-ended withdrawal are less than 20% of total undistributed principal of the preferred securities of RMB765 million, at the extension operation announcement date, Taisen Holding will purchase such preferred securities.

11. Events after the balance sheet date

(1) Profit distribution after the balance sheet date

On March 30 2022, the Board of Directors of the Company agreed that the Company would pay a cash dividend of RMB1.80 (including tax) for every 10 shares to all shareholders, based on the total share capital on the record date of the future implementation of the 2021 annual profit distribution plan, minus the number of shares repurchased by the Company on that day. The remaining undistributed profits are carried forward to subsequent years for distributions. This time, the conversion of provident fund into share capital and the issuance of bonus shares will not be given. The proposal is subject to approval by the General Meeting of Shareholders. Cash dividends proposed after the balance sheet date are not recognized as liabilities at the balance sheet date.

(2) Issuance of overseas debentures denominated in USD

On January 18 2022, SF Holding Investment 2021 Limited, a subsidiary of the Group, successfully issued an additional US\$700 million bond on top of the US\$1.2 billion bond issued on November 18, 2021.

(3) Business combinations

On February 17 2022 (US Time), a subsidiary of the Group entered into an equity purchase agreement with Topocean Consolidation Service (Los Angeles), Inc. ("Topocean"), a company located in California, USA, and its shareholders ("the Sellers"). It intended to acquire 100% shares of Topocean for consideration not exceeding USD240,000,000 from the Sellers in tranches. After the acquisition, Topocean will become a wholly-owned subsidiary of the Group. As of the approval date of this financial statement, the transaction has not been completed.

12. Operating lease proceeds after the balance sheet date

As the lessor, the Group's undiscounted lease proceeds receivable after the balance sheet date are as follows:

	31 December 2021
Within 1 year (inclusive)	206,427
1 to 2 years (inclusive)	157,562
2 to 3 years (inclusive)	104,871
3 to 4 years (inclusive)	46,772
4 to 5 years (inclusive)	32,972
Over 5 years	15,104
	563,708

13. Business combinations

Refer to Note 5(1).

14. Financial instruments and risks

The Group's activities expose it to a variety of financial risks: market risk (primarily including foreign exchange risk, interest rate risk and other price risk), credit risk and liquidity risk. The above financial risks and the Group's risk management policies to mitigate the risks are as follows:

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has established risk management policies to identify and analyse the risks faced by the Group. These risk management policies specify the risks such as market risk, credit risk and liquidity risk management. The Group regularly evaluates the market environment and changes in the Group's operating activities to determine whether to update the risk management policies and systems or not. The Group's risk management is carried out by the Risk Management Committee under policies approved by the Board of Directors. The Risk Management Committee encourages the departments of the Group to work closely together to identify, evaluate and avoid relevant risks. The internal audit department of the Group conducts periodical audit to the controls and procedures for risk management and reports the audit results to the Risk Management Committee of the Group.

(1) Market risk

(a) Foreign exchange risk

The Group's major operational activities are carried out in Mainland China and a majority of the transactions are denominated in RMB. Some operational activities are carried out in regions/countries including Hong Kong SAR, America, Korea and Europe and relevant transactions are settled in HKD, USD, KRW and EUR. Therefore, the Group is exposed to foreign exchange risk arising from the recognised financial assets and liabilities denominated in non-recording currency, and future transactions denominated in foreign currencies. Management is responsible for monitoring the amount of financial assets and liabilities, and transactions denominated in non-recording currencies, to reduce foreign exchange risk to the greatest extent.

(i) Foreign exchange risk of companies with RMB as recording currency

As at 31 December 2021 and 31 December 2020, the Group's companies whose recording currency is RMB held financial assets and liabilities denominated in non-recording currency (mainly USD, HKD and EUR) held by companies that are not related parties within the Group, of which the equivalent amounts in RMB are listed as below:

	31 December 2021			
	USD	HKD	EUR	Total
	(RMB)	(RMB)	(RMB)	(RMB)
Financial assets				
Cash at bank and on hand	381,815	5,889	720	388,424
Receivables	644,070	38,046	3,408	685,524
	1,025,885	43,935	4,128	1,073,948
Financial liabilities				
Payables	170,486	8,393	5,663	184,542

	31 December 2020			
	USD	HKD	EUR	Total
	(RMB)	(RMB)	(RMB)	(RMB)
Financial assets				
Cash at bank and on hand	69,954	9,936	802	80,692
Receivables	65,735	161	928	66,824
	135,689	10,097	1,730	147,516
Financial liabilities				
Payables	60,363	1,890	3,403	65,656

In light of that the functional currencies of the subsidiaries within the Group are different, even though the transactions and balances within the Group are offset, foreign exchange risk arising from the use of different functional currencies still exists. As at 31 December 2021, companies whose recording currency is RMB held the financial assets and the financial liabilities denominated in non-recording currencies (mainly USD and HKD) held by other subsidiaries within the Group, of which the equivalent amounts in RMB are listed as below:

	31 December 2021		
	USD	HKD	Total
	(RMB)	(RMB)	(RMB)
Financial assets			
Receivables	10,994	–	10,994
Financial liabilities			
Payables	153,835	45,386	199,221

As at 31 December 2020, financial assets and liabilities denominated in non-recording currencies of other subsidiaries within the Group held by companies whose recording currency was RMB were not significant.

As at 31 December 2021, if the RMB had strengthened/weakened by 5% (31 December 2020: 5%) against the USD while all other variables had been held constant, the Group's profit before tax would have been approximately RMB35,628,000 (31 December 2020: approximately RMB3,766,000) higher/lower respectively for the above various financial assets and liabilities denominated in USD.

The changes in exchange rate of other foreign currencies against RMB have no significant influence on the Group's operating activities.

(ii) Foreign exchange risk of companies with HKD as recording currency

On December 31 2021 and December 31 2020, the foreign exchange exposures of non-functional currency financial assets and financial liabilities held by companies located in Hong Kong SAR that use HKD as their recording currency were mainly derived from the USD. Because the HKD and the USD are linked exchange rates, the foreign exchange risks faced by the above-mentioned companies using HKD as their recording currency are not significant.

As at 31 December 2021, the Group's overseas subsidiaries, except for those operating in Hong Kong SAR, held no significant financial assets and liabilities denominated in non-recording currency.

(b) Interest rate risk

The Group's interest rate risk arises from long-term interest bearing debts including long-term bank borrowings and debentures payables. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions. As at 31 December 2021, the Group's long-term interest bearing debts were mainly related to floating rate long-term borrowings, and fixed rate debentures payables. Among them, floating rate long-term borrowings amounted to RMB3,510,829,000 (31 December 2020: RMB1,865,820,000); the contract amount of fixed rate debentures payables denominated in RMB was RMB500,000,000 (31 December 2020: RMB680,000,000), and the contract amount of fixed rate debentures payables denominated in USD was USD2,400,000,000, equivalent to RMB15,301,680,000 (31 December 2020: USD1,200,000,000, equivalent to RMB7,851,480,000).

The Group continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new interest bearing borrowings and the interest expenses with respect to the Group's outstanding floating rate borrowings, and therefore could have a material adverse effect on the Group's financial performance. Management makes adjustments timely with reference to the latest market conditions and may enter into interest rate swap agreements to mitigate its exposure to interest rate risk.

As at 31 December 2021, if interest rates on borrowings had risen/fallen by 50 basis points while all other variables had been held constant, the Group's profit before tax would have decreased/increased by approximately RMB17,554,000 (31 December 2020: RMB9,310,000).

(c) Other price risk

The Group's other price risk arises mainly from movements in price of various equity instruments measured at fair value that will not be sold within 1 year.

As at 31 December 2021, if the price of various investments in equity instruments had risen/fallen by 10% while all other variables had been held constant, the Group's profit before tax and other comprehensive income before tax will be approximately RMB87,802,000 (31 December 2020: approximately RMB83,150,000) and RMB681,077,000 (31 December 2020: approximately RMB502,750,000) higher/lower respectively.

(2) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, notes receivables, accounts receivables, factoring receivables, loans and advances, other receivables, contract assets, current portion of non-current assets, long-term receivables, investments in debt instruments measured at fair value through profit or loss that are not included in the assessment of impairment, etc. At the balance sheet date, the Group's maximum exposure to credit risk represents the carrying amount of the Group's financial assets, except that the maximum exposure to credit risk of long-term receivables represents its undiscounted contractual cash flows.

The Group expects that there is no significant credit risk associated with cash at bank and on hand since they are mainly deposits at state-owned banks and other medium or large size listed banks with good reputation and a higher credit rating. The Group does not expect that there will be any significant losses from non-performance by these counterparties.

The Group's notes receivables, accounts receivables, other receivables, contract assets, current portion of non-current assets and long-term receivables include receivables from related parties and receivables from non-related parties. In respect of receivables from related parties, the Group considers that they have low credit risk; in respect of receivables from non-related parties, the Group will develop relevant policies to control the exposure to credit risk. The Group evaluates customers' credits based on their financial position, possibility of obtaining guarantees from third parties, credit history and such other factors as current market conditions, and determines the length of the credit period based on the evaluation results. The length of the credit period of accounts receivable ranges from 30 days to 90 days. The Group monitors customers' credit history on a regular basis. In respect of customers with a poor credit history, the Group will use payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

The Group's notes receivables, accounts receivables and contract assets mainly arise from rendering of logistics and freight forwarding services and other related services or sales of goods, while other receivables, current portion of non-current assets arising from rendering of logistics and freight forwarding services and long-term receivables represent advances, cash on delivery service, deposits and guarantees, interest-free loans to employees and finance lease receivables. Management maintains ongoing evaluation on debtors' financial position, but generally does not require debtors' mortgage for outstanding debts. The Group monitors and reviews expected credit losses on outstanding amounts on a regular basis, and takes into account important macroeconomic assumptions and parameters in the calculation of expected credit losses, including the risk of economic downturn, external market conditions, changes in customer conditions, gross domestic product and the consumer price index. Management makes the provision for bad debts based on the evaluation results thereof. Where it is impossible for the Group to reasonably estimate the recoverable amount, the relevant outstanding amount shall be written off accordingly. Indicators for impossibility to reasonably estimate the recoverable amount include debtors' failure to make contract payments as planned or make overdue contract payments, significant financial difficulties, bankruptcy liquidation, etc.

For factoring receivables and loans and advances, the Group developed credit policies and operational implementation rules in accordance with the requirements of relevant state regulatory authorities, and implemented standardised management over the entire process of credit granting. In addition, the Group further improved the systems for credit risk monitoring and early warning and defective credit extension management. The Group actively responded to the changes in the credit environment, regularly analysed the situation and dynamic of credit risks and took risk control measures on a forward-looking basis. The Group also established an optimisation management mechanism for defective credit and accelerated the optimisation progress of defective credit to avoid non-performing loans.

As at 31 December 2021, the Group had no significant collateral or other credit enhancements held as a result of debtor's mortgage. (31 December 2020: Nil)

(3) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group. The Group monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure it has sufficient cash and securities that are readily convertible to cash to meet operational needs, while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institutions so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

The financial liabilities and lease liabilities of the Group at the balance sheet date are analysed by their maturity date below at their undiscounted contractual cash flows:

	31 December 2021				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Deposits from customers	13,723	–	–	–	13,723
Accounts payables	23,467,675	–	–	–	23,467,675
Other payables	11,520,282	–	–	–	11,520,282
Short-term borrowings	18,754,425	–	–	–	18,754,425
Other current liabilities	4,069,757	–	–	–	4,069,757
Current portion of non-current liabilities	9,018,284	–	–	–	9,018,284
Long-term borrowings	66,341	1,143,643	2,524,231	4,472	3,738,687
Debentures payables	500,343	3,674,510	4,098,421	10,640,242	18,913,516
Long-term payables	2,464	302,162	85,412	31,890	421,928
Lease liabilities	–	4,374,170	5,158,881	2,590,999	12,124,050
	67,413,294	9,494,485	11,866,945	13,267,603	102,042,327

	31 December 2020				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Deposits from customers	3,655	–	–	–	3,655
Accounts payables	15,484,940	–	–	–	15,484,940
Other payables	7,530,794	–	–	–	7,530,794
Short-term borrowings	8,094,272	–	–	–	8,094,272
Current portion of non-current liabilities	2,826,484	–	–	–	2,826,484
Long-term borrowings	76,284	574,531	1,305,305	129,527	2,085,647
Debentures payables	294,374	967,689	3,731,797	5,110,498	10,104,358
Long-term payables	–	8,634	1,593	204	10,431
	34,310,803	1,550,854	5,038,695	5,240,229	46,140,581

Cash flows derived from leases not yet commenced to which the Group was committed were analysed by maturity at the balance sheet date (Note 4(36)):

	31 December 2021
Within 1 year (inclusive)	888,382
1 to 2 years (inclusive)	182,883
2 to 3 years (inclusive)	131,357
Over 3 years	109,290
	1,311,912

15. Fair value estimates

The level in which fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(1) Financial assets and liabilities measured at fair value on a recurring basis

As at 31 December 2021, the financial assets measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Financial assets held for trading –				
Structural deposits	–		9,730,665	9,730,665
Fund investment	76	653,752	–	653,828
Other non-current financial assets –				
Special Scheme equity-class securities	–	–	235,821	235,821
Industry fund investments	–	–	552,130	552,130
Others	–	–	90,072	90,072
Investments in other equity instruments –				
Equity instruments available for sale	241,936	401,726	6,167,109	6,810,771
Total financial assets	242,012	1,055,478	16,775,797	18,073,287

As at 31 December 2020, the financial assets measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Financial assets held for trading –				
Structural deposits	–	–	6,276,848	6,276,848
Others	75	–	–	75
Other non-current financial assets –				
Special Scheme equity-class securities	–	–	390,391	390,391
Industry fund investments	–	–	441,135	441,135
Investments in other equity instruments –				
Equity instruments available for sale	891,159	–	4,136,330	5,027,489
Total financial assets	891,234	–	11,244,704	12,135,938

As at 31 December 2021, the financial liabilities measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Derivative financial liabilities – Foreign exchange forward contracts	–	7,658	–	7,658

As at 31 December 2020, the financial liabilities measured at fair value on a recurring basis by the above three levels were analysed below:

	Level 1	Level 2	Level 3	Total
Derivative financial liabilities – Foreign exchange forward contracts	–	22,155	–	22,155

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. There were no transfers between different levels for the year.

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation technique. The valuation models used mainly comprise discounted cash flow model and market comparable company model. The inputs of the valuation technique mainly include risk-free interest rate, benchmark rate, exchange rate, credit spread, liquidity premium, EBITDA multiplier, liquidity discount, etc.

The changes in Level 3 assets and are analysed below:

	Financial assets held for trading – Structural deposits	Other non-current financial assets – Special Scheme equity-class securities	Other non-current financial assets – Industry fund investments	Other non-current financial assets – Others	Other equity instruments – Available-for-sale equity instruments
31 December 2020	6,276,848	390,391	441,135	–	4,136,330
Business combinations non under common control	–	–	–	4,854	244,045
Increase in the current year	117,935,200	–	28,943	85,242	–
Decrease in the current year	(114,905,490)	(167,705)	(25,572)	–	(208,230)
Gains or losses recognised in profit	424,107	13,135	108,635	–	–
Gains recognised in other comprehensive income	–	–	–	–	2,101,185
Exchange differences on translation of foreign currency financial statements	–	–	(1,011)	(24)	(106,221)
31 December 2021	9,730,665	235,821	552,130	90,072	6,167,109

	Financial assets held for trading – Structural deposits	Other non-current financial assets – Special Scheme equity-class securities	Other non-current financial assets – Industry fund investments	Other equity instruments – Available-for-sale equity instruments
31 December 2019	2,909,853	260,424	218,616	4,127,309
Increase in the current year	107,077,300	112,000	115,676	650
Decrease in the current year	(104,118,897)	–	–	–
Gains or losses recognised in profit	408,592	17,967	109,402	–
Gains recognised in other comprehensive income	–	–	–	260,397
Translation of foreign currency financial statements	–	–	(2,559)	(252,026)
31 December 2020	6,276,848	390,391	441,135	4,136,330

(2) Financial assets and liabilities not measured at fair value but disclosed

The Group's financial assets and liabilities measured at amortised cost mainly include cash at bank and on hand, receivables, factoring receivables, loans and advances, current portion of non-current liabilities, long-term receivables, short-term borrowings, payables, long-term borrowings, debentures payables, current portion of non-current liabilities, other current liabilities and long-term payables.

The carrying amount of financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value. The fair value of financial assets and liabilities over one year is the present value of the contractually determined stream of future cash flows discounted at the rate of interest applied at that time by the market to instruments of comparable credit status and providing substantially the same cash flows on the same terms, and categorised within Level 3 of the fair value hierarchy.

16. Capital management

The Group's capital management policies aim to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares or sell assets to reduce debts.

The Group's total capital is calculated as "Shareholders' Equity" as shown in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements.

As at 31 December 2021 and 31 December 2020, the Group's gearing ratio was as follows:

	31 December 2021	31 December 2020
Gearing ratio	53.35%	48.94%

17. Notes to the Company's financial statements

(1) Cash at bank and on hand

	31 December 2021	31 December 2020
Cash at bank	226,112	58,098

(2) Financial assets held for trading

	31 December 2021	31 December 2020
Structural deposits	9,200,219	200,377

(3) Other receivables

	31 December 2021	31 December 2020
Dividends receivable from Taisen Holding	2,000,000	1,500,000
Funds raised by convertible corporate debentures granted to subsidiaries	5,460,859	5,460,859
Funds raised by a non-public offering of shares granted to subsidiaries	10,814,434	–
Others	200	–
	18,275,493	6,960,859
Less: Provision for bad debts	(1)	–
	18,275,492	6,960,859

The ageing of other receivables is analysed as follows:

	31 December 2021	31 December 2020
Within 1 year (inclusive)	12,814,634	4,784,121
1 to 2 years (inclusive)	3,284,121	2,176,738
Over 2 years	2,176,738	–
	18,275,493	6,960,859

(4) Long-term receivables

	31 December 2021	31 December 2020
Funds raised by a non-public offering of shares granted to subsidiaries	–	82,497

The above funds granted to subsidiaries constitute substantially a long-term equity in the net investment in the subsidiaries.

(5) Long-term equity investments

	31 December 2021	31 December 2020
Subsidiaries (a)	50,997,088	50,997,094
Less: Provision for impairment of long-term equity investments	–	–
	50,997,088	50,997,094

There is no significant restriction on sales of the long-term equity investments held by the Company.

(a) Subsidiaries

	Accounting method	31 December 2020	Movements in the current year	31 December 2021	Shareholding (%)	Voting rights (%)	Explanation of disparity between percentages of shareholding and voting rights	Provision for impairment loss	Cash dividends declared in the current year
Taisen Holding	Cost method	50,997,094	(6)	50,997,088	100.00%	100.00%	Not applicable	–	2,000,000

(6) Investment income

	2021	2020
Income from long-term equity investments under cost method	2,000,000	1,500,000
Investment income from financial assets held for trading	22,132	59,739
Investment income from wealth management products	–	6,155
Others	–	(26)
	2,022,132	1,565,868

1. Statement of non-recurring profit or loss

	2021	2020
Investment income from disposal of subsidiaries	1,808,638	443,625
Gains/(Losses) on disposal of other non-current assets	105,502	(52,899)
Government grants recognised in profit or loss for the current period (government grants recognised in non-operating income, other income and deducted against related cost and expenses)	857,458	1,032,230
Gains or losses arising from changes in fair value of financial assets and liabilities held for trading and investment income arising from disposals of financial assets and liabilities held for trading	151,606	139,467
Income generated where investment cost of enterprises' acquisition of subsidiaries is less than the share of the fair value of the investee's identifiable net assets at the time of acquisition of investment	2,375	–
Reversal of impairment provision for receivables individually assessed for impairment	46,264	–
Net amount of other non-operating income and expenses	(136,453)	(153,227)
Sub-total	2,835,390	1,409,196
Less: Income tax effect	(381,549)	(196,455)
Less: Non-recurring profit or loss attributable to minority shareholders	(18,942)	(18,999)
Non-recurring profit or loss attributable to shareholders of the parent company	2,434,899	1,193,742
Including: Non-recurring profit or loss from continuing operations	2,434,899	1,193,742

Basis for preparation of statement of non-recurring profit or loss

Pursuant to the *Explanatory Announcement for Information Disclosure of Companies Offering Securities to the Public No. 1 – Non-recurring Profit or Loss* (2008) issued by China Securities Regulatory Commission, non-recurring profit or loss refers to profit or loss arising from transactions and events those are not directly related to the company's normal course of business, also from transactions and events those even are related to the company's normal course of business, but will interfere with the right judgement of users of the financial statements on the company's operation performance and profitability due to their special nature and occasional occurrence.

2. Return on net assets and earnings per share

	Weighted average Return on net assets (%)		Earnings per share			
			Basic earnings per share (RMB Yuan)		Diluted earnings per share (RMB Yuan)	
	2021	2020	2021	2020	2021	2020
Net profit attributable to ordinary shareholders of the Company	6.81%	15.20%	0.93	1.64	0.93	1.64
Net profit attributable to ordinary shareholders of the Company, net of non-recurring profit or loss	2.93%	12.73%	0.40	1.37	0.40	1.37
Including:						
– Continuing operations						
Net profit attributable to ordinary shareholders of the Company	6.81%	15.20%	0.93	1.64	0.93	1.64
Net profit attributable to ordinary shareholders of the Company, net of non-recurring profit or loss	2.93%	12.73%	0.40	1.37	0.40	1.37

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