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**J&T Global Express Limited**  
**極兔速遞環球有限公司**

*(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1519)**

**UNAUDITED INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of J&T Global Express Limited (the “**Company**”) announces the unaudited consolidated interim results of the Company, its subsidiaries and consolidated affiliated entities (the “**Group**”) for the six months ended 30 June 2024 (the “**Reporting Period**”). The interim condensed consolidated financial statements have been reviewed by PricewaterhouseCoopers, the independent auditor of the Company (the “**Auditor**”) and have also been reviewed by the audit committee of the Company (the “**Audit Committee**”).

In this announcement, “J&T”, “we”, “us” and “our” refer to the Company (as defined above) and where the context otherwise requires, the Group (as defined above).

**SUMMARY**

**FINANCIAL HIGHLIGHTS**

	For the six months ended 30 June		Year-on-year Change %
	2024 USD'000 (Unaudited)	2023 USD'000 (Audited)	
Revenue	<b>4,861,696</b>	4,030,439	20.6
Including: Revenue from express delivery services	<b>4,739,965</b>	3,546,178	33.7
Gross profit	<b>535,732</b>	193,540	176.8
Operating profit/(loss)	<b>115,025</b>	(1,636,218)	N/A
Profit/(loss) for the period	<b>31,026</b>	(666,769)	N/A
Adjusted net profit/(loss)	<b>63,248</b>	(264,026)	N/A
Adjusted EBITDA	<b>350,782</b>	39,169	795.6
Adjusted EBIT	<b>118,243</b>	(212,812)	N/A
Net cash flow generated from operating activities	<b>345,631</b>	2,797	12,257.2

*Note:* Adjusted net profit/(loss) (a non-IFRS (as defined below) measure) (“**adjusted net profit/(loss)**”) was defined as profit/(loss) for the period adjusted by adding back (i) share-based payments and expenses, (ii) fair value changes arising from the financial liabilities of the Company at fair value through profit or loss, and (iii) listing expenses.

Adjusted EBITDA (a non-IFRS measure) (“**adjusted EBITDA**”) was defined as profit/(loss) for the period adjusted by adding back (i) share-based payments and expenses, (ii) fair value changes arising from the financial liabilities of the Company at fair value through profit or loss, (iii) listing expenses, (iv) depreciation and amortization, (v) finance income, (vi) finance costs, and (vii) income tax expenses.

Adjusted EBIT (a non-IFRS measure) (“**adjusted EBIT**”) was defined as profit/(loss) for the period adjusted by adding back (i) share-based payments and expenses, (ii) fair value changes arising from the financial liabilities of the Company at fair value through profit or loss, (iii) listing expenses, (iv) finance income, (v) finance costs, and (vi) income tax expenses.

## Segment information:

	For the six months ended 30 June 2024					
	(Unaudited)					
	SEA	China	New	Cross-	Unallocated	Total
	USD'000	USD'000	Markets	border	USD'000	USD'000
			USD'000	USD'000		USD'000
Segment revenue	1,519,987	2,998,260	291,592	51,857	–	4,861,696
Segment cost	(1,232,702)	(2,784,371)	(256,570)	(52,321)	–	(4,325,964)
Segment gross profit (loss)	287,285	213,889	35,022	(464)	–	535,732
Adjusted EBITDA	207,770	198,926	(7,841)	(7,233)	(40,840)	350,782
Adjusted EBIT	134,781	59,595	(22,510)	(12,691)	(40,932)	118,243
	For the six months ended 30 June 2023					
	(Audited)					
	SEA	China	New	Cross-	Unallocated	Total
	USD'000	USD'000	Markets	border	USD'000	USD'000
			USD'000	USD'000		USD'000
Segment revenue	1,246,076	2,203,070	132,757	448,536	–	4,030,439
Segment cost	(1,025,958)	(2,220,155)	(156,215)	(434,571)	–	(3,836,899)
Segment gross profit (loss)	220,118	(17,085)	(23,458)	13,965	–	193,540
Adjusted EBITDA	184,060	(44,967)	(55,172)	(11,259)	(33,493)	39,169
Adjusted EBIT	92,365	(183,134)	(72,433)	(16,014)	(33,596)	(212,812)

*Note:* The “Other” segment of “Revenue by geographic segment” as described in the prospectus issued by the Company in connection with the Hong Kong Public Offering is consistent with the combined scope of “Cross-border” segment and “New Markets” segment as described. “New Markets” refer to Saudi Arabia, UAE, Mexico, Brazil and Egypt.

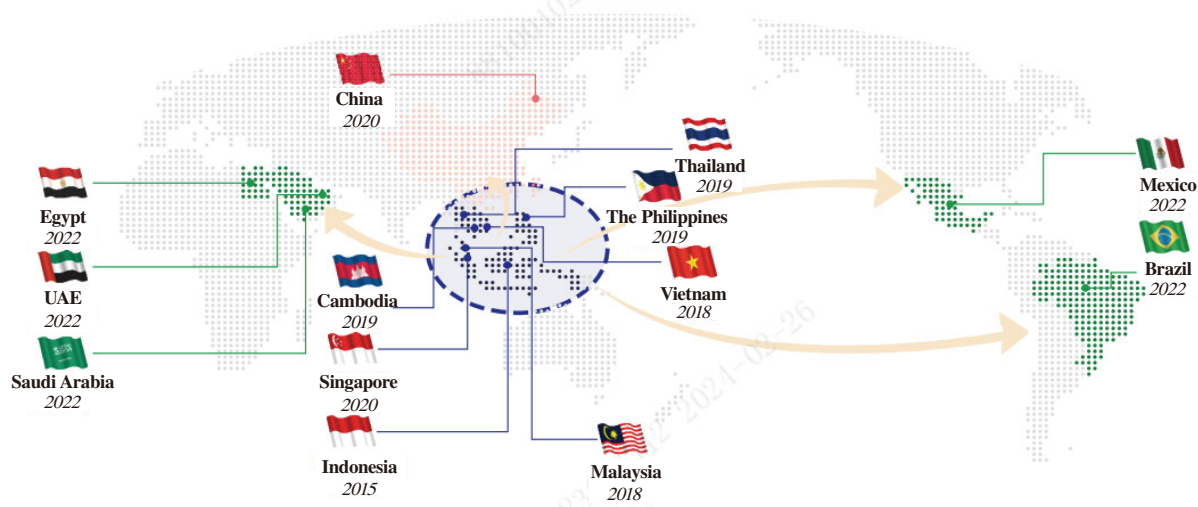
## Operational data

	For the six months ended 30 June			
	2024	2023	Year-on-year	2024
	In millions	In millions	Change	Market share
SEA	2,042.9	1,438.3	42.0%	27.4%
China	8,835.7	6,445.6	37.1%	11.0%
New Markets	136.3	83.2	63.9%	6.1%

# MANAGEMENT DISCUSSION AND ANALYSIS

## I. BUSINESS REVIEW

### (I) Global Network of the Company



The Company's express delivery business spans 13 countries, covering seven countries across SEA, including Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia and Singapore, and China, as well as five countries of the New Markets, including Saudi Arabia, UAE, Mexico, Brazil and Egypt. In 2015, the Company started its first express delivery business in Indonesia, a massive archipelago country with more than 17,000 widespread and often remote islands presented significant challenges to initial logistics operations. After overcoming these challenges, the Company entered markets of Vietnam and Malaysia in 2018 and further expanded to the Philippines, Thailand and Cambodia in 2019 and Singapore in 2020. In March 2020, the Company entered into the Chinese market. In 2022, the Company replicated its successful experience in other markets, moving further into Saudi Arabia, UAE, Mexico, Brazil and Egypt.

In the first half of 2024, the Company handled a total of 11.01 billion parcels, representing an increase of 38.3% as compared to 7.97 billion parcels in the first half of 2023. The table below shows the growth of the Company's parcel volume in SEA, China and New Markets, as well as its market share in these regions:

	For the six months ended 30 June			2024 Market share
	2024 In millions	2023 In millions	Year-on-year Change	
SEA	2,042.9	1,438.3	42.0%	27.4%
China	8,835.7	6,445.6	37.1%	11.0%
New Markets	136.3	83.2	63.9%	6.1%

*Note:* Market share is calculated based on parcel volume and is sourced from Frost & Sullivan.

The Company's market share continues to increase. In the first half of 2024, the Company's market share in SEA was 27.4%, representing an increase of 2.0 percentage points compared to the market share of 25.4% in 2023; the market share in China was 11.0%, representing an increase of 1.1 percentage points compared to the market share of 9.9% in the first half of 2023 on a comparable basis<sup>1</sup>; the market share in the New Markets was 6.1%, representing an increase of 0.1 percentage points compared to the market share of 6.0% in 2023.

The Company now has full network coverage across seven countries of SEA and has covered over 99% of counties and districts in China, and also has quickly achieved a coverage rate of over 95% in New Markets.

As of 30 June 2024, the Company had approximately 8,000 network partners and approximately 19,900 outlets, and operated 237 sorting centers with 254 sets of automated sorting machines, operated more than 4,100 line-haul routes and over 9,900 line-haul vehicles, including more than 5,700 self-owned line-haul vehicles.

## (II) Southeast Asia (the "SEA")

### 1. *Macro Environment and Growth of E-Commerce and Express Delivery Market in SEA*

**The macro-economic situation in SEA is improving, and the e-commerce industry is growing rapidly.** The World Economic Outlook published by the International Monetary Fund in April and July 2024 shows that major countries in SEA are expected to maintain one of the fastest-growing economies in the world in 2024, with the actual growth rate of gross domestic product ("GDP") further increasing compared to 2023, and inflation levels continuing to decline. At the same time, the e-commerce retail market of SEA will continue to grow rapidly in 2024. According to Frost & Sullivan, the transaction volume of the e-commerce retail market in SEA will reach about US\$233.4 billion in 2024, representing a year-on-year increase of 23.0% compared to 2023, and the e-commerce penetration rate will also further increase to 21.2% in 2024. Along with the rapid growth of the e-commerce retail market, social e-commerce, as the growth engine of e-commerce, has led the transformation of consumer behavior and the e-commerce market landscape.

**The rapid development of express delivery market in SEA has raised demands for high-quality express delivery services.** Benefiting from the macro-economic upswing and the booming development of e-commerce retail market, the express delivery market in SEA is also rapidly developing. According to Frost & Sullivan, it is expected that the total parcel volume of the express delivery market in SEA will reach 14.93 billion parcels in 2024, representing a year-on-year increase of 17.1% compared to 2023. With the gradual maturity of the express delivery industry, e-commerce platforms, merchants and consumers are paying more attention to timeliness and service experience beyond price, and the market demand for high-quality express delivery services is further increasing. High cost-effective express delivery service is not only an important competitive advantage for express delivery companies, but also for e-commerce companies and sellers, driving further development of the e-commerce industry and increasing the penetration rate of e-commerce.

<sup>1</sup> Market share in 2023 was calculated on a comparable basis.

## 2. *Competitive Landscape of the Express Delivery Industry in SEA*

In SEA, the Company's leading market share, competitive pricing, high quality of service and healthy profitability are factors that have determined its leading position in SEA. According to Frost & Sullivan, the Company has been the number one express delivery operator by parcel volume in SEA market since 2021, and continues to be the number one express delivery operator by parcel volume in the first half of 2024, with the market share of 27.4% in SEA, representing an increase of 2.0 percentage points compared to 2023.

In recent years, the proportion of SEA e-commerce platforms using self-built logistics to deliver parcels on their platforms has continued to increase, reaching a high level since 2023. However, with the intensification of competition in SEA e-commerce, e-commerce platforms have become more pressing in the need to reduce fulfillment costs, and the Company, as an independent e-commerce enabler, is able to integrate the parcel volume of all e-commerce platforms to reduce express delivery costs with a scaling effect and replication of China's express delivery experience, thereby assisting e-commerce platforms in enhancing the competitiveness and helping to improve e-commerce penetration in SEA.

The following chart shows top five express delivery operators (by parcel volume) in SEA in the first half of 2024:

Rank	Express Delivery Operators	Business Model	Introduction	Country Coverage	Parcel Volume (In billion)	Market Share
1	J&T	Regional Sponsor Model	An express delivery service provider, established in 2015	Indonesia, Thailand, Malaysia, Singapore, Vietnam, Cambodia and the Philippines	2.04	27.4%
2	Company A	Direct Operation Model	A self-built logistics company for an e-commerce platform, which was established in 2015	Indonesia, Thailand, Malaysia, Singapore, Vietnam and the Philippines	1.81	24.3%
3	Company B	Direct Operation Model	A self-built logistics for an e-commerce platform, which was established in 2012	Indonesia, Thailand, Malaysia, Singapore, Vietnam and the Philippines	0.53	7.2%
4	Company C	Direct Operation Model	An e-commerce express delivery service provider, established in Thailand in 2017	Thailand, Malaysia and the Philippines	0.50	6.7%
5	Company D	Direct Operation Model	A Thai state-owned enterprise providing postal services, established in 1883	Mainly Thailand	0.40	5.3%

### 3. *Growth and Momentum of Parcel Volume*

In the first half of 2024, the Company handled 2.04 billion parcels in SEA, representing a year-on-year increase of 42.0% as compared to 1.44 billion parcels in the first half of 2023. According to Frost & Sullivan, the Company was the number one express delivery operator in SEA by parcel volume in the first half of 2024, with a market share of 27.4%, representing an increase of 2.0 percentage points compared to 2023, which continued to consolidate the Company's leading position and competitive advantage in SEA. In the future, the Company will maintain a strong competitive edge in the existing market by virtue of its first-mover advantage, high-quality services and competitive pricing, and at the same time take the largest incremental share in the growth of the express delivery market.

The Company's growth in parcel volume in SEA is primarily attributable to:

**Always seizing the growth opportunities in the e-commerce market and actively exploring non-e-commerce platform customers.** With its full coverage of SEA, well-established logistics network, cost-effective services and good customer relationships, the Company provides key infrastructure and services for the development of the e-commerce industry, which will continue to empower the rapid development of e-commerce customers. As a neutral e-commerce enabler, the Company has always maintained and developed good cooperation with existing e-commerce platforms and expanded cooperation with new e-commerce platforms. The Company has continued to serve as the main express delivery service provider for a number of e-commerce platforms, thus always benefiting from the rise in total volume of e-commerce market and the emergence of social e-commerce. At the same time, the Company continued to diversify its customer structure and expanded its non-e-commerce platform customers, including (i) seller customers on social media such as Facebook and Instagram; (ii) the online business of chain stores such as Central, Boots; (iii) customers of famous brands such as UNIQLO; (iv) individual parcels and business parcels, etc. The Company aims to provide cost-effective and quality express delivery services to all customers, grow together with them, thus promoting the prosperity of various industries in the local market.

**Continued cost reduction drives the Company to offer more competitive prices.** With the development of the e-commerce industry, the expansion of the express delivery market scale, and the extreme refinement of operations and management, the cost of the express delivery industry in China has continued to decline over the years, and is much lower than other markets, including SEA. Since entering the Chinese market in 2020, the Company has continued to learn from the advanced industry knowledge and management experience of China's express delivery industry and has been able to capitalize on it in SEA to continue to reduce the cost per parcel in SEA, a strategy that has been proven effective by the 15.5% year-on-year decrease in unit cost in SEA in the first half of 2024. Facing the trend of cost reductions in China's express delivery industry, the Company has the ability and confidence to continue to reduce costs in SEA, which in turn will drive the Company to provide customers with more competitive prices. In SEA, express delivery companies sign service contracts directly with e-commerce platforms and settle payments with them. This model allows the Company to exercise a different pricing strategy in SEA from that of China, where it is able to set prices with e-commerce platforms that are more flexible and include more volume discounts. More competitive pricing allows the Company to gain more business from e-commerce platforms, which in turn further reduces the Company's costs through economies of scale. In addition, as a leading express delivery company in SEA, the reduction in the Company's costs will also benefit the industry as a whole by lowering the fulfillment costs of e-commerce platforms, thereby increasing e-commerce penetration in the market of SEA.

**Continuous improvement of service quality can meet the growing demand of consumers.** The rapid development and growth of the express delivery market in SEA led to an increasing demand for high-quality express delivery services from consumers. The Company's consistent high quality of service is an important advantage in market competition. In the first half of 2024, the Company's average delivery time for parcels in SEA was shortened by 13.8% on a year-on-year basis as compared to that in the first half of 2023, and the loss rate and breakage rate continued to decline as well; based on the needs of local customers, the Company offers a wide range of cash on delivery (COD) services in SEA to solve e-commerce settlement problems. Meanwhile, the Company improves the service level of couriers through continuous training and assessment incentives, helps e-commerce platforms and sellers increase their product delivery rates, assists them in achieving commercial success, and enhances the Company's customer mindset and competitiveness; the Company continues to localize China's more comprehensive service solutions in SEA, optimizes our information technology systems, provides more convenient order tracking, telephone customer service, artificial intelligence customer service and other services, and optimizes the service experience.

#### **4. *Continuing the Optimization of Operations in Each Process***

The express delivery industry significantly demonstrates the economies of scale. In the first half of 2024, the Company's parcel volume in SEA increased by 42.0% year-on-year, with an average daily parcel volume of 11.2 million, which further improved the utilization efficiency of key infrastructure and resources, such as sorting centers, outlets and vehicles, and facilitated the scale effect. At the same time, the Company will empower SEA with its experience in express delivery operations in China, and continue to optimize operational efficiency in all processes, and improve the quality of its operations across the network. As of 30 June 2024, the Company had 10,600 outlets in SEA, operated 119 sorting centers with 47 sets of automated sorting machines, operated 3,800 line-haul transport vehicles, of which 1,500 were self-owned line-haul vehicles. The Company's average cost per parcel in SEA continued to decline from US\$0.71 in the first half of 2023 to US\$0.60 in the first half of 2024. Please see "Review of Financial Results – Economic Benefits per Parcel" for specific operational optimizations.

#### **5. *Maintaining a Healthy Level of Profitability***

With successful business development and operation leverage, the first half of 2024 of SEA continues to show an attractive combination of growth and profitability. The Company's adjusted EBIT in SEA was US\$134.8 million in the first half of 2024, representing an increase of 45.9% as compared to US\$92.4 million in the first half of 2023. The adjusted EBIT margin amounted to 8.9%, representing a year-on-year increase of 1.5 percentage points. In the first half of 2024, the adjusted EBITDA reached US\$207.8 million, representing a year-on-year increase of 12.9%. The Company is an independent e-commerce enabler, providing cost-effective express delivery services to all e-commerce platforms, with continuous and rapid increase in parcel volume and market share. The Company steadily reduced cost per parcel by continuing to expand its existing economies of scale, as well as by empowering SEA with its express delivery experience in China. At the same time, the Company offers competitive prices to e-commerce platforms in order to capture more parcel volume and share, forming a positive cycle. The dynamic balance between price and cost has enabled the Company to maintain a healthy and sustainable level of profitability in SEA.

### **(III) China**

#### **1. *Macro Environment and Growth of E-Commerce and Express Delivery Market in China***

**China's economy is generally stable, with e-commerce consumption growing relatively well.** According to National Bureau of Statistics of China, China's GDP for the first half of 2024 amounted to RMB61.7 trillion, representing a year-on-year increase of 5.0% at constant prices compared with the first half of 2023, and the overall operation of the national economy is stable. Meanwhile, e-commerce retail sales in China in the first half of 2024 amounted to approximately RMB6.0 trillion, representing a year-on-year growth of 8.8%, achieving good growth.



**China’s express delivery industry has achieved rapid growth and service quality has steadily improved.** According to the data published by the State Post Bureau of the PRC, the cumulative volume of express delivery industry in the first half of 2024 reached 80.16 billion parcels, representing a year-on-year increase of 23.1% on a comparable basis. The express delivery industry has continued to improve its overall network system, and service quality has also continued to improve. The 72-hour delivery completion rate of express delivery services in key areas in the first quarter of 2024 was 77.2%, representing a year-on-year increase of 1.8 percentage points, while the number of effective complaints in the first quarter of 2024 dropped by 59.2% year-on-year.

## 2. *Competitive Landscape of the Express Delivery Industry in China*

The following chart shows top six express delivery operators (by parcel volume) in China in the first half of 2024:

Rank	Express Delivery Operators	Business Model	Introduction	Parcel Volume (In billion)	Market Share
1	Company E	Network Partner Model	Established in 2002	15.90	19.8%
2	Company F	Network Partner Model	Established in 2000	12.20	15.2%
3	Company G	Network Partner Model	Established in 1999	10.92	13.6%
4	Company H	Network Partner Model	Established in 1993	10.23	12.8%
5	Company I	Direct Operation Model	Established in 2019	9.28	11.6%
6	J&T	Regional Sponsor Model (supported by Network Partner Model)	Established in 2019	8.84	11.0%

*Source: State Post Bureau of the PRC, Frost & Sullivan*

In China, the Company’s market share is constantly rising. In the first half of 2024, the Company’s market share in China was 11.0% by the parcel volume handled, representing an increase of 1.1 percentage points compared to the market share of 9.9% in the first half of 2023 on a comparable basis, making the Company an express delivery operator ranked No. 6 in China, according to Frost & Sullivan.

### 3. *Growth and Momentum of Parcel Volume*

In the first half of 2024, the Company handled 8.84 billion parcels in China, representing a year-on-year increase of 37.1% as compared to 6.45 billion parcels in the first half of 2023, higher than the growth rate of the industry.

The Company's growth in parcel volume in China is primarily attributable to:

**The rapid growth of China's express delivery industry, while seizing the growth opportunities of social e-commerce.** In the first half of 2024, the business volume of China's express delivery industry reached 80.16 billion parcels, representing a year-on-year increase of 23.1% on a comparable basis, and the market growth is considerable. On this basis, the Company continues to deepen cooperation with e-commerce customers on all platforms, while also seizing the opportunities brought by the rapid growth of social e-commerce.

**Continuous improvement of service quality and high cost performance ratio to enhance customer acquisition ability.** According to the data published by the State Post Bureau of the PRC, the Company ranked first in 2023 in the industry in terms of the average complaint rate and the complaint handling composite index, which reflect the service quality of express delivery enterprises. In the first half of 2024, the Company continued to improve its service quality and reduce the average delivery time, of which the proportion of same-day and next-day deliveries continued to increase. The Company's cost effective services and strong marketing capabilities helped the Company to enhance its customer acquisition ability.

**Continuous expansion into low-tier markets, and the support for the development of rural express delivery.** The Company continued to explore the business development of lower-tier markets, and cooperated with a number of e-commerce platforms to undertake consolidation delivery business targeting at remote areas, which greatly reduced the cost of logistics in the remote areas, improved the e-commerce shopping experience for local consumers, helped e-commerce vendors and e-commerce platforms to expand to areas that were originally difficult to reach, and gradually expanded the consolidation delivery business of this model to more remote areas. At the same time, the Company launched targeted projects to assist farmers in different seasons to solve delivery difficulties of agricultural products in rural areas. For example, the Wushan Crispy Plum Special Group established by the Company in 2024 provided full tracking and guarantee for crisp plum parcels, and organized dozens of couriers to collect them in villages, facilitating crisp plums to quickly go out of the mountain.

### 4. *Continuing the Optimization of Operations in Each Process*

The Company continued to carry out refined management and operation in China. With the combined effect of economies of scale and optimization of operations, the Company's cost per parcel declined from US\$0.34 in the first half of 2023 to US\$0.32 in the first half of 2024, showing a significant cost reduction effect. Please see "Review of Financial Results – Economic Benefits per Parcel" for specific operational optimizations.

## 5. *China's Adjusted EBIT Achieved a Turnaround from Loss to Profit*

In the first half of 2024, the adjusted EBITDA of China's business was US\$198.9 million, with an adjusted EBITDA margin of 6.6%, while in the first half of 2023, the adjusted EBITDA margin was negative 2.0%. The Company's profitability was further enhanced. At the same time, the adjusted EBIT for the first half of 2024 was US\$59.6 million, while the adjusted EBIT recorded a loss of US\$183.1 million for the first half of 2023. The adjusted EBIT achieved a turnaround from loss to profit, mainly due to:

**The express delivery revenue per parcel remained relatively stable.** The Company's revenue per parcel in the first half of 2024 was US\$0.34, remained relatively stable compared to US\$0.34 in the first half of 2023, was mainly attributable to the continuous optimization of the Company's parcel volume structure on different e-commerce platforms, promotion of online marketing to attract more high-quality and branded customers, and commitment to improving the goods categories. Meanwhile, the steady development of reverse logistic parcels and individual parcels has also further stabilized the Company's overall revenue per parcel.

**The express delivery cost per parcel continued to reduce.** The Company's express delivery cost per parcel decreased from US\$0.34 in the first half of 2023 to US\$0.32 in the first half of 2024, representing a considerable decrease, mainly due to the scale effect arising from the growth of the Company's business volume and the continuous refined operations management of various cost segments.

## 6. *Introduction of Key Projects*

**Branded Customers:** In 2023, the Company started to set up a special program for the development of branded customers in order to enhance the Company's brand value and reputation, and to improve the customer structure. In the first half of 2024, the Company continued to make efforts in the branded customer program. Through the provision of high-quality, targeted and quality services, as well as the promotion of a variety of marketing activities such as key customer trial launch activities, the Company newly cooperated with industry-renowned and top branded customers, such as Red Dragonfly and Wang Xiaolu. The number of branded customers continued to grow.

**Investment of automated equipment in outlets:** With the continuous growth of parcel volume across the network, the Company is committed to promoting the investment of automated equipment in terminal outlets to enhance the strength and efficiency of the entire network and to reduce the operating costs of the Company and its network partners. The Company encourages network partners to invest in automated equipment through a variety of means, including but not limited to: special incentive policies, recommending equipment suppliers, assisting in equipment planning and customization, etc., and the percentage of parcels operated by automated equipment in outlets has continued to increase.

## (IV) New Markets

### 1. *Macro Environment in New Markets and Growth of E-Commerce and Express Delivery Markets*

**The economies in the New Markets realize stable growth, and e-commerce penetration rate still has much room for improvement.** The economies in the New Markets are showing greater resilience. According to Frost & Sullivan, the nominal GDP of the New Markets amounted to US\$5.9 trillion in 2023, representing a year-on-year increase of 8.0%, with a compound annual growth rate (“CAGR”) of 5.1% from 2024 to 2028, maintaining a stable growth momentum. Meanwhile, the e-commerce penetration rate in the New Markets was only 14.7% in 2023, which is still at a relatively low level as compared to China and SEA, and there is still much room for growth. According to Frost & Sullivan, total e-commerce retail sales in the New Markets is expected to grow at a CAGR of 21.3% from 2024 to 2028, and e-commerce penetration rate is expected to reach 32.5% in 2028.

**As the express delivery industry grows rapidly in the New Markets, the competitive landscape remains relatively fragmented.** The express delivery industry in the New Markets has also grown significantly driven by economic growth and the rapid development of the e-commerce retail market. According to Frost & Sullivan, the parcel volume of the express delivery industry in the New Markets is expected to grow at a CAGR of 18.5% from 2024 to 9.25 billion parcels in 2028. However, at the same time, the development of the express industry in the New Markets is still in a relatively early stage, and the competitive landscape is relatively fragmented, with local players sharing the local market with cross-regional giants such as FedEx, UPS and DHL. Due to lack of sufficient competition, revenue per parcel of the express delivery industry in the New Markets remain significantly higher than that in the China and SEA markets.

### 2. *Growth and Momentum of Parcel Volume*

In the first half of 2024, the Company handled 136.3 million parcels in the New Markets, representing an increase of 63.9% as compared to 83.2 million parcels in the first half of 2023, and its market share increased from 6.0% in 2023 to 6.1%.

The Company’s growth in parcel volume in the New Markets is primarily attributable to:

**Capture the growth opportunities of the e-commerce industry.** The rapid development of the New Markets e-commerce industry has led to a simultaneous rise in demand for express delivery services. The Company seizes the development opportunity of the New Markets e-commerce industry to provide consumers and merchants with corresponding high-quality and price-competitive logistics services, and continues to invest in the construction of express delivery network with well-established pickup and delivery capability to match the demand for express delivery in the New Markets, ultimately achieving the rapid growth in parcel volume. However, at the same time, changes in cross-border policies in the New Markets have had a negative impact on the growth of cross-border e-commerce. For example, in June 2024, Brazil updated its tariff policy, increasing the tariff on goods under US\$50 to 20%.

**Continuously develop and secure partnerships with cross-border e-commerce and local e-commerce platforms.** The global cross-border e-commerce is booming. The Company has established close partnerships with international cross-border e-commerce and short-video live streaming platforms, such as Shopee, AliExpress, Shein, Temu, TikTok, Kwai, etc., in the New Markets. The Company helps cross-border e-commerce platforms to solve logistics and distribution difficulties by virtue of its well-established infrastructure and network coverage. Meanwhile, the Company also attaches importance to cooperation with local e-commerce platforms. For example, the Company has maintained a good relationship with Noon, a local e-commerce platform in the Middle East, and in 2024, newly established a cooperation with Salla, a local e-commerce platform in Saudi Arabia. In the future, the Company will continue to develop more localized e-commerce platform customers to deepen its reach to local merchants and consumers.

3. ***Continuously Investing in Infrastructure Development to Improve the Network Capacity***

As of 30 June 2024, the Company operated 35 sorting centers, over 200 line-haul vehicles and a large number of branch line vehicles, and over 2,200 outlets in the New Markets. As the New Markets are still in the investment stage, the Company has further enhanced its network coverage and network capacity by increasing investment in equipment of sorting centers, increasing line-haul vehicles, and building new outlets. In the first half of 2024, the Company has built 800 new outlets in the New Markets, and put in place two sets of automated sorting machines in sorting centers.

**(V) Future Outlook**

Looking ahead, we will actively capitalize on the significant historical opportunity presented by the development of e-commerce express delivery and develop the targeted market strategies based on the needs and characteristics of each market as well as our position in each market. We will further increase our market share to solidify our market position; deepen our partnerships with all e-commerce platforms and continue to expand our new customer base; further strengthen infrastructure development and continuously improve network quality and capacity; and strengthen the refined management and improve operational efficiency, so as to leverage our China experience in SEA and the New Markets. At the same time, we will keep a close eye on other markets and carefully select the timing and mode of entry to achieve sustainable growth globally.

## II. REVIEW OF FINANCIAL RESULTS

### 1. PROFIT/(LOSS) FOR THE SIX MONTHS ENDED 30 JUNE 2024 AND THE SIX MONTHS ENDED 30 JUNE 2023

	For the six months ended 30 June	
	2024	2023
	USD'000	USD'000
	(Unaudited)	(Audited)
Revenue	4,861,696	4,030,439
Cost of revenue	(4,325,964)	(3,836,899)
<b>Gross profit</b>	<b>535,732</b>	<b>193,540</b>
Selling, general and administrative expenses	(381,660)	(1,767,875)
Research and development expenses	(23,565)	(18,874)
Net impairment losses on financial assets	(12,438)	(11,814)
Other income	3,148	12,228
Other losses-net	(6,192)	(43,423)
<b>Operating profit/(loss)</b>	<b>115,025</b>	<b>(1,636,218)</b>
Finance income	17,243	11,367
Finance costs	(62,197)	(56,002)
Finance cost-net	(44,954)	(44,635)
Fair value change of financial assets and liabilities at fair value through profit or loss	(28,912)	1,020,747
Share of results of associates	(92)	(84)
<b>Profit/(loss) before income tax</b>	<b>41,067</b>	<b>(660,190)</b>
Income tax expenses	(10,041)	(6,579)
<b>Profit/(loss) for the period</b>	<b>31,026</b>	<b>(666,769)</b>
A non-IFRS measure:		
Adjusted net profit/(loss)	63,248	(264,026)
Adjusted EBIT	118,243	(212,812)
Adjusted EBITDA	350,782	39,169

## 2. SEGMENT INFORMATION (NON-IFRS MEASURE)

The geographic segment information for the six months ended 30 June 2024 and the six months ended 30 June 2023 is presented below:

	For the six months ended 30 June 2024 (Unaudited)					
	SEA <i>USD'000</i>	China <i>USD'000</i>	New Markets <i>USD'000</i>	Cross- border <i>USD'000</i>	Unallocated <i>USD'000</i>	Total <i>USD'000</i>
Segment revenue	1,519,987	2,998,260	291,592	51,857	–	4,861,696
Segment cost	<u>(1,232,702)</u>	<u>(2,784,371)</u>	<u>(256,570)</u>	<u>(52,321)</u>	<u>–</u>	<u>(4,325,964)</u>
Segment gross profit (loss)	<u>287,285</u>	<u>213,889</u>	<u>35,022</u>	<u>(464)</u>	<u>–</u>	<u>535,732</u>
Adjusted EBITDA	<u>207,770</u>	<u>198,926</u>	<u>(7,841)</u>	<u>(7,233)</u>	<u>(40,840)</u>	<u>350,782</u>
Adjusted EBIT	<u>134,781</u>	<u>59,595</u>	<u>(22,510)</u>	<u>(12,691)</u>	<u>(40,932)</u>	<u>118,243</u>
	For the six months ended 30 June 2023 (Audited)					
	SEA <i>USD'000</i>	China <i>USD'000</i>	New Markets <i>USD'000</i>	Cross- border <i>USD'000</i>	Unallocated <i>USD'000</i>	Total <i>USD'000</i>
Segment revenue	1,246,076	2,203,070	132,757	448,536	–	4,030,439
Segment cost	<u>(1,025,958)</u>	<u>(2,220,155)</u>	<u>(156,215)</u>	<u>(434,571)</u>	<u>–</u>	<u>(3,836,899)</u>
Segment gross profit (loss)	<u>220,118</u>	<u>(17,085)</u>	<u>(23,458)</u>	<u>13,965</u>	<u>–</u>	<u>193,540</u>
Adjusted EBITDA	<u>184,060</u>	<u>(44,967)</u>	<u>(55,172)</u>	<u>(11,259)</u>	<u>(33,493)</u>	<u>39,169</u>
Adjusted EBIT	<u>92,365</u>	<u>(183,134)</u>	<u>(72,433)</u>	<u>(16,014)</u>	<u>(33,596)</u>	<u>(212,812)</u>

### 3 REVENUE

#### 3.1 Revenue by nature:

	For the six months ended 30 June			
	2024	Percentage	2023	Percentage
	USD'000	%	USD'000	%
Express delivery services	4,739,965	97.5	3,546,178	88.0
Cross-border services	51,857	1.1	448,536	11.1
Rental income	28,509	0.6	23,307	0.6
Sale of accessories	28,585	0.6	8,465	0.2
Others	12,780	0.2	3,953	0.1
<b>Total</b>	<b>4,861,696</b>	<b>100.0</b>	<b>4,030,439</b>	<b>100.0</b>

Revenue increased by 20.6% from US\$4,030.4 million in the first half of 2023 to US\$4,861.7 million in the first half of 2024, mainly due to the increase in revenue from express delivery services in 13 countries.

#### *Revenue from express delivery services*

Revenue from express delivery services increased by 33.7% from US\$3,546.2 million in the first half of 2023 to US\$4,740.0 million in the first half of 2024, primarily due to the increase in revenue from the growth in our express delivery business for our customers. The growth in revenue from express delivery services was primarily due to our total parcel volume in SEA, China and New Markets increased by 38.3% from 7.97 billion in the first half of 2023 to 11.01 billion in the first half of 2024.

#### *Revenue from cross-border services*

Revenue from cross-border services decreased by 88.4% from US\$448.5 million in the first half of 2023 to US\$51.9 million in the first half of 2024, mainly due to the restructuring and adjustment of the Company's business, which resulted in the closure of cross-border small parcels business and a greater focus on the development of its core business.

#### *Rental income*

Rental income increased by 22.3% from US\$23.3 million in the first half of 2023 to US\$28.5 million in the first half of 2024, mainly attributable to the growth in property rental income generated from properties in SEA and the growth in rental income from recycling packages in China.



### ***Revenue from sale of accessories***

Revenue from sale of accessories increased by 237.7% from US\$8.5 million in the first half of 2023 to US\$28.6 million in the first half of 2024, mainly due to an increase in the sale of express-related materials such as thermal paper and waterproof bags.

### **3.2 Revenue by geographic segment:**

The following table sets forth a breakdown of revenue by geographic segment, absolute amounts and as percentages of total revenue for the periods indicated:

	<b>For the six months ended 30 June</b>			
	<b>2024</b>	<b>Percentage</b>	<b>2023</b>	<b>Percentage</b>
	<i>USD'000</i>	<i>%</i>	<i>USD'000</i>	<i>%</i>
	<b>(Unaudited)</b>		<b>(Audited)</b>	
SEA	<b>1,519,987</b>	<b>31.3</b>	1,246,076	30.9
China	<b>2,998,260</b>	<b>61.6</b>	2,203,070	54.7
New Markets	<b>291,592</b>	<b>6.0</b>	132,757	3.3
Cross-border	<b>51,857</b>	<b>1.1</b>	448,536	11.1
<b>Total</b>	<b><u>4,861,696</u></b>	<b><u>100.0</u></b>	<b><u>4,030,439</u></b>	<b><u>100.0</u></b>

**SEA:** Our revenue increased by 22.0% from US\$1,246.1 million in the first half of 2023 to US\$1,520.0 million in the first half of 2024, mainly due to our parcel volume in SEA increased by 42.0% from 1,438.3 million in the first half of 2023 to 2,042.9 million in the first half of 2024, with a market share of 27.4%. The growth in parcel volumes is attributable to our continued deepening of relationships with our e-commerce partners through the provision of high quality and competitively priced services, capitalizing on the rapid growth of the e-commerce market and the rise of social e-commerce.

**China:** Our revenue increased by 36.1% from US\$2,203.1 million in the first half of 2023 to US\$2,998.3 million in the first half of 2024, primarily due to the rapid increase of parcel volume with the stable revenue per parcel in China. Our parcel volume in China increased by 37.1% from 6,445.6 million in the first half of 2023 to 8,835.7 million in the first half of 2024, and our market share accounted for 11.0%. The increases in our parcel volume and market share were driven by (i) deepening our cooperation with existing e-commerce platforms and expanding our cooperation with other e-commerce platforms to diversify parcel sources; and (ii) improved service quality and enhanced brand image that facilitated the customer sourcing abilities of ours and our network partners.

**New Markets:** Our revenue increased by 119.6% from US\$132.8 million in the first half of 2023 to US\$291.6 million in the first half of 2024, mainly due to the rapid growth of our parcel volume in New Markets. Our parcel volume in New Markets increased by 63.9% from 83.2 million in the first half of 2023 to 136.3 million in the first half of 2024, representing an increase in market share from 6.0% in 2023 to 6.1% in the first half of 2024. The growth in parcel volume is mainly attributable to our expanding and deepening cooperation with cross-border e-commerce platforms and local e-commerce platforms to capitalize on the new opportunities of the e-commerce market growth and enhance the quality of our services by leveraging on our increasing network capacity.

**Cross-border:** Our revenue decreased by 88.4% from US\$448.5 million in the first half of 2023 to US\$51.9 million in the first half of 2024, mainly due to the transformation of the business.

#### 4. ECONOMIC BENEFITS PER PARCEL

##### SEA:

	For the six months ended 30 June			
	2024 US\$ (Unaudited)	Percentage %	2023 US\$ (Audited)	Percentage %
Revenue per parcel	0.74	100.0	0.87	100.0
Cost per parcel	0.60	81.1	0.71	81.5
Including: Pickup and delivery cost	0.37	50.0	0.40	46.0
Transportation cost	0.16	21.6	0.19	21.8
Sorting cost	0.06	8.1	0.09	10.3
Other cost	0.01	1.4	0.03	3.4

**Revenue per parcel:** Revenue per parcel in SEA was US\$0.74 in the first half of 2024, compared to that of US\$0.87 in the first half of 2023. The decrease in revenue per parcel was primarily due to (i) our promotional activities and strategic price adjustments to maintain our edge in the highly competitive SEA market; and (ii) sharing the results of our cost reduction with our customers and continuing to expand our cooperation with our e-commerce platform customers to increase our parcel volume and market share, in order to facilitate a new round of economies of scale and operational optimization.

**Cost per parcel:** The overall cost per parcel in SEA decreased from US\$0.71 in the first half of 2023 to US\$0.60 in the first half of 2024, mainly due to (i) the Company's 42.0% year-on-year growth in parcel volume in the first half of 2024, which further facilitated economies of scale; and (ii) the Company's empowerment of its China express delivery operation experience to SEA, helping SEA to continue to optimize in various segments.

**Pickup and delivery:** As of 30 June 2024, the Company had approximately 10,600 outlets in SEA and managed approximately 2,000 network partners. The Company adjusted the density and location of its outlets based on local operating conditions, and enhanced their operating efficiency. The Company focused on continuous optimization of the management system and structure to improve the efficiency of the staff in outlets, and through a rationalized remuneration structure, it encouraged its couriers to be proactive in pickup and delivery and work together to provide customers with quality services. The Company's pickup and delivery cost per parcel decreased from US\$0.40 in the first half of 2023 to US\$0.37 in the first half of 2024.

**Transportation:** As of 30 June 2024, the Company operated approximately 3,800 line-haul vehicles in SEA, of which approximately 1,500 were self-owned line-haul vehicles, representing an increase of 200 self-owned vehicles as compared to that as of 30 June 2023. The Company constantly built a more efficient self-operated fleet, improved the number and utilization rate of its self-owned vehicles, and introduced more third-party carrier resources for price comparison in order to protect peak vehicle demand and reduce transportation costs. The Company will continue to reduce transportation costs by integrating the resources of its self-owned vehicles and third-party carriers, optimizing line-haul route planning, and increasing loading rates. The Company's transportation cost per parcel decreased from US\$0.19 in the first half of 2023 to US\$0.16 in the first half of 2024.

**Sorting:** As of 30 June 2024, the Company operated 119 sorting centers in SEA, representing a decrease of 29 as compared to that as of 30 June 2023. The Company optimized the distribution of its sorting centers and consolidated its sorting centers in accordance with its business development. At the same time, the Company timely renovated and upgraded its sorting centers and installed automated sorting machines in key sorting centers to enhance sorting efficiency. As of 30 June 2024, the Company had 47 sets of automated sorting machines in SEA, representing an increase of 11 sets as compared to that as of 30 June 2023. The Company will continue to upskill sorting personnel in conjunction with the use of the automated machines to enhance the per capita sorting efficiency and reduce the labor cost per parcel. The Company's sorting cost per parcel decreased from US\$0.09 in the first half of 2023 to US\$0.06 in the first half of 2024.

**China:**

	<b>For the six months ended 30 June</b>			
	<b>2024</b>	<b>Percentage</b>	<b>2023</b>	<b>Percentage</b>
	<i>US\$</i>	<i>%</i>	<i>US\$</i>	<i>%</i>
	<b>(Unaudited)</b>		<b>(Audited)</b>	
Revenue per parcel	<b>0.34</b>	<b>100.0</b>	0.34	100.0
Cost per parcel	<b>0.32</b>	<b>94.1</b>	0.34	100.0
Including: Pickup and delivery cost	<b>0.20</b>	<b>58.8</b>	0.20	58.8
Transportation cost	<b>0.07</b>	<b>20.6</b>	0.08	23.5
Sorting cost	<b>0.05</b>	<b>14.7</b>	0.06	17.7
Other cost	<b>0.00</b>	<b>0.0</b>	0.00	0.0

**Revenue per parcel:** Revenue per parcel in China was US\$0.34 in the first half of 2024, which was the same as that in the first half of 2023, mainly due to the Company's continuous optimization of the parcel volume structure of different e-commerce platforms, promotion of online marketing to acquire more quality and branded customers, as well as its efforts to improve the shipment categories. Meanwhile, the gradually development in the reverse logistics parcels and individual parcels has further stabilized the Company's overall revenue per parcel.

**Cost per parcel:** Overall cost per parcel in China declined from US\$0.34 in the first half of 2023 to US\$0.32 in the first half of 2024. In the first half of 2024, the Company continued to refine its management and optimize its operations in China across all segments:

**Pickup and delivery:** As of 30 June 2024, the Company had more than 6,000 network partners and operated approximately 7,100 outlets in China, the number of outlets decreased slightly as compared to that as of 30 June 2023. The Company has continued to consolidate and replace its outlets, and has made efforts to promote the investment in automation equipment at outlets and the construction of outlets capabilities, as well as to increase the proportion of direct deliveries from PUDO stations, with a view to enhancing the overall network capacity and stability. The Company's pickup and delivery cost per parcel was US\$0.20 in the first half of 2024, which remained flat compared to US\$0.20 in the first half of 2023.

**Transportation:** As of 30 June 2024, the Company operated more than 5,900 line-haul vehicles in China, of which more than 4,200 were self-owned line-haul vehicles, representing an increase of more than 1,000 self-owned line-haul vehicles as compared to that as of 30 June 2023. The Company continued to invest in its self-owned line-haul vehicles through independently operated vehicle companies, and combined the use of third-party carriers to make the overall vehicle management more flexible and efficient. Meanwhile, with the increase in parcel volume, the Company further optimized the management of the transportation segment, such as increasing the use of high-capacity vehicles, reducing the proportion of unilateral transport lines, and reducing the use of temporary vehicles through system monitoring and advance planning, in order to increase the loading rate of the vehicles and reduce the cost of transportation, etc. The transportation cost per parcel was US\$0.07 in the first half of 2024, representing a decrease of US\$0.01 as compared to US\$0.08 in the first half of 2023.

**Sorting:** As of 30 June 2024, the Company operated 83 sorting centers in China, which are mainly leased. Currently, the Company had two self-built projects for sorting centers in Yangzhou and Guangzhou, with Yangzhou's self-built sorting center expected to come into operation in the fourth quarter of 2024, and Guangzhou's self-built sorting center expected to be ready for operation in 2025. The Company has continued to promote the optimization of the operation of its sorting centers across the country to enhance the overall efficiency of sorting through refinement of management, optimization of the mode of sorting, improvement of the efficiency of the operators and speeding up of the equipment. At the same time, the Company continued to invest in the hardware of its sorting centers. In the first half of 2024, the Company added 6 sets of automated sorting machines, upgraded and iterated automated equipment, and piloted new equipment in some of its sorting centers to reduce the occupation of space and at the same time enhance the flexibility and efficiency of parcels sorting. Sorting cost per parcel was US\$0.05 in the first half of 2024, compared to US\$0.06 in the first half of 2023.

## New Markets:

	For the six months ended 30 June			
	2024	Percentage	2023	Percentage
	US\$	%	US\$	%
	(Unaudited)		(Audited)	
Revenue per parcel	2.14	100.0	1.60	100.0
Cost per parcel	1.88	88.0	1.88	117.5
Including: Pickup and delivery cost	1.02	47.7	1.09	68.1
Transportation cost	0.32	15.0	0.30	18.8
Sorting cost	0.32	15.0	0.29	18.1
Other cost	0.22	10.3	0.20	12.5

**Revenue per parcel:** Revenue per parcel in the New Markets improved from US\$1.60 in the first half of 2023 to US\$2.14 in the first half of 2024. This is mainly due to changes in the parcel volume structure in different countries in the New Markets, an increase in the number of high quality non-platform customers and changes in the cooperation model with strategic e-commerce customers.

**Cost per parcel:** Cost per parcel in the New Markets was US\$1.88 in the first half of 2024, which is the same as US\$1.88 in the first half of 2023. Parcel volume in the New Markets grew rapidly and economies of scale were evident, but simultaneously offset by higher cost per parcel due to changes in business development, resulting in a relatively flat cost per parcel.

## 5. COST OF REVENUE AND EXPENSES:

### 5.1 Costs and expenses by nature

	For the six months ended 30 June	
	2024 <i>USD'000</i> (Unaudited)	2023 <i>USD'000</i> (Audited)
Employee benefit expenses	665,685	540,042
Fulfilment costs	2,326,470	1,790,771
Other labour costs	296,691	213,284
Line-haul costs	934,256	1,137,526
Depreciation and amortization	232,539	251,981
Materials	58,318	43,028
Share-based compensation expenses		
– related to regional sponsors	–	158,442
– related to equity transactions	–	1,258,131
Short-term leases	79,834	70,584
Auditors' remuneration	718	1,244
Listing expenses	–	5,536
Advertising and marketing expenses	6,215	24,795
Others	130,463	128,284
<b>Total</b>	<b>4,731,189</b>	<b>5,623,648</b>

Our total cost of revenue and expenses decreased by 15.9% from US\$5,623.6 million in the first half of 2023 to US\$4,731.2 million in the first half of 2024, primarily attributable to share-based payments and expenses totaling US\$1,426.9 million in the first half of 2023 compared to share-based payments and expenses totaling US\$32.2 million in the first half of 2024. At the same time, our fulfillment costs increased by US\$535.7 million, which was in line with the increase of parcel volume.

**Fulfillment costs:** With the expansion of our network and the increase in parcel volume, our fulfillment costs increased by 29.9% from US\$1,790.8 million in the first half of 2023 to US\$2,326.5 million in the first half of 2024. Our fulfillment costs accounted for 44.4% and 47.9% of our total revenue in the first half of 2023 and in the first half of 2024, respectively.

**Staff costs:** Our staff costs increased by 23.3% from US\$540.0 million in the first half of 2023 to US\$665.7 million in the first half of 2024. Our staff costs accounted for 13.4% and 13.7% of our total revenue in the first half of 2023 and in the first half of 2024, respectively. The increase of staff costs was primarily due to an increase in the number of staff and the average wages as business volumes increased.

**Other labor costs:** As the increase in our parcel volume, our other labor costs increased by 39.1% from US\$213.3 million in the first half of 2023 to US\$296.7 million in the first half of 2024. Other labor costs accounted for 5.3% and 6.1% of our revenue in the first half of 2023 and in the first half of 2024, respectively.

**Depreciation and amortization:** We had a slight decrease in depreciation and amortization costs from US\$252.0 million in the first half of 2023 to US\$232.5 million in the first half of 2024, as a result of the cost reduction and efficiency gains, consolidation of sorting centers.

## 5.2 Cost by geographic segment

	For the six months ended 30 June			
	2024 USD'000 (Unaudited)	Percentage %	2023 USD'000 (Audited)	Percentage %
SEA	1,232,702	28.5	1,025,958	26.7
China	2,784,371	64.4	2,220,155	57.9
New Markets	256,570	5.9	156,215	4.1
Cross-border	52,321	1.2	434,571	11.3
<b>Total</b>	<b>4,325,964</b>	<b>100.0</b>	<b>3,836,899</b>	<b>100.0</b>

**SEA:** increased by 20.2% from US\$1,026.0 million in the first half of 2023 to US\$1,232.7 million in the first half of 2024, mainly due to the parcel volume in SEA increased by 42.0% from 1,438.3 million to 2,042.9 million during the same period, which was driven by the increase in fulfillment costs as a result of the increase in parcel volume.

**China:** increased by 25.4% from US\$2,220.2 million in the first half of 2023 to US\$2,784.4 million in the first half of 2024, mainly due to China's parcel volume increased by 37.1% from 6,445.6 million to 8,835.7 million during the same period, with the increase in parcel volume leading to an increase in express delivery fulfillment costs, transportation costs and distribution and transfer costs.

**New Markets:** increased by 64.2% from US\$156.2 million in the first half of 2023 to US\$256.6 million in the first half of 2024. Parcel volume in New Markets increased by 63.9% from 83.2 million to 136.3 million during the same period. The increase in costs in new markets is mainly because to meet diversified customer needs and to provide customers with a better logistics service experience, New markets are gradually improving infrastructure construction, therefore costs have incurred in line with the expansion of business and network coverage, costs incurred has increased.

**Cross-border:** decreased by 88.0% from US\$434.6 million in the first half of 2023 to US\$52.3 million in the first half of 2024, mainly due to the transformation of the business.

## 6. GROSS PROFIT AND GROSS PROFIT MARGIN

	For the six months ended 30 June			
	2024 USD'000 (Unaudited)	Gross profit margin %	2023 USD'000 (Audited)	Gross profit margin %
SEA	287,285	18.9	220,118	17.7
China	213,889	7.1	(17,085)	(0.8)
New Markets	35,022	12.0	(23,458)	(17.7)
Cross-border	(464)	(0.9)	13,965	3.1
<b>Total</b>	<b>535,732</b>	<b>11.0</b>	<b>193,540</b>	<b>4.8</b>

The Company's gross profit margin increased from 4.8% in the first half of 2023 to 11.0% in the first half of 2024.

**SEA:** gross profit margin increased from 17.7% in the first half of 2023 to 18.9% in the first half of 2024.

**China:** gross profit margin increased from a loss of 0.8% in the first half of 2023 to a profit of 7.1% in the first half of 2024.

**New Markets:** gross profit margin increased from a loss of 17.7% in the first half of 2023 to a profit of 12.0% in the first half of 2024.

**Cross-border:** gross profit margin was 3.1% in the first half of 2023, and recorded a loss of 0.9% during the transformation of the business in the first half of 2024.

## 7. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	For the six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000 (Audited)
Employee benefit expenses	234,915	232,979
Share-based payments related to equity transactions	–	1,258,131
Other share-based expenses	32,222	158,442
Office related expenses	14,127	15,120
Professional service fees	24,514	28,577
Promotion and marketing expenses	6,210	24,795
Depreciation and amortization	28,895	30,878
Others	40,777	18,953
<b>Total</b>	<b>381,660</b>	<b>1,767,875</b>



Our selling, general and administrative expenses primarily consist of (i) staff costs, including salaries, bonus, other compensation and share-based compensation expenses related to employee benefits to our staff, (ii) share-based payments related to equity transactions, (iii) other share-based expenses, (iv) office related expenses, (v) professional service fees including auditor's remuneration, listing-related service fees and fees for other consulting services, (vi) promotion and marketing expenses relating to branding initiatives and advertising activities, (vii) depreciation and amortization of our right-of-use assets in relation to the leases of our offices, and (viii) other selling, general and administrative expenses.

Selling, general and administrative expenses decreased by 78.4% from US\$1,767.9 million in the first half of 2023 to US\$381.7 million in the first half of 2024. This decrease was primarily due to our share-based payments and expenses totaling US\$1,426.9 million in the first half of 2023 compared to share-based payments and expenses totaling US\$32.2 million in the first half of 2024.

## 8. ADJUSTED EBITDA:

	For the six months ended 30 June			
	2024 USD'000 (Unaudited)	Adjusted EBITDA %	2023 USD'000 (Audited)	Adjusted EBITDA %
SEA	207,770	13.7	184,060	14.8
China	198,926	6.6	(44,967)	(2.0)
New Markets	(7,841)	(2.7)	(55,172)	(41.6)
Cross-border	(7,233)	(13.9)	(11,259)	(2.5)
Unallocated	(40,840)	N/A	(33,493)	N/A
<b>Total</b>	<b>350,782</b>	<b>7.2</b>	<b>39,169</b>	<b>1.0</b>

The Company's overall adjusted EBITDA increased by 795.6% from US\$39.2 million in the first half of 2023 to US\$350.8 million in the first half of 2024.

**SEA:** Adjusted EBITDA increased by 12.9% from US\$184.1 million in the first half of 2023 to US\$207.8 million in the first half of 2024. Adjusted EBITDA margins in the first half of 2023 and in the first half of 2024 were 14.8% and 13.7%, respectively. As the increase of the Company's parcel volume, it maintains a healthy and sustainable profitability in SEA by continuing to expand its scale efficiency and replicating its experience in express delivery operations in China, while simultaneously improving its operational and management efficiency.

**China:** Adjusted EBITDA turned from a loss of US\$45.0 million in the first half of 2023 to a profit of US\$198.9 million in the first half of 2024. Adjusted EBITDA margins in the first half of 2023 was negative 2.0% and in the first half of 2024 was 6.6% respectively, primarily due to the Company's continued refinement of operations to reduce costs and expenses per parcel while maintaining a stable revenue per parcel.

**New Markets:** Adjusted EBITDA of New Markets recorded a loss of US\$7.8 million in the first half of 2024, while the adjusted EBITDA recorded a loss of US\$55.2 million in the first half of 2023. The adjusted EBITDA margin improved from negative 41.6% in the first half of 2023 to negative 2.7% in the first half of 2024, representing a significant narrowing of losses. Although the Company was still in the investment stage in New Markets in 2023, the rapid growth in parcel volume of the Company resulted in the initial realization of economies of scale and a positive gross profit per parcel.

**Cross-border:** Adjusted EBITDA recorded a loss of US\$7.2 million in the first half of 2024 and a loss of US\$11.3 million in the first half of 2023.

**Unallocated:** Unallocated mainly consists of (i) general and administrative expenses, foreign exchange gains and losses and other expenses incurred at the level of the group of companies and the holding company; (ii) the changes on fair value on financial liabilities of Group subsidiaries; and (iii) the changes on fair value on the Group's financial assets. Adjusted EBITDA recorded a loss of US\$40.8 million in the first half of 2024, compared to the adjusted EBITDA of a loss of US\$33.5 million in the first half of 2023, primarily due to the changes on fair value on financial assets of Group.

## 9. FINANCE COSTS

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>USD'000</b>	<b>USD'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Interest income from bank deposits	17,243	11,367
Interest expenses on lease liabilities	(16,194)	(19,015)
Interest expenses on borrowings	(46,003)	(36,987)
	<u>          </u>	<u>          </u>
<b>Total</b>	<b><u>(44,954)</u></b>	<b><u>(44,635)</u></b>

The finance costs in the first half of 2024 was US\$45.0 million, which was basically the same as US\$44.6 million in the first half of 2023, primarily interest expenses on borrowings.

## 10. OTHER INCOME

	<b>For the six months ended</b>	
	<b>30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>USD'000</b>	<b>USD'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Subsidy income	100	10,791
Interest income on loans to third parties	3,048	1,437
	<u>          </u>	<u>          </u>
<b>Total</b>	<b><u>3,148</u></b>	<b><u>12,228</u></b>

Other income primarily consists of (i) subsidy income, (ii) interest income on loans to third parties. Subsidy income was mainly related to (i) incentives in the PRC provided by local governments based on the amounts of current deductible input value-added tax, and (ii) subsidies provided by local governments for economic recovery plans in SEA countries. Other income for the current period decreased compared to the same period of last year, primarily due to changes in policy.

## **11. NON-IFRS MEASURES**

To supplement our consolidated results which are prepared and presented in accordance with IFRS, we use adjusted profit/(loss) (a non-IFRS measure), adjusted EBITDA (a non-IFRS measure) and adjusted EBIT (a non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating the potential impact of items, such as certain non-cash items, transactions and items associated with the listing. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, as a substitute for, or superior to, our results of operations or financial conditions as reported under IFRS. In addition, these non-IFRS financial measures may be defined differently from similar terms used by other companies, and may not be comparable to other similarly titled measures used by other companies.

## **12. LIQUIDITY AND FINANCIAL RESOURCES**

The Group is committed to establishing a scientific, standardized and efficient liquidity and financial resources management system and implementing unified financial policies and controls over its operating companies to ensure the safety, liquidity and value-added of the group funds, so as to support the Group's strategic development and safeguard the rights and interests of shareholders, creditors and other stakeholders.

The Group's cash flows generated from operating activities for the six months ended 30 June 2024 amounted to US\$345.6 million, while the cash flows generated from operating activities for the six months ended 30 June 2023 was US\$2.8 million. As of 30 June 2024, the Group had total cash and cash equivalents of US\$1,428.2 million and the total borrowings under current liabilities of US\$1,270.6 million. The Group continuously obtains quality financial credit in combination with the better financial environment in the location of the operating entity. As of 30 June 2024, the Group's unutilized financial credit exceeded US\$200 million, and the Group's available capital is sufficient to maintain the Group's continuous and good operation.

As at 30 June 2024, the Group's gearing ratio (the percentage of total liabilities to total assets) was 63.3% (31 December 2023: 62.4%).

## **13. FOREIGN EXCHANGE RISK**

Our subsidiaries and consolidated affiliated entities primarily operate in China, Indonesia, Vietnam, Malaysia, the Philippines, Thailand and other countries. Their transactions were generally settled in local currencies. Our foreign exchange risk primarily arises from recognized assets and liabilities in our subsidiaries and consolidated affiliated entities from those countries, when we receive foreign currencies from or pay foreign currencies to overseas business partners.

We will continue to monitor changes in currency exchange rates and will take necessary measures to mitigate any impacts caused by exchange rate fluctuations.

#### 14. CAPITAL EXPENDITURE

Our capital expenditures include our investments in property, plant and equipment, and intangible assets. Our total capital expenditures were US\$165.2 million and US\$250.6 million respectively for the six months ended 30 June 2024 and 2023.

#### 15. CAPITAL EXPENDITURE COMMITMENT

Capital expenditures contracted for as at 30 June 2024 and 31 December 2023 but not yet incurred are as follows:

	<b>As at 30 June 2024 USD'000 (Unaudited)</b>	<b>As at 31 December 2023 USD'000 (Audited)</b>
Buildings	<b>98,026</b>	117,311
Right-of-use assets	<b>2,306</b>	11,465
Vehicles	<b>11,504</b>	6,170
	<hr/>	<hr/>
<b>Total</b>	<b><u>111,836</u></b>	<b><u>134,946</u></b>

#### 16. MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures in the first half of 2024.

#### 17. EMPLOYEE AND REMUNERATION POLICY

The Group had 152,145 full-time employees as of 30 June 2024. We offered our employees competitive compensation packages. We determine employee remuneration based on factors such as qualifications, expertise and years of relevant experience. In accordance with applicable laws and regulations, we currently participate in social insurance contribution plan organized by the relevant local governments, including but not limited to, pension insurance plan, medical insurance plan, unemployment insurance plan, a work-related injury insurance plan, maternity insurance plan and housing provident fund. We regularly provide our employees with training on ethics, work processes, internal policies, management, technical skills and other areas that are relevant to their daily work. We are constantly improving our training framework to empower and develop the careers of the various participants in our value chain.

## FINANCIAL INFORMATION

### INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

		As at <b>30 June</b> <b>2024</b> <i>USD'000</i> <b>(Unaudited)</b>	As at 31 December 2023 <i>USD'000</i> <b>(Audited)</b>
<b>Non-current assets</b>			
Investment properties		168	278
Property, plant and equipment		1,185,135	1,178,690
Right-of-use assets		486,366	503,073
Intangible assets		942,853	974,525
Investments accounted for using the equity method		2,620	2,729
Deferred income tax assets		55,866	53,813
Other non-current assets		31,615	25,423
Financial assets at fair value through profit or loss		572,510	725,577
		<u>3,277,133</u>	<u>3,464,108</u>
<b>Current assets</b>			
Inventories		24,041	34,756
Trade receivables	6	540,703	555,978
Prepayments, other receivables and other assets		1,131,353	971,496
Financial assets at fair value through profit or loss		207,347	49,957
Restricted cash		45,232	41,921
Cash and cash equivalents		1,428,189	1,483,198
		<u>3,376,865</u>	<u>3,137,306</u>
<b>Total assets</b>		<u><b>6,653,998</b></u>	<u><b>6,601,414</b></u>
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital		18	18
Share premium		9,061,736	9,061,736
Other reserves		(189,402)	(185,273)
Accumulated losses		(6,099,210)	(6,126,799)
		<u>2,773,142</u>	<u>2,749,682</u>
Non-controlling interests		<u>(330,137)</u>	<u>(270,083)</u>
<b>Total equity</b>		<u><b>2,443,005</b></u>	<u><b>2,479,599</b></u>

		As at 30 June 2024 <i>USD'000</i> (Unaudited)	As at 31 December 2023 <i>USD'000</i> (Audited)
<b>Non-current liabilities</b>			
Borrowings		125,414	1,071,313
Lease liabilities		291,675	304,316
Deferred income tax liabilities		14,109	15,808
Employee benefit obligations		12,339	13,082
Financial liabilities – redemption liabilities of shares of JNT Express KSA LLC		59,773	36,740
Financial liabilities at fair value through profit or loss		<u>589,634</u>	<u>595,782</u>
		<b>1,092,944</b>	<b>2,037,041</b>
<b>Current liabilities</b>			
Trade payables	7	450,448	466,904
Advances from customers		287,958	272,231
Accruals and other payables		884,762	888,942
Lease liabilities		183,748	204,341
Current income tax liabilities		30,465	30,601
Borrowings		1,270,599	211,236
Financial liabilities at fair value through profit or loss		<u>10,069</u>	<u>10,519</u>
		<b>3,118,049</b>	<b>2,084,774</b>
Total liabilities		<b>4,210,993</b>	<b>4,121,815</b>
<b>Total equity and liabilities</b>		<b>6,653,998</b>	<b>6,601,414</b>

## INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	For the six months ended 30 June	
		2024 USD'000 (Unaudited)	2023 USD'000 (Audited)
Revenue	2	4,861,696	4,030,439
Cost of revenue		(4,325,964)	(3,836,899)
<b>Gross profit</b>		<b>535,732</b>	193,540
Selling, general and administrative expenses		(381,660)	(1,767,875)
Research and development expenses		(23,565)	(18,874)
Net impairment losses on financial assets		(12,438)	(11,814)
Other income		3,148	12,228
Other losses-net		(6,192)	(43,423)
<b>Operating profit/(loss)</b>		<b>115,025</b>	(1,636,218)
Finance income		17,243	11,367
Finance costs		(62,197)	(56,002)
Finance cost-net		(44,954)	(44,635)
Fair value change of financial assets and liabilities at fair value through profit or loss		(28,912)	1,020,747
Share of results of associates		(92)	(84)
Profit/(loss) before income tax		41,067	(660,190)
Income tax expenses	3	(10,041)	(6,579)
<b>Profit/(loss) for the period</b>		<b>31,026</b>	(666,769)
<b>Attributable to:</b>			
Owners of the Company		27,589	(640,967)
Non-controlling interests		3,437	(25,802)
<b>Earnings/(losses) per share attributable to owners of the Company:</b>			
Basic earnings/(losses) per share (USD cent)	5	0.3	(20.8)
Diluted earnings/(losses) per share (USD cent)	5	0.3	(22.2)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 30 June	
	2024	2023
	USD'000	USD'000
	(Unaudited)	(Audited)
<b>Profit/(loss) for the period</b>	<b>31,026</b>	(666,769)
<b>Other comprehensive loss for the period:</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	(72,125)	(15,296)
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Fair value changes of financial liabilities at fair value through profit or loss relating to the Group's credit risk	(43)	5,233
Others	507	241
<b>Total comprehensive loss</b>	<b>(40,635)</b>	(676,591)
<b>Attributable to:</b>		
Owners of the Company	(44,049)	(652,418)
Non-controlling interests	3,414	(24,173)



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended 30 June	
	2024	2023
	<i>USD'000</i>	<i>USD'000</i>
	(Unaudited)	(Audited)
Net cash flows generated from operating activities	<b>345,631</b>	2,797
Net cash flows used in investing activities	<b>(266,311)</b>	(366,038)
Net cash flows (used in)/generated from financing activities	<b>(114,708)</b>	64,171
<b>Net decrease in cash and cash equivalents</b>	<b>(35,388)</b>	(299,070)
Cash and cash equivalents at the beginning of the period	<b>1,483,198</b>	1,504,048
Effects of foreign exchange rate changes on cash and cash equivalents	<b>(19,621)</b>	(9,714)
<b>Cash and cash equivalents at the end of the period</b>	<b><u>1,428,189</u></b>	<b><u>1,195,264</u></b>

## NOTES TO THE FINANCIAL INFORMATION

### 1. BASIS OF PREPARATION AND NEW OR AMENDED STANDARDS OR INTERPRETATIONS

#### 1.1 Basis of preparation

The interim financial information has been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”, issued by the International Accounting Standards Board (“IASB”).

The interim financial information does not include all the notes of the type normally included in annual financial statements. The interim financial information should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2023 which have been prepared in accordance with IFRS Accounting Standards as set out in the 2023 annual report of the Company (the “**2023 Financial Statements**”), and any public announcement made by the Company during the six months ended 30 June 2024 and up to date of approval of this unaudited interim financial information.

#### 1.2 New or amended standards or interpretations

The accounting policies and methods of computations used in the preparation of the interim financial information are consistent with those used in the preparation of the 2023 Financial Statements, except for the adoption of new and amended standards as set out below.

A number of new or amended standards became applicable for the current reporting period. The adoption of these new standards and amendments did not have material impact on the Group’s financial position or operating result and did not require retrospective adjustment.

		<b>Effective for annual periods beginning on or after</b>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16	Lease liability in sale and leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024

The Directors of the Company anticipate that the application of the above new standards, amendments and interpretations will have no material impact on the interim financial information upon adoption.

Certain new accounting standards and interpretations have been published that are not mandatory for the six months ended 30 June 2024 and have not been early adopted by the Group.

## 2. SEGMENT INFORMATION

	For the six months ended 30 June 2024					
	(Unaudited)					
	SEA	China	New	Cross-	Unallocated	Total
	USD'000	USD'000	Markets	border	USD'000	USD'000
Segment revenue	1,519,987	2,998,260	291,592	51,857	–	4,861,696
Segment cost	(1,232,702)	(2,784,371)	(256,570)	(52,321)	–	(4,325,964)
Segment gross profit (loss)	<u>287,285</u>	<u>213,889</u>	<u>35,022</u>	<u>(464)</u>	<u>–</u>	<u>535,732</u>
Adjusted EBITDA	<u>207,770</u>	<u>198,926</u>	<u>(7,841)</u>	<u>(7,233)</u>	<u>(40,840)</u>	<u>350,782</u>
Adjusted EBIT	<u>134,781</u>	<u>59,595</u>	<u>(22,510)</u>	<u>(12,691)</u>	<u>(40,932)</u>	<u>118,243</u>
	For the six months ended 30 June 2023					
	(Audited)					
	SEA	China	New	Cross-	Unallocated	Total
	USD'000	USD'000	Markets	border	USD'000	USD'000
Segment revenue	1,246,076	2,203,070	132,757	448,536	–	4,030,439
Segment cost	(1,025,958)	(2,220,155)	(156,215)	(434,571)	–	(3,836,899)
Segment gross profit (loss)	<u>220,118</u>	<u>(17,085)</u>	<u>(23,458)</u>	<u>13,965</u>	<u>–</u>	<u>193,540</u>
Adjusted EBITDA	<u>184,060</u>	<u>(44,967)</u>	<u>(55,172)</u>	<u>(11,259)</u>	<u>(33,493)</u>	<u>39,169</u>
Adjusted EBIT	<u>92,365</u>	<u>(183,134)</u>	<u>(72,433)</u>	<u>(16,014)</u>	<u>(33,596)</u>	<u>(212,812)</u>

	<b>For the six months ended 30 June</b>	
	<b>2024</b> <i>USD'000</i> <b>(Unaudited)</b>	<b>2023</b> <i>USD'000</i> <b>(Audited)</b>
Adjusted EBITDA		
SEA	<b>207,770</b>	184,060
China	<b>198,926</b>	(44,967)
New Markets	<b>(7,841)</b>	(55,172)
Cross-border	<b>(7,233)</b>	(11,259)
Unallocated	<b>(40,840)</b>	(33,493)
	<hr/>	<hr/>
Total adjusted EBITDA	<b>350,782</b>	39,169
Adjustments:		
Depreciation and amortization	<b>(232,539)</b>	(251,981)
Share-based compensation expenses – related to employee benefit expenses	<b>(32,222)</b>	(10,295)
Share-based expenses – related to regional sponsors	–	(158,442)
Share-based expenses – related to equity transactions	–	(1,258,131)
Fair value change of financial liabilities of the Company	–	1,029,661
Listing expenses	–	(5,536)
Finance income	<b>17,243</b>	11,367
Finance costs	<b>(62,197)</b>	(56,002)
Income tax expenses	<b>(10,041)</b>	(6,579)
	<hr/>	<hr/>
Profit/(loss) for the period	<b>31,026</b>	(666,769)
	<hr/>	<hr/>

### 3. INCOME TAX

	<b>For the six months ended 30 June</b>	
	<b>2024</b> <i>USD'000</i> <b>(Unaudited)</b>	<b>2023</b> <i>USD'000</i> <b>(Audited)</b>
Current tax on profits for the period	<b>13,921</b>	23,239
Deferred income tax	<b>(3,880)</b>	(16,660)
	<hr/>	<hr/>
<b>Total</b>	<b>10,041</b>	6,579
	<hr/>	<hr/>

### 4. DIVIDENDS

The Directors of the Company do not recommend the payment of any dividends for the six months ended 30 June 2024.

## 5. EARNINGS PER SHARE

### (a) Basic

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the reporting period.

	<b>For the six months ended 30 June</b>	
	<b>2024 (Unaudited)</b>	<b>2023 (Audited)</b>
Net profit/(loss) attributable to owners of the Company ( <i>USD'000</i> )	<u>27,589</u>	<u>(640,967)</u>
Weighted average number of shares ( <i>thousands</i> ):		
Class A Ordinary Shares outstanding	–	2,182,405
Class B Ordinary Shares outstanding	–	896,675
Class A Shares outstanding	<b>979,333</b>	–
Class B Shares outstanding	<b>7,832,833</b>	–
<b>Total weighted average number of shares outstanding</b>	<b><u>8,812,166</u></b>	<b><u>3,079,080</u></b>
<b>Basic earnings/(losses) per share (<i>USD cent</i>)</b>	<b><u>0.3</u></b>	<b><u>(20.8)</u></b>

### (b) Diluted

The calculation of the diluted earnings/(losses) per share is based on the profit/(loss) attributable to equity holders of the Company, adjusted to reflect the impact from any dilutive potential ordinary shares that would have been outstanding, as appropriate. The weighted average number of ordinary shares used in calculating diluted losses per share is the weighted average number of ordinary shares, as used in the basic earnings/(losses) per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

	<b>For the six months ended 30 June</b>	
	<b>2024 (Unaudited)</b>	<b>2023 (Audited)</b>
Net profit/(loss) attributable to owners of the Company ( <i>USD'000</i> )	<b>27,589</b>	(640,967)
Adjustment for fair value change of the Company's convertible preferred shares through profit or loss	–	(1,029,661)
Net profit/(loss) attributable to owners of the Company ( <i>USD'000</i> )	<b>27,589</b>	(1,670,628)
Weighted average number of shares ( <i>thousands</i> ):		
Weighted average number of shares outstanding	<b>8,812,166</b>	3,079,080
Adjustment for convertible preferred shares of the Company	–	4,462,140
Weighted average number of shares for calculation of diluted earnings/(losses) per share	<b>8,812,166</b>	7,541,220
Diluted earnings/(losses) per share ( <i>USD cent</i> )	<b>0.3</b>	(22.2)

## 6. TRADE RECEIVABLES

The majority of the balances of trade receivables are generally due from customers of cross-border services and enterprise or other direct customers of express delivery services in China, Indonesia, Thailand, the Philippines, Malaysia and other countries, and customers of other services, to whom the Group generally grants a credit period of 30 to 120 days.

For outlets of network partners in China, service fees are typically required to be prepaid.

At the end of the Reporting Period, the aging analysis of trade receivables based on invoice date is as follows:

	As at <b>30 June</b> <b>2024</b> <i>USD'000</i> <b>(Unaudited)</b>	As at 31 December 2023 <i>USD'000</i> <b>(Audited)</b>
Within 1 month	303,742	319,037
1-4 months	209,229	219,765
4-6 months	38,130	40,050
6-9 months	7,900	5,777
9-12 months	18,254	4,647
Above 12 months	7,966	3,611
Less: provision for impairment	<u>(44,518)</u>	<u>(36,909)</u>
<b>Total</b>	<b><u>540,703</u></b>	<b><u>555,978</u></b>

## 7. TRADE PAYABLES

At the end of the Reporting Period, the aging analysis of trade payables based on invoice date is as follows:

	As at <b>30 June</b> <b>2024</b> <i>USD'000</i> <b>(Unaudited)</b>	As at 31 December 2023 <i>USD'000</i> <b>(Audited)</b>
Within 3 months	419,440	433,167
3-6 months	12,535	18,311
6-9 months	7,053	8,596
9-12 months	5,170	3,117
Above 12 months	<u>6,250</u>	<u>3,713</u>
<b>Total</b>	<b><u>450,448</u></b>	<b><u>466,904</u></b>

## **OTHER INFORMATION**

### **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company is committed to achieving a high standard of corporate governance to facilitate its long-term development and to protect the interests of its shareholders. In this regard, the Company's corporate governance practices are based on the principles of good corporate governance and code provisions set forth in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Save as mentioned below, the Company has complied with all the code provisions of the CG Code during the Reporting Period and up to the date of this announcement.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company deviates from this provision because Mr. Jet Jie Li performs both the roles of the Chairman of the Board and the Chief Executive Officer of the Company. Mr. Jet Jie Li is the founder of the Group and has extensive experience in the business operations and management of our Group. Our Board believes that vesting the roles of both Chairman of the Board and Chief Executive Officer to Mr. Jet Jie Li has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning. This structure will enable our Company to make and implement decisions promptly and effectively. Our Board considers that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors. Our Board will reassess the division of the roles of Chairman and the Chief Executive Officer from time-to-time, and may recommend dividing the two roles between different people in the future, taking into account the circumstances of our Group as a whole.

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they had strictly complied with relevant requirements of the Model Code during the Reporting Period. The Company is not aware of any incident of non-compliance of the Model Code by the Directors.

### **PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES**

During the Reporting Period, the Company or any of its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities.

## **EVENTS AFTER THE REPORTING PERIOD**

No material events has occurred after 30 June 2024 and up to the date of this announcement which would have an effect on the Group.

## **INTERIM DIVIDENDS**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2024.

## **AUDIT COMMITTEE**

The Company has established the Audit Committee in accordance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee comprises one non-executive Director, Ms. Alice Yu-fen Cheng, and two independent non-executive Directors, Mr. Erh Fei Liu and Mr. Peter Lai Hock Meng. Mr. Peter Lai Hock Meng is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 June 2024 and discussed with the senior management of the Company and the Company's auditor, PricewaterhouseCoopers, regarding the accounting policies and practices adopted by the Company as well as risk management and internal control matters.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.jtexpress.com](http://www.jtexpress.com)). The interim report of the Company for the six months ended 30 June 2024 will be dispatched to the shareholders of the Company who wish to receive a printed copy of the corporate communication and will also be published on the aforesaid websites of the Stock Exchange and the Company in due course.

By order of the Board  
**J&T Global Express Limited**  
**Mr. Jet Jie Li**  
*Executive Director, Chairman of the Board and  
Chief Executive Officer*

Hong Kong, 19 August 2024

*As of the date of this announcement, the Board of Directors of the Company comprises Mr. Jet Jie Li as executive Director, Ms. Alice Yu-fen Cheng, Ms. Qinghua Liao and Mr. Yuan Zhang as non-executive Directors, and Mr. Erh Fei Liu, Mr. Peng Shen and Mr. Peter Lai Hock Meng as independent non-executive Directors.*