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LC Logistics, Inc.

乐舱物流股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2490)

VOLUNTARY ANNOUNCEMENT

COOPERATION FRAMEWORK AGREEMENT

This voluntary announcement is made by LC Logistics, Inc. (the “**Company**”) for the purpose of updating the shareholders and potential investors of the Company on the business development of the Company.

The board of directors of the Company (the “**Board**”) is pleased to announce that on November 6, 2023, the Company and AUKEY INTERNATIONAL LIMITED (“**AUKEY**”) have entered into a strategic cooperation framework agreement (“**Cooperation Framework Agreement**”). Each party is committed to establishing a comprehensive and long-term partnership pursuant to the Cooperation Framework Agreement. Upon further negotiation, the Company and AUKEY will closely cooperate to leverage the mutual advantages, actively making use of the market resources and our team operation and management experience to achieve a shared success in overseas warehouse business. The Company will construct a suitable cooperative warehouse in the United States and set up an overseas warehouse business operation team to carry out overseas warehouse business for cross-border e-commerce to provide AUKEY with services such as overseas warehousing management, drop shipping, transit, return and after-sales services.

SCOPE OF COOPERATION

The scope of cooperation between the Company and AUKEY mainly revolves around the business layout and strategic planning of the overseas warehouse market in the United States. Pursuant to the Cooperation Framework Agreement, the target for the second phase is subject to the target of the first phase after the signing of the legally binding formal agreement, expecting to be realized in 2024 in batches with the total investment of US\$15 million for the first phase. The overseas warehouse will be located in Los Angeles or New York. The construction period of the first phase of the overseas warehouse is 12 months. For the investment plan, the first contribution of US\$7.5 million is expected to be in place by January 2024 and will base on the actual needs of progress of the warehouse implementation; and the second contribution of US\$7.5 million will be made after the completion of the first warehouse, base on the result achieved and the progress of the needs to open the second warehouse.

BACKGROUND OF POTENTIAL PARTNERS

According to the information currently available to the Group, AUKEY is a limited liability company established in Hong Kong with a primary focus on cross-border e-commerce. To the best knowledge, information and belief of the Directors after making reasonable enquiries, AUKEY and its ultimate beneficial owners are independent third parties of the Group and they are not connected persons of the Group (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

REASONS FOR AND BENEFITS OF THE COOPERATION FRAMEWORK AGREEMENT

The Company has been actively exploring new business opportunities to diversify its revenue streams and ultimately maximize the return to the shareholders of the Company. The Board believes that the Company will leverage its advantages in full and explore more business opportunities and profit potential for the Company.

The Board is of the view that the terms of the Cooperation Framework Agreement were determined after arm’s length negotiation between the parties and are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Board expects that such cooperation, if implemented, will provide the Company with good business opportunities to leverage its resources and insights to expand the revenue base of the Company and diversify its business. Both parties will leverage on their respective strengths to achieve project cooperation in the stages of project development, investment, research and operation by means of mutual benefit and sharing of resources.

GENERAL

The implementation of the Cooperation Framework Agreement is subject to the entering into of a formal agreement and may not be materialized. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
LC Logistics, Inc.
Mr. Xu Xin
Chairman of the Board

Hong Kong, November 6, 2023

As at the date of this announcement, the Board comprises Mr. Xu Xin, Ms. Li Yan, Ms. Zhu Jiali and Mr. Yu Zhenrong as executive directors, and Dr. Gu Lin, Mr. Du Haibo and Mr. Qi Yinliang as independent non-executive directors.