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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of J&T Global Express Limited (the "**Company**") announces the audited consolidated results of the Company, its subsidiaries and consolidated affiliated entities (the "**Group**") for the year ended 31 December 2024 (the "**FY2024**", or "**Reporting Period**"). The consolidated financial statements for the Reporting Period have been audited by PricewaterhouseCoopers, the independent auditor of the Company (the "**Auditor**") in accordance with International Standards on Auditing 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 and where the context otherwise requires, the Group.

SUMMARY

Financial Highlights

	For the year ended 31 December		
	2024	2023	
	Amount	Amount	Year-on-year Change
	USD'000	*USD'000*	*%*
Revenue	**10,259,104**	8,849,251	15.9%
Including: Revenue from express delivery services	**9,980,319**	8,086,778	23.4%
Gross profit	**1,078,215**	472,798	128.0%
Operating profit/(loss)	**210,543**	(1,766,550)	N/A
Profit/(loss) for the year	**113,704**	(1,156,378)	N/A
Adjusted net profit/(loss)[1]	**200,333**	(432,277)	N/A
Adjusted EBITDA[2]	**778,279**	146,694	430.5%
Adjusted EBIT[3]	**301,283**	(334,761)	N/A
Net cash flow generated from operating activities	**807,428**	341,953	136.1%

Note 1: Adjusted net profit/(loss) (a non-IFRS (as defined below) measure) ("**Adjusted net profit/(loss)**") was defined as profit/(loss) for the year 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.

Note 2: Adjusted EBITDA (a non-IFRS measure) ("**Adjusted EBITDA**") was defined as profit/(loss) for the year 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.

Note 3: Adjusted EBIT (a non-IFRS measure) ("**Adjusted EBIT**") was defined as profit/(loss) for the year 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 year ended 31 December 2024					
	SEA[1]	**China**	**New Markets**[2]	**Cross-border**[2]	**Unallocated**	**Total**
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	**3,220,892**	**6,388,135**	**575,550**	**74,527**	**–**	**10,259,104**
Segment cost	**(2,587,661)**	**(5,965,746)**	**(545,886)**	**(81,596)**	**–**	**(9,180,889)**
Segment gross profit (loss)	**633,231**	**422,389**	**29,664**	**(7,069)**	**–**	**1,078,215**
Adjusted EBITDA	**455,630**	**427,290**	**(42,997)**	**(28,972)**	**(32,672)**	**778,279**
Adjusted EBIT	**302,744**	**147,199**	**(76,465)**	**(39,244)**	**(32,951)**	**301,283**

	For the year ended 31 December 2023					
	SEA	China	New Markets	Cross-border	Unallocated	Total
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	2,633,417	5,229,255	326,802	659,777	–	8,849,251
Segment cost	(2,163,087)	(5,170,433)	(325,152)	(717,781)	–	(8,376,453)
Segment gross profit (loss)	470,330	58,822	1,650	(58,004)	–	472,798
Adjusted EBITDA	375,685	30,730	(81,662)	(106,961)	(71,098)	146,694
Adjusted EBIT	203,343	(236,488)	(111,331)	(118,968)	(71,317)	(334,761)

Note 1: For the purpose of this announcement, Southeast Asia (the "**SEA**") includes seven countries, namely, Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia and Singapore.

Note 2: 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" refers to Saudi Arabia, UAE, Mexico, Brazil and Egypt.

Operational data

In 2024, the Company handled a total of 24.65 billion parcels, representing an increase of 31.0% as compared to 18.81 billion parcels in 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 in 2024:

	For the year ended 31 December				
	2024 **_In millions_**	2023 *In millions*	**Year-on-year change**	**2024 Market Share**	2023 Market Share
SEA	**4,563.2**	3,240.0	40.8%	**28.6%**	25.4%
China	**19,801.2**	15,341.4	29.1%	**11.3%**	10.6%
New Markets	**281.2**	230.3	22.1%	**6.1%**	6.0%

Note: Market share is calculated based on parcel volume and sourced from Frost & Sullivan. The State Post Bureau of China has revised the basis for calculating total industry parcel volume. The market shares for 2024 and 2023 in the table are both based on the new basis.

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY REVIEW[1]

(I) Southeast Asia

1. *Macro Environment and Consumer Trends in SEA*

The SEA market maintains rapid growth and is one of the fastest-growing regions in the world. In 2024, the global economy has experienced a downward inflation phase. Although a global recession was avoided, the economic growth remains sluggish. Despite these challenges, Southeast Asia (SEA) maintained one of the fastest-growing economies worldwide, fueled by a rebound in global trade, a sustained recovery in inbound tourism, and strong domestic demand. According to Frost & Sullivan, nominal gross domestic product ("**GDP**") of SEA reached US$3.9 trillion in 2024, representing a year-on-year increase of 4.4%; nominal GDP per capita reached around US$6,000, representing a year-on-year increase of 3.4%. SEA is expected to remain one of the fastest-growing economies in the world from 2025 to 2029, with a compounded annual growth rate (CAGR) of 7.0% in nominal GDP.

The recovery of the consumer market lays the foundation for the development of e-commerce and express delivery markets. 2024 saw a significant slowdown in inflation in the SEA, thanks to proactive regulation by central banks across various countries. According to the World Economic Outlook published by the International Monetary Fund (IMF) in October 2024, the growth rate of the Consumer Price Index ("**CPI**") in the major SEA countries in 2024 was 1.2 percentage points lower than that in 2023. The low inflation environment and robust labor market in SEA have contributed to rising household incomes, ensuring that private consumption will remain firm, while buoyant external remittances will boost domestic consumption in the corresponding region. According to Frost & Sullivan, total retail sales in SEA reached US$1.1 trillion in 2024, representing a year-on-year increase of 3.2%, maintaining a rapid growth.

[1] Unless otherwise specified, all industry data are sourced from Frost & Sullivan.

2. *E-Commerce Growth and Trends in SEA*

With the rapid development of the e-commerce retail market, the e-commerce penetration rate is further increased. In recent years, the infrastructure in SEA has been continuously improved, the level of per capita GDP and purchasing power has risen rapidly, the middle class has risen rapidly, the digital adoption has been increasing, and the consumer habits and retail channels of enterprises have shifted online. According to Frost & Sullivan, in 2024, the transaction value of the e-commerce retail market increased by 25.7% year-on-year, reaching US$238.25 billion, representing an e-commerce penetration rate of 22.0%, and a year-on-year increase of 3.9 percentage points from 2023. In 2024, the existing major e-commerce platforms have increased their resource investment and rapidly grown. Under the competition between new and old players, each e-commerce platform continues to optimize its service systems, improve user coverage and product sales, and further increase the demand for express delivery services in the market.

Social e-commerce is a strong growth engine for the e-commerce retail market. As an emerging model of e-commerce, social e-commerce has successfully led the transformation of consumer behaviors and the e-commerce market landscape. Social e-commerce companies such as TikTok and Meta, which sell goods online through social group sharing and interaction, combined with their creative new gameplay, are typically popular among younger consumers with stronger purchasing power and high growth potential. According to Frost & Sullivan, the retail transaction value of social e-commerce reached US$109.08 billion in 2024, representing a year-on-year increase of 33.2%, accounted for 45.8% of the total e-commerce retail market, and the percentage of social e-commerce is expected to reach 51.9% in 2029.

3. *Growth and Policies of the Express Delivery Industry in SEA*

The rapid development of express delivery market in SEA has raised demands for high-quality express delivery services. With the improvement of the macro-economic and the booming development of the e-commerce retail market, the demand for express delivery market in SEA continues to expand. According to Frost & Sullivan, the total parcel volume of the express delivery market in SEA reached 15.98 billion parcels in 2024, representing a year-on-year increase of 25.2%. With the gradual maturity of the express delivery industry, the competition in the e-commerce industry is becoming increasingly fierce, and e-commerce platforms, merchants, and consumers have higher requirements for timeliness and service experience. High cost-effective express delivery service can effectively help e-commerce companies and sellers stand out in fierce competition, becoming an important competitive advantage for express delivery companies.

Steady implementation of government policies empowers the express delivery industry in multiple dimensions. To promote the sustainable development of the express delivery industry in SEA, governments in multiple relevant regions have issued policies and guidelines to clarify relevant definitions and strategic directions and provide infrastructure support to aid the orderly development of the express delivery industry. For example, Indonesia's Digital Roadmap 2021-2024, aims to develop digital ecosystems covering logistics, governments and transportations; and Malaysia's National Logistics Development Strategy 2030, aims to provide the strategic framework for future logistics development, including improving transportation infrastructure, supporting the construction of logistics centers, and nurturing advanced logistics enterprises.

(II) China

1. Macro Environment and Consumer Trend in China

China's national economy is steadily recovering, and its high-quality development is making continuous progress. In 2024, despite facing complex external pressures and internal challenges, China's economy remained stable. in particular, the government implemented a series of incremental policies in a timely manner, effectively boosting social confidence and significantly restoring the economic momentum, and ensuring the achievement of key economic and social development objectives. According to the National Bureau of Statistics of China, China's GDP reached RMB134.9 trillion in 2024, representing a year-on-year increase of 5.0% at constant prices, which is higher than the expected global growth rate of around 3%, reaffirming China's position as the world's largest driver of economic growth.

Total consumption market volume reached a record high, with promising growth in rural markets. In 2024, China's economy stabilized and progressed, supported by a series of policies aimed at expanding domestic demand and promoting consumption. These measures contributed to a favorable recovery in consumer spending. According to the National Bureau of Statistics of China, total retail sales of consumer goods reached RMB48.8 trillion in 2024, setting a new record. Consumption remained one of the main drivers of economic growth, with consumer spending contributing 2.2 percentage points to economic expansion and accounting for 44.5% of GDP growth. Although this contribution was slightly lower than in the previous year, it remains higher than pre-pandemic levels, reflecting a transition to a more moderate and stable recovery phase. Regionally, retail sales of consumer goods in towns and cities amounted to RMB42.1 trillion, reflecting a 3.4% year-on-year increase, with per capita disposable income rising 4.6% in nominal terms. Meanwhile, rural retail sales amounted to RMB6.7 trillion, growing 4.3% year-on-year, with per capita disposable income increasing 6.6% in nominal terms. The rural market continues to outpace urban areas in both sales and income growth, highlighting significant potential for future expansion in lower-tier markets.

2. E-Commerce Growth and Trends in China

China is the world's largest e-commerce retail market, with new e-commerce modes contributing to the continuous increase in penetration rate. According to the National Bureau of Statistics of China, China's e-commerce retail sales reached RMB13.1 trillion in 2024, representing a year-on-year increase of 6.5%, a growth rate of 3.0 percentage points faster than that of the total retail sales of consumer goods. At the same time, benefiting from a mature industrial chain and a vast market, China's e-commerce industry is highly innovative, with new e-commerce modes such as live streaming commerce and real-time retailing emerging, and with the development of AI and other technologies, services have become more intelligent and personalized, which has a significant role in driving the growth of online consumption. According to data from the National Bureau of Statistics of China, the proportion of online retail sales of physical goods in the total retail sales of consumer goods reached 26.8% in 2024.

Rural e-commerce and social e-commerce are highly efficient drivers of the growth of China's e-commerce market. China is actively building an "e-commerce + industry belt" to enhance the resilience and synergy of e-commerce supply chain, and "promoting agricultural revitalization through digital business" to help agricultural products continue to rise. According to data published by the Ministry of Commerce, China's online retail sales of rural and agricultural products grew by 6.4% and 15.8% respectively in 2024, demonstrating strong growth. In recent years, e-commerce companies such as Taobao, JD and Pinduoduo have established social e-commerce sub-platforms to satisfy consumers' diverse and personalized consumption needs, and further expand the influence of content marketing under social attributes, driving the platforms to achieve rapid growth. According to Frost & Sullivan, the social e-commerce retail market in China increased from US$198.88 billion in 2020 to US$754.38 billion in 2024 at a CAGR of 39.6%, and the proportion of social e-commerce in the total e-commerce market reached 36.9% in 2024.

3. Growth and Policies of the Express Delivery Industry in China

China's express delivery industry is growing rapidly and the service level continues to improve. According to the data disclosed by the State Post Bureau of the People's Republic of China, the cumulative volume of express delivery industry reached 175.08 billion parcels in 2024, representing a year-on-year increase of 21.5%. Meanwhile, the service quality of the express delivery industry continued to improve, which includes a further enhancement in timeliness. According to the data for the first three quarters of 2024 released by the State Post Bureau of the People's Republic of China, the 72-hour on-time rate of express delivery services in key regions was 82.09%, and the corresponding 72-hour on-time rate in the same period of 2023 was 81.12%. The overall delivery time limit of express delivery services in the first three quarters of 2024 was 55.03 hours, a reduction of 1.21 hours compared to the same period in 2023, indicating improved efficiency in the delivery process.

Multiple national policies have promoted the stable and healthy development of China's express delivery market. The government has issued multiple policies and reform measures to promote the healthy and orderly development of express delivery industry and create a favorable business environment. Relevant policies include the Plan for the Development of Modern Logistics during the "14th Five-Year Plan" (2021-2025), which aims to develop and improve both domestic and cross-border logistic network; the Outline of the Plan for the Strategy to Expand Domestic Demand (2022-2035), which aims to improve the logistics infrastructure network, coordinate national logistics hubs and increase cross-regional logistics service capacity; the Special Action Plan for the High-quality Development of Trade Logistics (2021-2025), which aims to build a smooth, efficient and collaborative modern commercial logistics system; the Three-Year Action Plan for Digital Commerce (2024-2026), which emphasizes the promotion of the digital development of logistics in the trade circulation field and the coordinated development of e-commerce and express logistics; and the Administrative Measures for the Express Delivery Market 2024 (《快遞市場管理辦法2024》), which aims to strengthen the supervision and management of the express delivery market and promote the healthy development of the express delivery industry.

(III) New Markets

1. *Macro Environment and Consumer Trend in the New Markets*

The growth of the GDP in the New Markets has slowed down in the short term, but the long-term high-growth prospects will remain unchanged. In 2024, the global economy continued to grow, but with the tightening of monetary policies, the economies of the New Markets also faced more complex challenges from 2024 to 2025 after the strong rebound from the pandemic, with a slowdown in economic growth. According to Frost & Sullivan, the total nominal GDP of the New Markets registered a year-on-year increase of 2.5% in 2024, reaching US$6.1 trillion, and the nominal GDP per capita reached US$12.2 thousand. Among them, the UAE and Saudi Arabia had the most prominent nominal GDP per capita, i.e., around US$50 thousand and around US$33 thousand, respectively. Currently, the total and per capita levels of the New Markets are significantly higher than those of SEA, bringing vast potential for the e-commerce and express delivery industries. It is estimated that the nominal GDP of the New Markets will increase from US$6.2 trillion in 2025 to US$7.7 trillion in 2029, representing a CAGR of 5.6% and thus maintaining a relatively high-growth trend in the future.

Consumption in the New Markets remains relatively stable, anticipating a recovery in the economic environment in the near future. Against the backdrop of tightened monetary policies, the inflation in the New Markets was gradually brought under control in 2024. According to the data from the World Economic Outlook published by the International Monetary Fund in October 2024, the inflation rates in the various countries among the New Markets slowed down. Meanwhile, the New Markets generally implemented expansionary fiscal policies. Specifically, Mexico, Egypt, and Saudi Arabia further expanded their government deficits in 2024, and Brazil also maintained a relatively high deficit ratio, which is conducive to sustaining consumer scale. Constrained by a complex macroeconomic policy environment, short-term adverse effects have been brought to consumer markets in New Markets. According to Frost & Sullivan, total retail sales in the New Markets reached US$762.14 billion in 2024, representing a year-on-year increase of 2.2%. Nevertheless, with effective inflation control and the recovery of the economic environment, the CAGR from 2025 to 2029 is expected to reach 4.2%, laying a solid foundation for the rapid growth of the e-commerce and express delivery markets.

2. ***E-Commerce Growth and Trends in New Markets***

The continuous online transformation of the retail market has further increased the penetration rate of e-commerce. Economic development and increased internet penetration rate have promoted a shift in shopping habits of the consumers in New Markets from offline to online channels. According to Frost & Sullivan, the e-commerce retail transaction value in the New Markets totaled US$132.37 billion in 2024, representing a year-on-year increase of 20.4%, reflecting that the e-commerce retail industry has maintained an impressive growth rate and has continued to contribute to the increase in e-commerce penetration. Compared to China and SEA, the e-commerce penetration rate in the New Markets is 17.4%, which is still at a relatively low level. Total e-commerce retail sales in the New Markets is expected to grow at a CAGR of 19.1% from 2025 to 2029, and the e-commerce penetration rate is also expected to grow continuously to reach 35.1% in 2029.

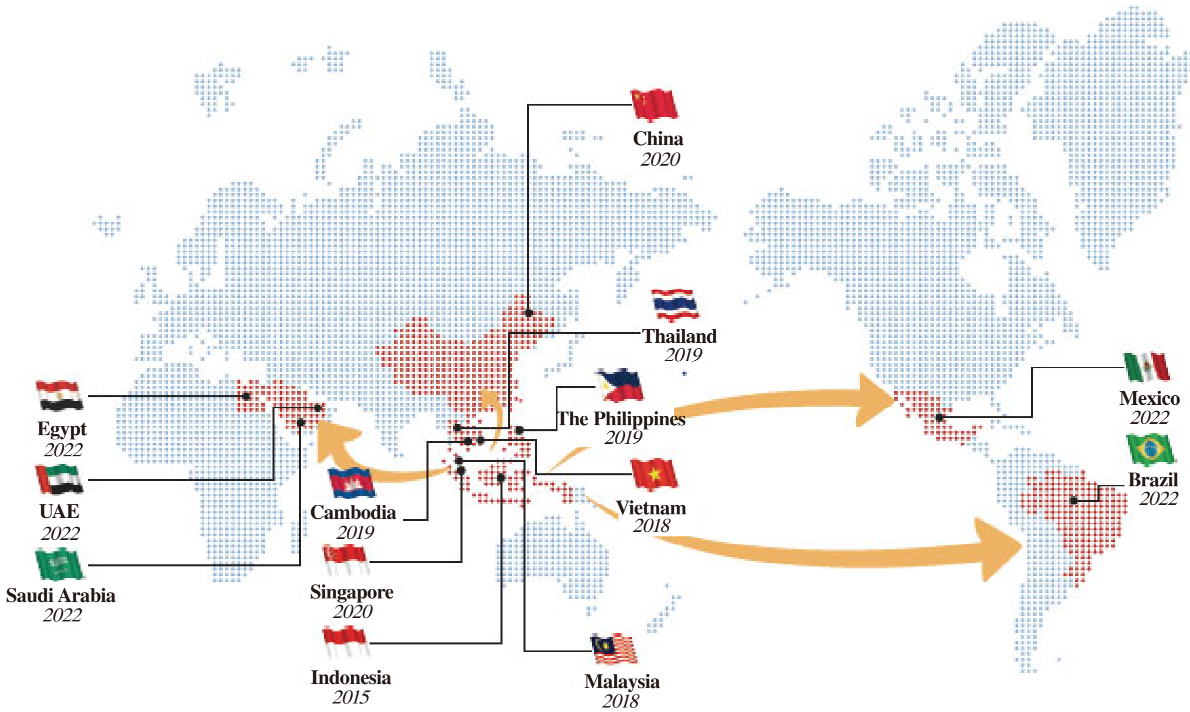
With the booming of cross-border e-commerce industry, cross-border e-commerce platforms continue to develop New Markets. Economic growth, rising consumption, increased e-commerce penetration rate and the convenience brought about by new e-commerce platforms have contributed to the growth in demand for global products among local consumers. Therefore, cross-border e-commerce continued to develop in 2024 and has become one of the key driving forces for e-commerce market development. Many global e-commerce platforms continue to invest in New Markets. For example, Temu and Kwai have entered the Brazilian market in 2024, and TikTok has entered the Mexican market in early 2025. At the same time, major e-commerce platforms are increasing their investment in the semi-custodial model and the local-to-local model. This has further propelled the cross-border e-commerce market in New Markets into a new stage and also raised the requirements for the local service capabilities of express delivery companies.

3. ***Development of the Express Delivery Industry in New Markets***

The express delivery industry grows rapidly in the New Markets, and the value of third-party logistics as an independent enabler continues to increase within this expanding landscape. This growth in the express delivery industry is driven by the accelerated growth of the total retail market and the rapid development of the e-commerce retail market. According to Frost & Sullivan, the total parcel volume of the express delivery industry in the New Markets reached 4.59 billion parcels in 2024, representing a year-on-year increase of 18.6%, which is expected to grow at a CAGR of 17.4% from 2025 to 10.20 billion parcels in 2029. As more e-commerce platforms are deployed in the New Markets, third-party express delivery service providers, as independent enablers, make it possible for e-commerce platforms and merchants to quickly improve their local operation systems and continuously achieve lower costs. This role is becoming increasingly important.

II. BUSINESS DEVELOPMENT

(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. This 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 the Chinese market. In 2022, the Company replicated its successful experience in other markets, expanding further into Saudi Arabia, UAE, Mexico, Brazil and Egypt.

In 2024, the Company handled a total of 24.65 billion parcels, representing an increase of 31.0% as compared to 18.81 billion parcels in 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 in 2024:

	For the year ended 31 December				
	2024 ***In millions***	2023 *In millions*	**Year-on-year Change**	**2024 Market share**	2023 Market share
SEA	**4,563.2**	3,240.0	40.8%	**28.6%**	25.4%
China	**19,801.2**	15,341.4	29.1%	**11.3%**	10.6%
New Markets	**281.2**	230.3	22.1%	**6.1%**	6.0%

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

As of 31 December 2024, the Company had approximately 19,100 outlets, and operated 238 sorting centers and more than 11,900 line-haul vehicles, including more than 6,600 self-owned line-haul vehicles.

(II) Southeast Asia (the "SEA")

1. Ranked Number One in SEA for 5 consecutive years

In SEA, the Company's leading market share, competitive pricing, high quality of service and healthy profitability are factors that have established its dominant position in the region. According to Frost & Sullivan, the Company has been the number one express delivery operator by parcel volume in SEA market since 2020. This leadership was sustained in 2024, with the Company holding a market share of 28.6% in SEA.

In 2024, some e-commerce platforms continued to develop their own in-house logistics capabilities, and the proportion of self-built logistics reached a relatively high level. The Company remains committed to being an independent e-commerce enabler, capable of integrating parcels of all e-commerce platforms and continuously expanding non-platform parcels. By leveraging economies of scale and replicating China's successful express delivery experience, the Company aims to reduce express delivery costs. This strategy not only assists e-commerce platforms in lowering their fulfillment costs but also helps to enhance the penetration of e-commerce in SEA.

The following chart shows top five express delivery operators (by parcel volume) in SEA in 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	4.56	28.6%
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	3.92	24.5%
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	1.10	6.9%
4	Company C	Direct Operation Model	An e-commerce express delivery service provider, established in Thailand in 2017	Thailand, Malaysia and the Philippines	1.00	6.2%
5	Company D	Direct Operation Model	A Thai state-owned enterprise providing postal services, established in 1883	Mainly Thailand	0.77	4.8%

2. *Growth and Momentum of Parcel Volume*

In 2024, the Company handled 4.56 billion parcels in SEA, representing a year-on-year increase of 40.8% as compared to 3.24 billion parcels handled in 2023. According to Frost & Sullivan, the Company was the number one express delivery operator in SEA by parcel volume in 2024, with a market share of 28.6%, representing an increase of 3.2 percentage points compared to 25.4% in 2023. This growth further consolidated the Company's leading position and competitive advantage in SEA. Looking ahead, the Company will further increase its market share by leveraging its first-mover advantage, high-quality services and competitive pricing, and establish an absolute leading competitive edge at the relatively early stage in the development of the express delivery market in SEA.

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 strong customer relationships, the Company provides stable and efficient logistics services support for the development of the e-commerce industry, which will continue to empower the rapid development of e-commerce customers. The Company has always acted as an independent e-commerce enabler and remains as the primary express delivery service provider for a number of e-commerce platforms, thus always benefiting from the overall growth in e-commerce market and the emergence of social e-commerce. At the same time, the Company has diversified its customer structure and expanded its non e-commerce platform customers, including seller customers on social media, online business of chain stores, branded customers and individual parcels. 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.

Scale effects and empowerment derived from the China experience have resulted in continuous cost reductions, enabling the Company to offer more competitive pricing. 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 systematically empowered it to SEA to continue to reduce the cost per parcel in SEA. The year-on-year decrease of 14.9% in the cost per parcel in SEA in 2024 has attested to the effectiveness of this strategy. The Company has recognized the continuous cost-reduction potential resulted from scale effects and empowerment derived from China experience. It has the ability and confidence to continue to reduce costs of each process in SEA, which in turn will drive the Company to provide customers with competitive pricing. The Company develops pricing with e-commerce platforms that includes more volume discounts in order to obtain more parcels from the e-commerce platforms and to promote scale effects and further reduce the Company's costs. 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 and lower the fulfillment costs of e-commerce platforms, thereby increasing e-commerce penetration in the SEA market.

Continuous improvement of service quality is essential to 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. (i) The Company can provide stable and efficient capacity to customers. During the Double Twelve Shopping Festival in 2024, the Company processed more than 24.0 million parcels on a single day, which demonstrated the Company's strong express delivery network and capacity flexibility, enabling it to provide solid service guarantees for customers during peak seasons; (ii) In 2024, the Company's average delivery time for parcels in SEA was further reduced by 10.5% on a year-on-year basis as compared to that in 2023, and the lost parcel rate and damaged parcel rate continued to decline as well; (iii) based on the needs of local customers, the Company offers a wide range of cash on delivery (COD) services in SEA to address e-commerce settlement challenges. Meanwhile, the Company improves the service level of couriers through continuous training and assessment incentives, helps e-commerce platforms and sellers increase their product acceptance rates, and enhances the Company's customer mindset and competitiveness; (iv) the Company continues to localize China's more comprehensive customer service solutions in SEA, optimizes its information technology systems, provides more convenient order tracking, telephone customer service, artificial intelligence customer service and other services, and optimizes the service experience.

3. Continuing the Optimization of Operations in Each Process

The express delivery industry significantly demonstrates the economies of scale. In 2024, the Company's parcel volume in SEA increased by 40.8% year-on-year, with an average daily parcel volume of 12.5 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 systematically empowered SEA with its experience in express delivery operations in China, and continued to optimize operational efficiency in all processes, and improved the quality of its operations across the network. In 2024, the Company's average cost per parcel in SEA continued to decline from US$0.67 in 2023 to US$0.57 in 2024. For specific Optimization of Operations, please see "Review of Financial Results – Economic Benefits per Parcel".

4. Maintaining a Healthy Level of Profitability

With successful business development and operation leverage, the Company continued to show an attractive combination of growth and profitability in SEA in 2024. The Company's adjusted EBIT in SEA was US$302.7 million in 2024, representing an increase of 48.9% as compared to US$203.3 million in 2023. The adjusted EBIT margin amounted to 9.4%, representing a year-on-year increase of 1.7 percentage points. In 2024, the adjusted EBITDA reached US$455.6 million, representing a year-on-year increase of 21.3%. The Company is an independent e-commerce enabler, providing cost-effective express delivery services to all e-commerce platforms and continuously expanding its non e-commerce platform customers, 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. 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. *Continuing to Consolidate its Industry Position in China*

Since entering the Chinese market in March 2020, the Company has continuously improved its express delivery network, enhanced service quality, and steadily increased its market share, thus consolidating its industry position in China. In 2024, in terms of parcel volume processed, the Company accounted for 11.3% of the market share in China, with 19.8 billion parcels. This represents an increase of 0.7 percentage points compared to its market share of 10.6% in 2023, calculated on a comparable basis. According to Frost & Sullivan, the Company ranks No. 6 among express delivery operators in China, and ranks No. 5 among express delivery operators in the network partner model in China.

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

Rank	Express Delivery Operators	Business Model	Introduction	Parcel Volume *(In billion)*	Market Share
1	Company E	Network Partner Model	Established in 2002	34.05	19.4%
2	Company F	Network Partner Model	Established in 2000	26.57	15.2%
3	Company G	Network Partner Model	Established in 1999	23.78	13.6%
4	Company H	Network Partner Model	Established in 1993	22.73	13.0%
5	Company I	Direct Operation Model	Established in 2019	20.08	11.5%
6	J&T	Regional Sponsor Model (supported by Network Partner Model)	Established in 2019	19.80	11.3%

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

2. *Growth and Momentum of Parcel Volume*

In 2024, the Company handled 19.80 billion parcels in China, representing a year-on-year increase of 29.1% compared to 15.34 billion parcels in 2023, higher than the growth rate of the industry.

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

With the rapid growth of China's express delivery industry, express delivery policies promote the healthy development of the industry. According to the data of the State Post Bureau, in 2024, the parcel volume of China's express delivery industry reached 175.08 billion parcels, representing a year-on-year increase of 21.5% on a comparable basis. While China's express delivery industry has shown rapid growth, new express delivery policies and regulations continue to be issued and implemented, ensuring the quality and safety of express delivery services and promoting the healthy development of the express delivery industry.

Continuous improvement of service quality, enhancement of customer mix and diversification of customer base. The Company is committed to continuously improving service quality of overall network, enhancing customers' satisfaction, shortening average delivery time of express delivery and increasing the proportion of same-day and next-day deliveries. The Company continued to improve its volume mix, and focused on the mutual development of business on multiple e-commerce platforms. At the same time, the Company diversified its customer base through various ways, such as establishing dedicated working group to develop branded customers, and promoting the growth of reverse logistic parcels and individual parcels through the development of service stations operated by the Company and its network partners (the "**service stations**") and a variety of marketing activities.

Deepen the rural coverage of express delivery network, and continue to expand into low-tier markets. Since entering the Chinese market in 2020, the Company continued to enhance the construction of express delivery network in rural areas. As of 31 December 2024, the Company's coverage rate of express delivery to villages has been increasing, ranking among the top in the industry. The Company continued to improve the e-commerce shopping and express delivery experience of rural consumers, and solved delivery difficulties of agricultural products in rural areas through a variety of projects to assist farmers at the same time to facilitate agricultural products go out of the rural areas. The Company also cooperated with a number of e-commerce platforms to undertake parcel aggregation business targeting at remote areas, which greatly reduced the cost of logistics and solved the e-commerce difficulties of "no shipping included" at remote areas in the past, and progressively expanded the coverage of parcel aggregation business at remote areas.

3. 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 2023 to US$0.30 in 2024, continuing to reduce costs. Please see "Review of Financial Results – Economic Benefits per Parcel" for specific optimization of operations.

4. Adjusted EBIT Achieved a Turnaround from Loss to Profit

In 2024, the adjusted EBITDA of China's business was US$427.3 million, compared to US$30.7 million in 2023, with an adjusted EBITDA margin of 6.7% in 2024, representing a year-on-year increase of 6.1 percentage points as compared to that last year. The Company's profitability continued to enhance. At the same time, the adjusted EBIT for 2024 was US$147.2 million, while the adjusted EBIT recorded a loss of US$236.5 million for 2023. The adjusted EBIT of China's business achieved a turnaround from loss to profit, mainly due to achieving significant reduction in cost per parcel while maintaining the slight decrease in revenue per parcel:

The express delivery revenue per parcel slight decreased. The Company's revenue per parcel in 2024 was US$0.32, representing a slight decrease as compared to US$0.34 in 2023. In 2024, the express delivery industry still witnessed fierce competition and the price of express delivery continued to fall. The Company dynamically adjusted the price in different regions according to the industry trend to maintain its competitiveness, and at the same time, continued to improve its customer mix, attracted more high-quality customers through high cost-effective advantage and expanded the reverse logistic parcels and individual parcels business, providing a support for the Company's price.

The express delivery cost per parcel continued to reduce. The Company's cost reduction effect was significant, with cost per parcel decreasing to US$0.30 in 2024 from US$0.34 in 2023, mainly due to the scale effect arising from the growth of the Company's business volume and the continuous optimization in each operation process.

5. Introduction of Key Projects

Service Stations: In order to improve the quality of outlets delivery service and enhance delivery efficiency, the Company set up a special program for the promotion of service stations to incentive network partners to open new additional branded service stations or continue to enhance the operation of opened service stations by subsidies and other forms. Service stations can not only strengthen the control of outlets delivery, but also deepen the contact with individual customer, expanding the reverse logistic parcels and individual parcels business. As of 31 December 2024, the number of service stations of the Company was more than 32,000, demonstrating the significant effectiveness of the special program.

Investment of automated equipment in outlets: With the rapid growth of the Company's business volume across the network, the terminal processing capabilities of the network partners and outlets are critical to the efficient and stable operation of overall network. The Company encourages and assists network partners to invest in automated equipment in outlets through special incentive policies, unified procurement of equipment suppliers, assisting in equipment planning and customization and other means, to enhance its operation efficiency and reduce operation cost. In 2024, driven by the Company and network partners, the number of automated equipment in the Company's outlets increased by 80% on a year-on-year basis compared with 2023.

(IV) New Markets

1. *Growth and Momentum of Parcel Volume*

In 2024, the Company handled 281.2 million parcels in the New Markets, representing an increase of 22.1% as compared to 230.3 million parcels in 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:

Capturing the growth opportunities of the e-commerce and express delivery industry, and improving the pickup and delivery capabilities of express delivery network. The rapid development of the e-commerce industry in the New Markets, especially the entry of cross-border e-commerce, has made the market experience a key change, which led to a simultaneous rise in corresponding demand for express delivery services. The Company seizes the rapid development opportunities of the e-commerce and express delivery industry and continues to invest in the construction of express delivery network with well-established pickup and delivery capability, which provides services for extensive customer base, 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 developing and deepening partnerships with cross-border and local customers. The Company has established close partnerships with international cross-border e-commerce and short video broadcasting platforms such as Shein, Temu, TikTok, Shopee, Aliexpress, Kwai, etc. in the New Markets, and helps cross-border e-commerce platforms to solve logistics and distribution problems through the Company's wide geographical coverage and perfect infrastructure. Meanwhile, the Company emphasizes cooperation with local e-commerce platforms, such as Noon, a local e-commerce platform in the Middle East, and Salla, a local e-commerce platform in Saudi Arabia.

2. *Continuously investing in infrastructure development to enhance the capacity of local to local services*

As of 31 December 2024, the Company operated 35 sorting centers, 220 line-haul vehicles and a large number of branch line vehicles, and approximately 2,300 outlets in the New Markets. The Company continued to invest in infrastructure in New Markets, building new outlets to increase network coverage density, and increasing investment in automated sorting machines in sorting centers to improve network carrying capacity and operational efficiency. In 2024, the Company built 900 new outlets in the New Markets, and put in place two sets of automated sorting machines in sorting centers.

In 2024, there were fluctuations in cross-border policies in the New Markets, which has led to changes in the business model of cross-border e-commerce platforms, prompting the need for express service operators to have a better local express network, with both pickup and delivery capabilities. The Company had a wide reach, and the Company was well equipped with pickup and delivery capabilities with 2,300 outlets to match the express delivery needs of e-commerce platform customers in any business model. In the future, the Company will continue to enhance local to local services capabilities to better provide express services to consumers and customers and to realize its business growth.

III. CORE COMPETITIVENESS OF THE COMPANY

An Independent and Open Global E-commerce Enabler

By virtue of its enormous logistics network, reliable services, advanced express delivery experience and cost control capability learned from China and insights into the local market, the Company provides cost-competitive logistics services to the local market, while promoting the rapid growth of the e-commerce market. In cooperation with e-commerce partners, the Company maintains a neutral attitude and actively establishes diversified cooperation with the platforms. The Company believes that the market demand for e-commerce express delivery services continues to exist, and third-party express delivery companies are more likely to obtain more unit volume growth by virtue of the integration of all e-commerce platform parcels and the expansion of non e-commerce platform parcels, so as to obtain greater technical and cost advantages, and always benefit from the growth of e-commerce express delivery market. In addition to cooperating with leading e-commerce platforms such as Shopee, Lazada, Pinduoduo, Taobao, Tmall, Shein, Noon and Temu, the Company has also established partnerships with short video and live streaming platforms using social e-commerce services such as TikTok, Douyin, Kwai, Kuaishou and Xiaohongshu. Meanwhile, we focus on developing technologies to further deepen the integration of our service processes with partners. For example, the Company has independently developed an order management system adapted to overseas social e-commerce scenarios to help social e-commerce vendors manage live streaming sales, order performance and logistics shipments, which is conducive to deepening our cooperation with e-commerce customers and facilitating the competitiveness of our logistics and express delivery services.

Our Regional Sponsor Model

The Company will choose a more efficient mode of operation, taking into account the local market conditions. In SEA and China, the Company mainly operates on regional sponsor model, under which, the national headquarters retains the leadership and management duties, and critical parts of the Company's business network (including sorting centers, line-haul transportation and pickup & delivery process) are operated by regional sponsors. Through years of collaborating with regional sponsors and successfully expanding throughout other regions, the Company has accumulated deep and systematic knowledge with respect to effective management of regional sponsors and network partners. The regional sponsors maintain long-term cooperation with the Company, develop local markets and share benefits with the Company.

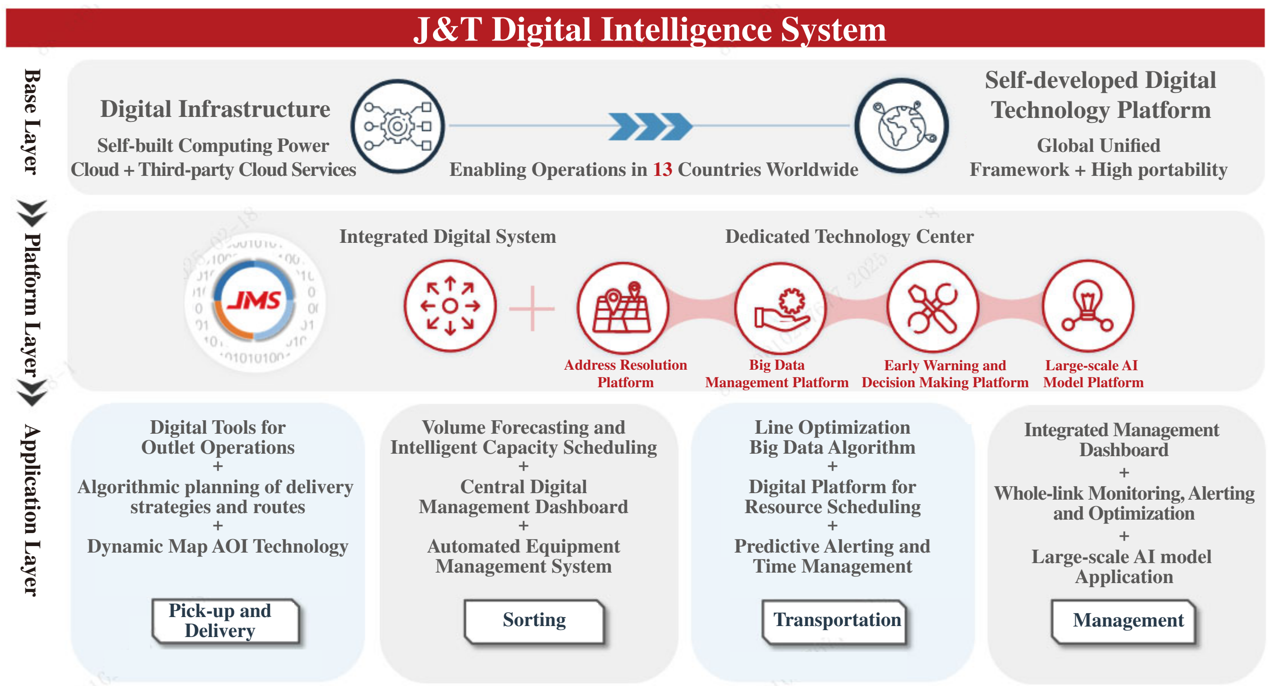
The Company's Regional Sponsor Model allows us to maintain effective management over our network. Regional sponsors can make decisions that promote the growth and success of the business based on their local knowledge and business experience in their respective regions to avoid unnecessary administrative hurdles. By collaborating with regional sponsors, the Company can leverage regional sponsors' resources and experience to expand the network and enter the New Markets rapidly and efficiently, while striving to reduce capital expenditures of the Company. Benefiting from the local knowledge and experience of regional sponsors, the Company can adjust its market strategies in a timely manner and provide high-standard services for customers. In addition, regional sponsors can help the Company supervise and manage the network partners, and require the pickup and delivery outlets follow unified service standards, ensuring the stability of service quality. Such regional sponsor business model can help the Company improve operational efficiency and achieve a leading market position in SEA and China.

An Adaptive Technology System Continuing to Empower Global Operations

In 2024, our R&D expenditures reached US$48.9 million, representing a year-on-year increase of 6.1%, accounting for 0.5% of our revenue. The Company achieved a systematic upgrade of its digital capabilities from outlets to the national headquarters, and "intelligent analysis + prediction + decision-making assistance" has been gradually implemented in various business segments. At the same time, through our own technology subsidiaries and equipment subsidiaries, we have further exported our technology systems overseas to achieve global synergies and improve efficiencies.

The Company has designed the JMS system, a universal technology framework that encompasses a broad range of critical functions, which can help build and continually upgrade the digital system in each market, build proprietary addressing platforms, allocate transportation and network resources, track and monitor the full lifecycle of parcels, ensure quality customer services, manage complex finance processes, and assist all network participants in enhancing efficiency with embracing emerging technologies. Over the years, through the seamless integration of this self-developed technology platform and our global customer mix, we have been promoting China's leading technology systems overseas, to empower local businesses. By consistently integrating with emerging technologies, we have driven the full digital intelligence transformation of logistics networks in each country, thereby building and solidifying our unique advantage as a global e-commerce enabler.

We continue to combine data + algorithms to build a powerful digital intelligence middle platform and develop application tools to meet the real needs of the business, so that solutions such as intelligent prediction and early warning, real-time planning and scheduling and optimization, and structured data dashboard can be gradually put into practice in all business segments, including receiving, transferring, transporting, and delivery. The Company's specialized address resolution middle platform can significantly improve the accuracy of address resolution in various markets, reduce misclassification and misdelivery, and improve timeliness. In SEA, our leading address digitization processing and algorithm analysis capabilities set us apart from our peers who rely on third-party address databases.



Introduction to J&T's Digitalization System

1. *Pickup and Delivery*

Comprehensively upgraded digital applications to enhance the operational efficiency of outlets. We continue to add and upgrade terminal digital applications to enhance the data access of outlets as the end of our digital ecosystem, and to provide better management tools for network partners. In 2024, we promoted the optimization of operational efficiency and experience enhancement of the system tools for courier pickup and delivery terminals, and focused on promoting the "Hello Boss" application in China and some SEA countries, which helps network partners, regional managers, and national headquarters to understand the current status of outlets in real time and improve the operational efficiency of outlets.

Taking "Hello Boss" as an example, in terms of operational efficiency, it can automatically calculate various indicators and data of network operation, which is beyond the simple data aggregation commonly seen in the industry. Based on efficient data insights, it covers comprehensive functions such as cost-profit model analysis and prediction, customer classification and forecasting and analysis of operational indicators to improve operational management efficiency.

In terms of data access, daily aggregation of data dimensions such as shipment, customer, finance, map address and distribution route, personnel and vehicle operation can be realized, thus strengthening the perception and judgment of the national headquarters and regional managers on the current state of operation and the direction of optimization. At present, the coverage rate of "Hello Boss" in China has exceeded 90%, and it has been gradually promoted to the SEA market, which is expected to significantly enhance the level of terminal digitization in the SEA region in the future, and to promote the improvement of the operational efficiency of the outlets.

The promotion of automated sorting machines and AI route-planning technology will expand the space for cost reduction of pickup and delivery. In 2024, on the one hand, we significantly encouraged and promoted the investment in automated sorting machines at outlets to enhance the per capita sorting efficiency of our outlets, and on the other hand, we explored the application of cutting-edge technologies such as unmanned vehicles and drones in the pickup and delivery. We also provided outlets with the Dynamic Digital Mapping (AOI, Area of Interest) function, which is based on the address resolution middle platform and dynamically aggregates regional addresses to optimize pickup and delivery routes, identify exceptions, and analyze the parcel volume and customer aggregation, thus providing momentum for improving the efficiency of pickup and delivery at outlets. At the same time, we have developed an intelligent planning tool, which can synthesize core information such as parcel volume, time efficiency, number of vehicles, vehicle type, and provide network staff in China with the shortest distance and the most cost-effective delivery routes, and it will also be gradually promoted to other countries. The combined use of these tools can help outlets reduce pickup and delivery costs and improve timeliness, as well as optimize staffing ratios, allowing couriers to spend more time and energy on customer development and improving service quality.

2. Sorting

We have been investing in the upgrading of automated sorting equipment to enhance sorting efficiency and continue to promote it overseas. Our equipment subsidiary integrates the upstream and downstream supply chain of the industry, and promotes the continuous and effective cost reduction of sorting centers through the substitution and upgrading of self-developed and self-produced equipment. Focusing on high-speed, automated and unmanned sorting equipment, we have overcome the difficulties in the industry in terms of equipment structure, system control and loading rate of irregular parcels. Through the continuous improvement of equipment such as high-speed measurement and scanning system (DWS), high-speed oscillating wheels and diamond chutes, we have promoted the efficiency of each segment of sorting, increased the per capita handling capacity and reduced sorting costs. At the same time, the Company continues to export China's advanced automated sorting machines and equipment management system to SEA and the New Markets through its equipment subsidiaries, and leverages China's experience to establish and continuously optimize equipment management and maintenance processes, helping countries to improve sorting efficiency and reduce sorting costs. As of 31 December 2024, we had 51, 226, and 2 sets of automated sorting equipment for sorting centers in SEA, China, and the New Markets, respectively, with an increase of 16, 27, and 2 sets compared to 2023.

Upgrading the digital capability of the sorting center to achieve "pre–event planning, in-event management, and post-event analysis". We provide technical application support to sorting center managers, offering accurate data analysis support and monitoring capabilities in the areas of inbound and outbound vehicle and cargo volume management and forecasting, equipment operation and labor management, as well as timeliness and financial measurement and forecasting. In the pre-event phase, through the combination of modules such as network cargo volume forecasting and intelligent planning of transportation capacity, we can arrange personnel and vehicles in advance according to the production capacity and time-period cargo volume, to improve per capita sorting efficiency and loading efficiency, and reduce the cost. During the event, in conjunction with the abnormality monitoring system, we can carry out real-time identification of abnormality problems and make intelligent decisions to deal with them, such as dynamic loading allocation, risk management, and solution to warehouse overflow, and carry out monitoring of non-compliant operations through machine vision technology. After the event, we conduct immediate reviews of planning, decision-making and other business strategies through the data Dashboard in real time, driving optimization and improvement initiatives. We are also promoting our rich and replicable experience in China globally, and promoting the all-round upgrading of the intelligence level of sorting centers in SEA and the New Markets, so as to realize cost reduction and efficiency improvement in sorting.

3. Transportation

We have established an intelligent route planning and resource control system to realize cost reduction and timeliness improvement. For route planning, we integrate the information such as routes, lines, frequency, and timeliness of each transportation segment, optimize and adjust transportation routes through algorithmic models, and continuously improve the routing planning of the whole network, so as to efficiently manage the fleet, reduce the use of temporary vehicles, and improve the loading rate. During the transportation process, real-time monitoring and algorithmic optimization of vehicle tracks across the network ensures stable and fast transportation of parcels, thus improving timeliness and fulfillment quality. In terms of operation management, the Company has established a forecasting system for transportation volume and capacity prices, reasonably deployed its own vehicles and those of third-party carriers, and pushed down procurement prices. The Company has also built a digital management application for vehicle and driver management, which combines the customer's timeliness assessment with the efficiency of the vehicles to reduce management difficulties and improve the punctuality rate. We have also unified our energy procurement and vehicle fuel consumption management systems to accurately manage vehicle fuel consumption levels online and reduce transportation costs.

4. ***Operational Support***

We have built an intelligent address resolution middle platform to continuously optimize the efficiency of each segment and to achieve a fast and reliable implementation of the address system across global markets. We have built a proprietary address digitization platform based on structured address databases and advanced algorithmic models, which can significantly improve the accuracy of address resolution in various markets, reduce misclassification and misdelivery, and improve timeliness. Especially in SEA, our leading address digitization processing and algorithm analysis capabilities set us apart from our peers who rely on third-party address databases. In order to solve the problems such as diverse languages in various countries, scarce local map data sources and low accuracy, we have designed specific algorithms for address datasets of various countries and languages and formed a standardized model system, which enables us to rapidly realize market expansion in new languages and regions driven by waybill data.

We have integrated the information flow of the full chain with the algorithmic model, and applied it to the management of functional departments and forecasting alerts to improve the overall quality of service delivery. Taking the full chain anomaly early warning function as an example, the "Timeliness Complaint" module launched in 2024 monitors multi-dimensional data along the entire chain of parcel delivery and operation, enabling real-time judgment of complaint risk for each in-transit waybill and analysis of the abnormal reasons, so as to optimize logistics timeliness prediction and improve service quality. After the launch of Timeliness Complaint module, it effectively helps business segments to sense the risk in advance and intervene to handle it, thus reducing the complaint rate and improving delivery timeliness.

We also continue to improve our digital intelligence applications to achieve more powerful analysis and prediction, management optimization and integrated assistance services. For example, we are upgrading the "Management Dashboard" function to serve the management of the Company, realizing daily network-wide data aggregation, analysis and prediction, and real-time monitoring of operating results, so as to realize efficient and dynamic adjustments from the regional level to the overall management decisions of the Group. In addition, we have continuously enriched the application areas of our large-scale model AI assistants by building a professional knowledge base based on our own training, inference computing power, and standardized large-scale AI model middle platform, and developed various types of AI service assistants, such as compliance review, intelligent customer service, and map data annotation, to help improve efficiency.

Providing Superior Quality Services to Meet Customer Needs

The Company is committed to improving the level of service quality in every country and region around the world. Together with our regional sponsors and network partners, the Company strives to provide high-quality services. The Company actively manages and optimizes its network density to ensure reasonable capacity for transportation and distribution during peak and off seasons, and standardizes and controls the service quality throughout the network by streamlining the operation process and improving the management efficiency of each link in the chain, so as to reduce the delivery time and improve the fulfillment accuracy, thereby improving service efficiency and providing consistent, reliable and quality transportation experience to consumers and customers.

Providing differentiated and customized services and innovating upon its service standards based on local market demands. The Company's services cover 13 countries and regions around the world in a very short period of time, mainly due to its ability to meet the local market demands according to local conditions. Whenever we enter a new market, the Company will design products and standards to meet the differentiated needs of local markets based on the needs of local customers and consumers, taking into account the macro-environment, infrastructure and other factors. For example, the Company provides a wide range of cash-on-delivery services in SEA, which addresses the obstacle of low access to online payment channels of the local market and allows e-commerce partners to reach a wider range of consumers. The Company has provided express delivery services such as 365-day operation and 24-hour customer service in Indonesia and Malaysia. In western China, the Company has launched parcel aggregation business, and has joined hands with e-commerce platforms to reduce the cost of express delivery in remote areas, so as to solve the long-term problems faced by consumers in western China, such as the lack of express delivery, high costs, slow service, and difficulties in accessing delivery. With the promotion of parcel aggregation business, the Company has covered 99.6% of the villages in Xinjiang, essentially achieving full coverage in the region.

The Company continuously monitors and optimizes a series of key business and service quality indicators and improves the indicator system according to the actual situation. The Company continuously monitors a series of key service quality indicators such as average delivery time, lost parcel rate and complaint rate, and is committed to continuously optimizing such indicators. In SEA, the Company improves its service quality indicators through a variety of measures such as reducing the transit times, shortening the parcel transportation routes, increasing the frequency of daily deliveries and monitoring and handling abnormal parcels in real time. In 2024, the Company has won several honors such as the "Indonesia Original Brands Award (IOB Award) excellent" and the "TOP Brand Award" in Indonesia, and has received many awards such as the "Trusted Brands Gold Award for Airfreight/Courier Services" in the Philippines, reflecting the recognition of consumers and the local influence of the Company. In 2024, the Company was honored with a series of awards, including the "2023 Annual Development Award in the Express Industry (2023快遞年度發展獎)", the "International Development Award in the Express Industry (快遞國際發展獎)" and the "Intelligent Driving Best Scale Commercial Award in the Express Industry (快遞智能駕駛最佳規模商用獎)".

Entrepreneurial and Experienced Management Team and Regional Sponsors

Our founder, Mr. Jet Jie Li, a serial entrepreneur with over 20 years of sales and entrepreneurial experience, is highly supported by a professional management bench and extensive regional sponsor groups. Our regional sponsors also form a pool of rich entrepreneurial and industry experience, bringing local know-how to our business and helping us execute our customized market strategies. Bringing diverse perspectives and an international outlook, our regional sponsors work closely with our management team to implement key strategic initiatives in our regions of operations and help us manage the vast network.

Our management team is dedicated to cultivating employees and promoting leaders. The Company continues to invest in employee training and skills development to promote the corporate culture and develop leaders with in-depth knowledge of the Company, the industry, technology and local market needs. The Company also hires excellent talents to join the Group and our country-level management teams, who are responsible for day-to-day operations in each market. Our experienced and entrepreneurial management teams, dynamic regional sponsors and vibrant entrepreneurial culture will continue to drive the Company to achieve the commercial success in all markets.

IV. COMPANY OUTLOOK AND STRATEGY

Focusing on SEA and China Markets to Strengthen our Market Position

In SEA, the Company has been the number one express delivery company in SEA for five consecutive years. The Company will provide high-quality services and competitive prices to further increase market share and solidify our leading position. (i) The Company will deepen our cooperation with all platforms, further increase our market share on various platforms, and continue to serve as the leading express service provider for several e-commerce platforms; (ii) the Company continues to develop non e-commerce platform customers such as social media merchants, business parcels, personal parcels, and continues to optimize its customer structure; (iii) the Company continues to systematically empower SEA with its experience in China, with the aim of continuously reducing the costs of each operational procedure. The empowerment of China experience will help the Company consistently gain technological, experience and cost advantages in SEA and maintain a dominant position in the market competition.

In China, the Company's market share has been increasing since the establishment of its network in 2020, and the Company is currently ranked No. 6 in the industry, and ranks No. 5 among express delivery operators in the network partner model in China. The Company will not stop the pace of progress, and will continue to enhance and consolidate its market position. (i) The Company continues to optimize its operating network and reduce the cost per parcel, in particular, the transportation and sorting cost per parcel; (ii) the Company will reach more customers and gain more high-quality customers by improving service quality and brand image.

Steadily Increasing its Market Position in the Countries of the New Markets

In the New Markets, which the Company has been exploring since 2022, the Company has been upgrading its infrastructure for more than two years and improving the range and density of network coverage to ensure coverage in more areas and meet the growing logistics needs of customers. The Company hopes to further enhance its market position in the countries of the New Markets. (i) The Company will seize the historic opportunities for the development of e-commerce express delivery brought about by the globalization of e-commerce, and maintain good cooperative relationships with a number of globalized cross-border e-commerce platforms; (ii) the Company notes that globalized e-commerce platforms are increasing their investment in semi-custodial and local-to-local business models, the Company will continue to strengthen its pickup and delivery and delivery capabilities, and to provide solid service support for the transformation of its customers' business models by leveraging on its well-established network coverage capabilities; (iii) the Company has further enhanced its network capacity by increasing investment in equipment of sorting centers, increasing line-haul vehicles, and building new outlets to meet the growing market demand.

Continuing to Reduce Costs through Refined Management and Empowering Overseas Markets with its Experience in China

The Company continues to carry out refined management in the areas of picking-up, sorting, transportation and dispatching to improve operational efficiency and reduce costs. In particular, the Company systematically empowers SEA and the New Markets with its advanced and mature express delivery technology and experience in China, helping the countries to gain advantages in technology and experience and continuously reduce costs. (i) The Company will continue to cautiously and selectively purchase lands in key transportation hub areas to expand our sorting centers. This can continuously optimize the layout and routing plan of sorting centers, and improve overall operational efficiency; (ii) the Company plans to invest more automated sorting machines, continue to standardize the operating procedures and implement real-time monitoring and data analysis. This will significantly improve sorting efficiency and accuracy, reduce human errors, ensure the quick and accurate arrival of goods, and enhance overall service quality; (iii) the Company will continue to increase the proportion of its own vehicles and 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; (iv) the Company adjusted the density and location of its outlets based on local operating conditions, optimized its delivery routes, enhanced its carrying capacity and operational efficiency of individual outlets, and continued to reduce the terminal pickup and delivery cost.

Capturing the New Changes in the Business Flow brought about by the E-Commerce Globalization

The trend of e-commerce globalization has been deepening in recent years, with TikTok, Temu, Shein, AliExpress and other e-commerce platforms continuing to expand their global e-commerce networks, leading to new changes in the business flow and bringing new opportunities to the e-commerce express delivery market. Our global network enables the Company to best serve the fast-growing cross-border e-commerce retail markets, helping connect merchants and consumers from different markets. With its well-established local network coverage and infrastructure in SEA and the New Markets, the Company provides cross-border e-commerce platforms with high-quality last-mile delivery services to help solve their challenges of how to effectively reach end consumers. Meanwhile, the Company has witnessed more cross-border e-commerce platforms exploring and vigorously expanding semi-custodial and local-to-local e-commerce businesses. The Company is optimistic about and supportive of this strategy. With its well-established coverage network, the Company can conduct efficient full-territory pick-up services, enabling e-commerce platforms to better reach scattered merchants and consumers, and support customers' new products and new strategies. The Company will leverage the advantages of its global network to further capitalize on the tremendous growth opportunities arising from the booming cross-border e-commerce.

Strengthening Brand and Continuing to Explore Non-platform Parcels to Enhance Profitability

In China, the Company believes that it is a "difficult but right" strategy to continue to enhance the brand awareness of its customers and optimize its customer structure. The Company continues to develop brand customers and small and medium-sized customers, who are more adhesive to express delivery companies and are willing to pay higher express delivery prices for better services. The Company has continued to train its network partners on customer development experience and has adopted a number of incentive policies to work with network partners in market development so as to enhance the quality of customers and profitability of both the Company and its network partners.

In SEA and the New Markets, the Company's major customers are e-commerce platforms, which provide the Company with large-scale parcels, supporting network-wide economies of scale and lowering unit costs. Meanwhile, the Company continues to explore non e-commerce platform customers, including social media merchants, enterprises and individuals, these customers are more affordable and profitable, which helps the Company to improve its profitability.

V. REVIEW OF FINANCIAL RESULTS

1. CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024 AND THE YEAR ENDED 31 DECEMBER 2023

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Revenue	**10,259,104**	8,849,251
Cost of revenue	**(9,180,889)**	(8,376,453)
Gross profit	**1,078,215**	472,798
Selling, general and administrative expenses	**(826,715)**	(2,157,413)
Research and development expenses	**(48,889)**	(46,091)
Net provision for impairment losses on financial assets	**(11,266)**	(26,928)
Other income	**10,227**	46,263
Other gains/(losses) – net	**8,971**	(55,179)
Operating profit/(loss)	**210,543**	(1,766,550)
Finance income	**40,671**	24,755
Finance costs	**(126,175)**	(105,089)
Finance costs – net	**(85,504)**	(80,334)
Fair value change of financial assets and liabilities at fair value through profit or loss	**4,463**	707,925
Share of results of associates	**(352)**	(237)
Profit/(loss) before income tax	**129,150**	(1,139,196)
Income tax expense	**(15,446)**	(17,182)
Profit/(loss) for the year	**113,704**	(1,156,378)
Non-IFRS measure:		
Adjusted net profit/(loss)	**200,333**	(432,277)
Adjusted EBIT	**301,283**	(334,761)
Adjusted EBITDA	**778,279**	146,694

2. SEGMENT INFORMATION (NON-IFRS MEASURE)

The geographic segment information for the year ended 31 December 2024 and the year ended 31 December 2023 is presented below:

	For the year ended 31 December 2024					
	SEA	**China**	**New markets**	**Cross-border**	**Unallocated**	**Total**
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	**3,220,892**	**6,388,135**	**575,550**	**74,527**	**–**	**10,259,104**
Segment cost	**(2,587,661)**	**(5,965,746)**	**(545,886)**	**(81,596)**	**–**	**(9,180,889)**
Segment gross profit (loss)	**633,231**	**422,389**	**29,664**	**(7,069)**	**–**	**1,078,215**
Adjusted EBITDA	**455,630**	**427,290**	**(42,997)**	**(28,972)**	**(32,672)**	**778,279**
Adjusted EBIT	**302,744**	**147,199**	**(76,465)**	**(39,244)**	**(32,951)**	**301,283**

	For the year ended 31 December 2023					
	SEA	China	New markets	Cross-border	Unallocated	Total
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	2,633,417	5,229,255	326,802	659,777	–	8,849,251
Segment cost	(2,163,087)	(5,170,433)	(325,152)	(717,781)	–	(8,376,453)
Segment gross profit (loss)	470,330	58,822	1,650	(58,004)	–	472,798
Adjusted EBITDA	375,685	30,730	(81,662)	(106,961)	(71,098)	146,694
Adjusted EBIT	203,343	(236,488)	(111,331)	(118,968)	(71,317)	(334,761)

	For the six months ended 31 December 2024					
	SEA	**China**	**New Markets**	**Cross-border**	**Unallocated**	**Total**
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	**1,700,905**	**3,389,875**	**283,958**	**22,670**	**–**	**5,397,408**
Segment cost	**(1,354,959)**	**(3,181,375)**	**(289,316)**	**(29,275)**	**–**	**(4,854,925)**
Segment gross profit (loss)	**345,946**	**208,500**	**(5,358)**	**(6,605)**	**–**	**542,483**
Adjusted EBITDA	**247,860**	**228,364**	**(35,156)**	**(21,739)**	**8,168**	**427,497**
Adjusted EBIT	**167,963**	**87,604**	**(53,955)**	**(26,553)**	**7,981**	**183,040**

	For the six months ended 31 December 2023					
	SEA	China	New Markets	Cross-border	Unallocated	Total
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	1,387,341	3,026,185	194,045	211,241	–	4,818,812
Segment cost	(1,137,129)	(2,950,278)	(168,937)	(283,210)	–	(4,539,554)
Segment gross profit (loss)	250,212	75,907	25,108	(71,969)	–	279,258
Adjusted EBITDA	191,625	75,697	(26,490)	(95,702)	(37,605)	107,525
Adjusted EBIT	110,978	(53,354)	(38,898)	(102,954)	(37,721)	(121,949)

3. REVENUE

3.1 Revenue by nature:

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	USD'000	***%***	*USD'000*	*%*
Express delivery services	**9,980,319**	**97.3**	8,086,778	91.4
Cross-border services	**74,527**	**0.7**	659,777	7.5
Rental income	**71,178**	**0.7**	54,924	0.6
Sale of accessories	**64,048**	**0.6**	33,177	0.4
Others	**69,032**	**0.7**	14,595	0.1
Total	**10,259,104**	**100.0**	8,849,251	100.0

Revenue of the Group increased by 15.9% from US$8,849.3 million in 2023 to US$10,259.1 million in 2024, mainly due to the increase in e-commerce penetration rate while actively expanding into non e-commerce platform customers, contributing to continuous growth of revenue from express delivery services in 13 countries.

Revenue from express delivery services

Revenue from express delivery services increased by 23.4% from US$8,086.8 million in 2023 to US$9,980.3 million in 2024, primarily due to the increase in related service revenues 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 31.0% from 18.81 billion in 2023 to 24.65 billion in 2024.

Revenue from cross-border services

Revenue from cross-border services was US$659.8 million in 2023, while US$74.5 million in 2024. The decrease is consistent with our strategic restructuring of the business to focus on B2B. Cross-border services primarily engaged in port-to-port line-haul transportation, offering customers one-stop professional customized services.

Rental income

Rental income increased by 29.6% from US$54.9 million in 2023 to US$71.2 million in 2024, mainly attributable to the growth in rental income from recycling packages in China.

Revenue from sale of accessories

Revenue from sale of accessories increased by 93.0% from US$33.2 million in 2023 to US$64.0 million in 2024, mainly due to an increase in the sale of express-related materials.

Other income

Other income increased by 373.0% from US$14.6 million in 2023 to US$69.0 million in 2024, mainly due to the growth in transportation revenue and value-added services income from self-owned transportation platform.

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:

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	USD'000	***%***	*USD'000*	*%*
SEA	**3,220,892**	**31.4**	2,633,417	29.8
China	**6,388,135**	**62.3**	5,229,255	59.1
New Markets	**575,550**	**5.6**	326,802	3.7
Cross-border	**74,527**	**0.7**	659,777	7.4
Total	**10,259,104**	**100.0**	8,849,251	100.0

SEA: Revenue in SEA increased by 22.3% from US$2,633.4 million in 2023 to US$3,220.9 million in 2024, mainly due to our parcel volume in SEA increased by 40.8% from 3,240.0 million in 2023 to 4,563.2 million in 2024, with a market share of 28.6%. 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: Revenue in China increased by 22.2% from US$5,229.3 million in 2023 to US$6,388.1 million in 2024, primarily due to the rapid increase of our parcel volume in China. Our parcel volume in China increased by 29.1% from 15,341.4 million in 2023 to 19,801.2 million in 2024, and our market share in 2024 accounted for 11.3%. 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 the sources of packages; and (ii) improved service quality and enhanced brand image that facilitated the client sourcing abilities of ours and our network partners.

New Markets: Revenue in New Markets increased by 76.1% from US$326.8 million in 2023 to US$575.6 million in 2024, mainly due to the rapid growth of our parcel volume in New Markets. Our parcel volume in New Markets increased by 22.1% from 230.3 million in 2023 to 281.2 million in 2024, and our market share in 2024 accounted for 6.1%. 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 by leveraging on our increasing network capacity, while at the same time vigorously developing non e-commerce platforms for individual parcels.

Cross-border: Our revenue decreased by 88.7% from US$659.8 million in 2023 to US$74.5 million in 2024, mainly due to the transformation of the business, with a focus on port-to-port line-haul transportation services.

4. ECONOMIC BENEFITS PER PARCEL

SEA:

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	US$	***%***	*US$*	*%*
Revenue per parcel	**0.71**	**100.0**	0.81	100.0
Cost per parcel	**0.57**	**80.3**	0.67	82.7
Including: Pickup and delivery cost	**0.36**	**50.7**	0.40	49.4
Transportation cost	**0.15**	**21.1**	0.17	21.0
Sorting cost	**0.05**	**7.1**	0.09	11.1
Other cost	**0.01**	**1.4**	0.01	1.2

Revenue per parcel: Revenue per parcel in SEA was US$0.71 in 2024, compared to that of US$0.81 in 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) our continued efforts to expand our e-commerce platform customers and increase our parcel volume, and expand our market share.

Cost per parcel: The overall cost per parcel in SEA decreased from US$0.67 in 2023 to US$0.57 in 2024, mainly due to the Company's systematic empowerment of its China express delivery operation experience to SEA and continued optimization in various segments.

Pickup and delivery: As of 31 December 2024, the Company had approximately 9,800 outlets in SEA and managed approximately 1,700 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, such as volume-related pay, it encouraged its couriers to be proactive in pickup and delivery and work together to provide customers with high-quality services. The Company's pickup and delivery cost per parcel decreased from US$0.40 in 2023 to US$0.36 in 2024.

Transportation: As of 31 December 2024, the Company operated approximately 4,600 line-haul vehicles in SEA, of which approximately 1,700 were self-owned line-haul vehicles, representing an increase of 400 self-owned vehicles as compared to that as of 31 December 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 ensure vehicle demand during peak seasons and reduce transportation costs. The Company customized and improved transportation models according to the needs of different countries in order to comprehensively reduce procurement and maintenance costs of vehicles. The company combined China experience with local business conditions for operational optimization, helping to optimize line-haul route planning, increase vehicle utilization efficiency and loading rates, and continuously reduce transportation costs. The Company's transportation cost per parcel decreased from US$0.17 in 2023 to US$0.15 in 2024.

Sorting: As of 31 December 2024, the Company operated 120 sorting centers in SEA. The Company timely renovated and upgraded its sorting centers and invested in automated sorting equipment in key sorting centers to enhance sorting efficiency. As of 31 December 2024, the Company had 51 sets of automated sorting equipment in SEA, representing an increase of 16 sets as compared to that as of 31 December 2023. The company's equipment subsidiary operates globally, exporting China's advanced express delivery equipment and equipment system to SEA. At the same time, the Company will continue to upskill sorting personnel in conjunction with the use of the automated equipment, and provide digital management tools to support sorting centers managers, so as 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 2023 to US$0.05 in 2024.

China:

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	US$	***%***	*US$*	*%*
Revenue per parcel	**0.32**	**100.0**	0.34	100.0
Cost per parcel	**0.30**	**93.8**	0.34	100.0
Including: Pickup and delivery cost	**0.19**	**59.4**	0.20	58.8
Transportation cost	**0.06**	**18.8**	0.07	20.6
Sorting cost	**0.05**	**15.6**	0.06	17.6
Other cost	**0.00**	**0.0**	0.01	3.0

Revenue per parcel: Revenue per parcel in China was US$0.32 in 2024, compared to US$0.34 in 2023. In 2024, the Chinese market was highly competitive. The Company appropriately adjusted its competitive strategy in light of changes in the competitive environment, and at the same time, proactively tapped into high-quality customers such as branded customers, reverse logistic parcels and individual parcels business through cost-effective services and optimized the customer structure, providing a support for the Company's price.

Cost per parcel: China's overall cost per parcel declined from US$0.34 in 2023 to US$0.30 in 2024. In 2024, the Company continued to carry out refined management and optimization of operations in each process in China.

Pickup and delivery: As of 31 December 2024, the Company had approximately 5,500 network partners and operated more than 7,000 outlets in China, representing a decrease as compared to that as of 31 December 2023. The Company has continued to consolidate and replace its network partner and outlets through comprehensive grading systems to enhance the overall express delivery network capacity and strengthen the healthy operation of individual network partner and outlet. With the rapid growth in the volume of parcels, the payout policy can be further improved by subdividing the payout for different kilogram segments in accordance with industry practice. Meanwhile, the Company has made efforts to promote the investment in automated sorting machines at outlets and the construction of service stations, to increase the efficiency and stability of outlets. The Company's pickup and delivery cost per parcel amounted to US$0.19 in 2024 and US$0.20 in 2023.

Transportation: As of 31 December 2024, the Company operated more than 7,100 line-haul vehicles in China, of which more than 4,900 were self-owned line-haul vehicles, representing an increase of more than 1,100 self-owned line-haul vehicles as compared to that as of 31 December 2023. The Company continued to increase the investment in its self-owned line-haul vehicles, flexibly adjusted the dispatching of self-owned vehicles and third-party carriers according to different routes to enhance the efficiency of vehicle management. The Company has increased the investment in self-developed technologies to optimize the configuration of different types of vehicles and reduce the use of temporary vehicles through real-time monitoring the parcel structure and route shipment situation, meanwhile, rapid growth in parcel volume allows the Company to use more high-capacity vehicles to increase the loading rate of the vehicles and reduce the overall cost of transportation. The transportation cost per parcel was US$0.06 in 2024, representing a decrease of US$0.01 as compared to US$0.07 in 2023.

Sorting: As of 31 December 2024, the Company operated 83 sorting centers in China, which are mainly leased. The Yangzhou's self-built sorting center of the Company has come into operation in the fourth quarter of 2024. In 2024, the Company invested in additional 27 sets of automated sorting machines in China and piloted new automated equipment in some of its sorting centers to effectively solve the problems of large floor area and poor flexibility of traditional sorting equipment, significantly enhancing the efficiency of goods sorting and reducing reliance on manpower. At the same time, the Company enhanced the overall sorting efficiency through improvement of the efficiency of the operators, speeding up of the equipment and other manners. Sorting cost per parcel was US$0.05 in 2024, compared to US$0.06 in 2023.

New Markets:

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	US$	***%***	*US$*	*%*
Revenue per parcel	**2.05**	**100.0**	1.42	100.0
Cost per parcel	**1.94**	**94.6**	1.41	99.3
Including: Pickup and delivery cost	**1.20**	**58.5**	0.84	59.2
Transportation cost	**0.31**	**15.1**	0.26	18.3
Sorting cost	**0.33**	**16.1**	0.24	16.9
Other cost	**0.10**	**4.9**	0.07	4.9

Revenue per parcel: Revenue per parcel in New Markets was US$2.05 in 2024, compared to US$1.42 in 2023, primarily due to changes in the structure of parcel volumes in New Markets across countries and e-commerce platforms, as well as continued growth in the number of high-quality, non-platform customers.

Cost per parcel: Cost per parcel in New Markets was US$1.94 in 2024, compared to US$1.41 in 2023. Apart from the impact brought about by the change in parcel volume structure, the Company remains highly optimistic about the future development of the New Markets. Therefore, it has been continuously enhancing the infrastructure construction in the New Markets. In 2024, 900 new outlets were added, along with 2 sets of new automated sorting equipment, in preparation for the growing capacity needs of customers.

5. COST OF REVENUE AND EXPENSES:

5.1 Costs and expenses by nature

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Fulfilment costs	**5,069,992**	4,172,929
Line-haul costs	**1,841,330**	2,190,025
Employee benefit expenses	**1,385,283**	1,194,030
Other labour costs	**647,684**	513,922
Depreciation and amortization	**476,996**	481,455
Short-term leases	**194,693**	129,121
Materials	**115,892**	107,752
Advertising and marketing expenses	**13,810**	37,469
Auditors' remuneration	**2,650**	2,982
Share-based compensation expenses		
– related to regional sponsors	**–**	158,442
– related to equity transactions	**–**	1,258,131
Listing expenses	**–**	8,390
Others	**308,163**	325,309
Total	**10,056,493**	10,579,957

The Group's total cost of revenue and expenses remained relatively stable over the two years, totaling US$10,056.5 million in 2024 compared to US$10,580.0 million in 2023, primarily attributable to increases in our fulfillment costs in line with the increased parcel volume in 2024; and a significant decrease in the share-based payments and expenses in 2024.

Fulfillment costs: With the expansion of our network and the increase in parcel volume, our fulfillment costs increased by 21.5% from US$4,172.9 million in 2023 to US$5,070.0 million in 2024. Our fulfillment costs accounted for 47.2% and 49.4% of our revenue in 2023 and 2024, respectively.

Employee benefit expenses: Employee benefit expenses increased by 16.0% from US$1,194.0 million in 2023 to US$1,385.3 million in 2024. Employee benefit expenses as a percentage of our total revenue was 13.5% for both the year of 2023 and 2024.

Other labor costs: As the increase in our parcel volume, our other labor costs increased by 26.0% from US$513.9 million in 2023 to US$647.7 million in 2024. Other labor costs accounted for 5.8% and 6.3% of our revenue in 2023 and 2024, respectively.

Depreciation and amortization: Our depreciation and amortization costs decreased slightly by 0.9% from US$481.5 million in 2023 to US$477.0 million in 2024.

5.2 Cost by geographic segment

	For the year ended 31 December			
	2024	**Percentage**	2023	Percentage
	USD'000	***%***	*USD'000*	*%*
SEA	**2,587,661**	**28.2**	2,163,087	25.8
China	**5,965,746**	**65.0**	5,170,433	61.7
New Markets	**545,886**	**5.9**	325,152	3.9
Cross-border	**81,596**	**0.9**	717,781	8.6
Total	**9,180,889**	**100.0**	8,376,453	100.0

SEA: Cost in SEA increased by 19.6% from US$2,163.1 million in 2023 to US$2,587.7 million in 2024, mainly due to the parcel volume in SEA increased by 40.8% from 3,240.0 million to 4,563.2 million during the same period, and fulfillment costs consequently increased as a result of the increase in parcel volume.

China: Cost in China increased by 15.4% from US$5,170.4 million in 2023 to US$5,965.7 million in 2024, mainly due to China's parcel volume increased by 29.1% from 15,341.4 million to 19,801.2 million during the same period, which was accompanied by an increase in express delivery fulfillment costs, transportation costs and distribution and transfer costs as a result of the increase in parcel volume.

New Markets: Cost in New Markets increased by 67.9% from US$325.2 million in 2023 to US$545.9 million in 2024. Parcel volume in New Markets increased by 22.1% from 230.3 million to 281.2 million during the same period, mainly due to the rapid development of infrastructure in New Markets, the self-built networks and sorting and transfer centers, the introduction of platform customers to satisfy diversified customer needs and to provide customers with better logistics service experience, and express delivery-related costs incurred in line with the expansion of the business and network coverage.

Cross-border: Cost in cross-border business decreased by 88.6% from US$717.8 million in 2023 to US$81.6 million in 2024, mainly due to the restructuring of the business to focus on B2B business from 2023 onwards, resulting in a reduction in costs. Cost in cross-border business mainly include the cross-border business palletization and customs clearance fees, etc.

6. GROSS PROFIT AND GROSS PROFIT MARGIN

	For the year ended 31 December			
	2024	**Gross profit margin**	2023	Gross profit margin
	USD'000	***%***	*USD'000*	*%*
SEA	**633,231**	**19.7**	470,330	17.9
China	**422,389**	**6.6**	58,822	1.1
New Markets	**29,664**	**5.2**	1,650	0.5
Cross-border	**(7,069)**	**(9.5)**	(58,004)	(8.8)
Total	**1,078,215**	**10.5**	472,798	5.3

The Group's gross profit margin increased from 5.3% in 2023 to 10.5% in 2024.

SEA: gross profit margin increased from 17.9% in 2023 to 19.7% in 2024.

China: gross profit margin increased from 1.1% in 2023 to 6.6% in 2024.

New Markets: gross profit margin increased from 0.5% in 2023 to 5.2% in 2024.

Cross-border: gross profit margin recorded a loss of 9.5% in 2024 and a loss of 8.8% for the same period in 2023.

7. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Employee benefit expenses	**553,268**	524,341
Share-based payments related to equity transactions	**–**	1,258,131
Other share-based expenses	**–**	158,442
Office related expenses	**31,356**	30,401
Professional service fees	**39,649**	49,996
Promotion and marketing expenses	**13,701**	36,914
Depreciation and amortization	**61,064**	69,665
Others	**127,677**	29,523
Total	**826,715**	2,157,413

Our selling, general and administrative expenses primarily consist of (i) employee benefit expenses, 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 61.7% from US$2,157.4 million in 2023 to US$826.7 million in 2024. This decrease was primarily due to our share-based payments and expenses totaling US$1,462.4 million in 2023 compared to share-based payments and expenses totaling US$86.6 million in 2024.

8. ADJUSTED EBITDA:

	For the year ended 31 December			
	2024	**Adjusted EBITDA**	2023	Adjusted EBITDA
	USD'000	***%***	*USD'000*	*%*
SEA	**455,630**	**14.1**	375,685	14.3
China	**427,290**	**6.7**	30,730	0.6
New Markets	**(42,997)**	**(7.5)**	(81,662)	(25.0)
Cross-border	**(28,972)**	**(38.9)**	(106,961)	(16.2)
Unallocated	**(32,672)**	**N/A**	(71,098)	N/A
Total	**778,279**	**7.6**	146,694	1.7

The Company's overall adjusted EBITDA increased significantly by 430.5% from a profit of US$146.7 million in 2023 to a profit of US$778.3 million in 2024.

SEA: Adjusted EBITDA in 2024 was US$455.6 million, representing a year-on-year increase of 21.3% compared to US$375.7 million in 2023, and adjusted EBITDA margins in 2023 and 2024 were 14.3% and 14.1%, respectively, remaining relatively stable over the two years. With 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: China's adjusted EBITDA in 2024 was US$427.3 million, an increase of 1,290.5% from US$30.7 million in 2023, primarily due to the Company's continued refinement of operations to reduce costs and expenses per parcel. The adjusted EBITDA margin in 2023 was 0.6%, while the adjusted EBITDA margin in 2024 was 6.7%.

New Markets: Adjusted EBITDA of New Markets recorded a loss of US$43.0 million in 2024, while the adjusted EBITDA recorded a loss of US$81.7 million in 2023. The adjusted EBITDA margin improved from negative 25.0% in 2023 to negative 7.5% in 2024, representing a significant narrowing of losses. In 2024, the newly opened markets continued to expand their cooperative relationships with cross-border and local customers. The rapid growth in parcel volume led to the emergence of economies of scale.

Cross-border: Adjusted EBITDA recorded a loss of US$29.0 million in 2024, representing a significant narrowing of losses from a loss of US$107.0 million in 2023. This was mainly due to the Company's strategic adjustments to shut down its cross-border B2C business and focus on port-to-port line-haul transportation.

Unallocated: Unallocated mainly consists of (i) general and administrative expenses, foreign exchange gains and losses and other expenses incurred by holding companies; (ii) fair value change on financial liabilities of the Group; and (iii) fair value change on financial assets of the Group. Adjusted EBITDA recorded a loss of US$32.7 million in 2024, compared to the adjusted EBITDA of a loss of US$71.1 million in 2023, primarily due to fair value change on financial liabilities of the Group.

9. FINANCE COSTS – NET

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Interest income from bank deposits	**40,671**	24,755
Interest expenses on lease liabilities	**(31,330)**	(29,521)
Interest expenses on borrowings	**(94,845)**	(75,568)
Total	**(85,504)**	(80,334)

The financial cost in 2024 was US$85.5 million, a 6.4% increase compared to US$80.3 million in 2023, primarily interest expenses on borrowings.

10. OTHER INCOME

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Subsidy income	**4,748**	41,620
Interest income on loans to third parties	**5,479**	4,643
Total	**10,227**	46,263

Other income primarily consists of subsidy income and 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 was US$10.2 million and US$46.3 million in 2024 and 2023, respectively, with the year-over-year fluctuations 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 results of operations 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 generated from operating activities in 2024 amounted to US$807.4 million, while the cash generated from operating activities in 2023 was US$342.0 million. As of 31 December 2024, the Group had total cash and cash equivalents of US$1,596.9 million and the total borrowings under current liabilities of US$262.6 million. The Group continuously obtains quality financial credit in combination with the better financial environment in the location of the operating entity. As of 31 December 2024, the Group's unutilized financial credit amounts to US$79.9 million, and the Group's available capital is sufficient to maintain the Group's continuous and good operation.

As at 31 December 2024, the Group's gearing ratio (the percentage of total liabilities to total assets) was 65.4% (31 December 2023: 62.4%).

13. FOREIGN EXCHANGE RISK

The Group's subsidiaries primarily operate in the PRC, Indonesia, the Philippines, Malaysia, Thailand, Vietnam and other countries. The transactions of those subsidiaries were generally settled in local currencies. Therefore, foreign exchange risk primarily arises from recognized assets and liabilities in the Group's subsidiaries in the abovementioned countries when receiving or to receive foreign currencies from, or paying or to pay foreign currencies to overseas business partners.

For the Group's subsidiaries whose functional currency is RMB, if RMB had strengthened/ weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2024 and 2023, would have been approximately USD 4,260,000 lower/higher and USD4,055,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is IDR, if IDR had strengthened/ weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2024 and 2023 would have been approximately USD 7,708,000 higher/lower and USD2,185,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is THB, if THB had strengthened/ weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2024 and 2023 would have been approximately USD 22,687,000 lower/higher and USD185,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is VND, if VND had strengthened/ weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2024 and 2023 would have been approximately USD 9,986,000 higher/lower and USD351,000 higher/lower, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is MYR, if MYR had strengthened/ weakened by 5% against USD with all other variables held constant, the profit before income tax for the year ended 31 December 2024 and loss before income tax for the year ended 31 December 2023 would have been approximately USD5,509,000 higher/lower and USD 451,000 lower/higher as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is SGD, if SGD had strengthened/ weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2024 and 2023 would have been approximately USD 1,715,000 lower/higher and USD35,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is PHP, if PHP had strengthened/ weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2024 and 2023 would have been approximately USD 5,260,000 higher/lower and USD4,454,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

14. CAPITAL EXPENDITURE

Our capital expenditures include our investments in property, plant and equipment, investment properties and intangible assets. Our total capital expenditures were US$555.3 million and US$474.6 million in 2024 and 2023 respectively.

15. CAPITAL COMMITMENT

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

	As at 31 December	
	2024	2023
	USD'000	*USD'000*
Buildings	**52,469**	117,311
Right-of-use assets	**4,039**	11,465
Vehicles	**24,892**	6,170
Total	**81,400**	134,946

16. MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

In July 2024, Jet Global Express Limited, a subsidiary of the Group, issued 12,162,913 convertible notes to acquire the regional operating entity of the Mexican regional sponsors (the "**Mexican acquiree**").

With the assistance from an external valuer appointed by the Group, the Group applied the discounted cash flow method to determine the underlying equity value of Mexican acquiree. Accordingly, relevant goodwill totaling US$127,917,000 was recognised.

Save as disclosed above, the Group had no other material acquisitions or disposals of subsidiaries, associates and joint ventures in FY2024.

17. EMPLOYEE AND REMUNERATION POLICY

The Group had 156,851 full-time employees as of 31 December 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

CONSOLIDATED BALANCE SHEETS

	Notes	As at 31 December 2024 USD'000	2023 USD'000
Non-current assets			
Investment properties		**243**	278
Property, plant and equipment		**1,385,538**	1,178,690
Right-of-use assets		**477,207**	503,073
Intangible assets		**1,118,688**	974,525
Investments accounted for using the equity method		**2,143**	2,729
Deferred income tax assets		**74,675**	53,813
Other non-current assets		**50,550**	25,423
Financial assets at fair value through profit or loss		**572,770**	725,577
		3,681,814	3,464,108
Current assets			
Inventories		**21,620**	34,756
Trade receivables	*6*	**680,180**	555,978
Prepayments, other receivables and other assets		**1,171,904**	971,496
Financial assets at fair value through profit or loss		**101,196**	49,957
Restricted cash		**40,861**	41,921
Cash and cash equivalents		**1,596,931**	1,483,198
		3,612,692	3,137,306
Total assets		**7,294,506**	6,601,414
EQUITY			
Equity attributable to owners of the Company			
Share capital		**18**	18
Share premium		**9,061,736**	9,061,736
Treasury shares		**(19,420)**	–
Other reserves		**(190,781)**	(185,273)
Accumulated losses		**(6,026,240)**	(6,126,799)
		2,825,313	2,749,682
Non-controlling interests		**(302,765)**	(270,083)
Total equity		**2,522,548**	2,479,599

	Notes	As at 31 December 2024 USD'000	2023 USD'000
Non-current liabilities			
Borrowings		**1,320,550**	1,071,313
Lease liabilities		**296,728**	304,316
Deferred tax liabilities		**15,312**	15,808
Employee benefit obligations		**6,350**	13,082
Financial liabilities – redemption liabilities of shares of JNT KSA		**65,958**	36,740
Financial liabilities at fair value through profit or loss		**649,161**	595,782
		2,354,059	2,037,041
Current liabilities			
Trade payables	*7*	**589,860**	466,904
Advances from customers		**322,333**	272,231
Accruals and other payables		**1,023,909**	888,942
Lease liabilities		**172,442**	204,341
Current income tax liabilities		**35,381**	30,601
Borrowings		**262,642**	211,236
Financial liabilities at fair value through profit or loss		**11,332**	10,519
		2,417,899	2,084,774
Total liabilities		**4,771,958**	4,121,815
Total equity and liabilities		**7,294,506**	6,601,414

CONSOLIDATED INCOME STATEMENT

	Notes	For the year ended 31 December 2024 USD'000	2023 USD'000
Revenue	2	**10,259,104**	8,849,251
Cost of revenue	2	**(9,180,889)**	(8,376,453)
Gross profit		**1,078,215**	472,798
Selling, general and administrative expenses		**(826,715)**	(2,157,413)
Research and development expenses		**(48,889)**	(46,091)
Net provision for impairment losses on financial assets		**(11,266)**	(26,928)
Other income		**10,227**	46,263
Other gains/(losses) – net		**8,971**	(55,179)
Operating profit/(loss)		**210,543**	(1,766,550)
Finance income		**40,671**	24,755
Finance costs		**(126,175)**	(105,089)
Finance costs– net		**(85,504)**	(80,334)
Fair value change of financial assets and liabilities at fair value through profit or loss		**4,463**	707,925
Share of results of associates		**(352)**	(237)
Profit/(loss) before income tax		**129,150**	(1,139,196)
Income tax expense	3	**(15,446)**	(17,182)
Profit/(loss) for the year		**113,704**	(1,156,378)
Attributable to:			
Owners of the Company		**100,559**	(1,100,988)
Non-controlling interests		**13,145**	(55,390)
Earnings/(Losses) per share for profit/(loss) attributable to owners of the Company			
Basic earnings/(losses) per share (USD cent)	5	**1.2**	(26.3)
Diluted earnings/(losses) per share (USD cent)	5	**0.6**	(26.3)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Profit/(loss) for the year	**113,704**	(1,156,378)
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	**(84,949)**	13,963
Items that will not be reclassified subsequently to profit or loss		
Fair value changes of financial liabilities at fair value through profit or loss relating to the Group's credit risk	**(43)**	5,645
Others	**6,270**	(1,434)
Total comprehensive income/(loss) for the year	**34,982**	(1,138,204)
Attributable to:		
Owners of the Company	**20,694**	(1,085,723)
Non-controlling interests	**14,288**	(52,481)

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Cash flows generated from operating activities	**807,428**	341,953
Net cash flows used in investing activities	**(573,629)**	(858,847)
Net cash flows (used in)/generated from financing activities	**(99,964)**	500,897
Net increase/(decrease) in cash and cash equivalents	**133,835**	(15,997)
Cash and cash equivalents at the beginning of the year	**1,483,198**	1,504,048
Effects of foreign exchange rate changes on cash and cash equivalents	**(20,102)**	(4,853)
Cash and cash equivalents at the end of the year	**1,596,931**	1,483,198

NOTES TO THE FINANCIAL INFORMATION

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

1.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"). The consolidated financial statements of the Group have been prepared under the historical cost convention, except for financial assets and financial liabilities measured at fair value through profit or loss.

1.2 New or amended standards or interpretations

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.

		Effective for annual periods beginning on or after
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

Certain new accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2024 and have not been early adopted by the Group. Those new standards, amendments of standards and interpretations are as follows:

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

The directors of the Company anticipate that the application of the above new standards, amendments and interpretations will have no material impact on the consolidated financial statements upon adoption, except IFRS 18, which mainly impacts the presentation of the Group's consolidated statement of comprehensive income and the Group is still in the process of assessing the impact.

2. REVENUE AND SEGMENT INFORMATION

	For the year ended 31 December 2024					
	SEA	**China**	**New Markets**	**Cross-border**	**Unallocated**	**Total**
	USD'000	***USD'000***	***USD'000***	***USD'000***	***USD'000***	***USD'000***
Segment revenue	**3,220,892**	**6,388,135**	**575,550**	**74,527**	**–**	**10,259,104**
Segment cost	**(2,587,661)**	**(5,965,746)**	**(545,886)**	**(81,596)**	**–**	**(9,180,889)**
Segment gross profit (loss)	**633,231**	**422,389**	**29,664**	**(7,069)**	**–**	**1,078,215**
Adjusted EBITDA	**455,630**	**427,290**	**(42,997)**	**(28,972)**	**(32,672)**	**778,279**
Adjusted EBIT	**302,744**	**147,199**	**(76,465)**	**(39,244)**	**(32,951)**	**301,283**

	For the year ended 31 December 2023					
	SEA	China	New Markets	Cross-border	Unallocated	Total
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Segment revenue	2,633,417	5,229,255	326,802	659,777	–	8,849,251
Segment cost	(2,163,087)	(5,170,433)	(325,152)	(717,781)	–	(8,376,453)
Segment gross profit (loss)	470,330	58,822	1,650	(58,004)	–	472,798
Adjusted EBITDA	375,685	30,730	(81,662)	(106,961)	(71,098)	146,694
Adjusted EBIT	203,343	(236,488)	(111,331)	(118,968)	(71,317)	(334,761)

	For the year ended 31 December	
	2024	2023
	USD'000	*USD'000*
Adjusted EBITDA		
SEA	**455,630**	375,685
China	**427,290**	30,730
New Markets	**(42,997)**	(81,662)
Cross-border	**(28,972)**	(106,961)
Unallocated	**(32,672)**	(71,098)
Total adjusted EBITDA	**778,279**	146,694
Adjustments:		
Depreciation and amortization	**(476,996)**	(481,455)
Share-based compensation expenses – related to employee benefit expenses	**(86,629)**	(45,850)
Share-based compensation expenses – related to regional sponsors	**–**	(158,442)
Share-based compensation expenses – related to equity transactions	**–**	(1,258,131)
Fair value change of financial liabilities of the Company	**–**	746,712
Listing expenses	**–**	(8,390)
Finance income	**40,671**	24,755
Finance costs	**(126,175)**	(105,089)
Income tax expenses	**(15,446)**	(17,182)
Profit/(loss) for the year	**113,704**	(1,156,378)

3. INCOME TAX EXPENSES

	2024	2023
	USD'000	*USD'000*
Current tax on profits for the year	**37,624**	35,177
Deferred income tax	**(22,178)**	(17,995)
Total	**15,446**	17,182

4. DIVIDENDS

The Directors of the Company do not recommend the payment of any dividends during the year ended 31 December 2024.

5. EARNINGS/(LOSSES) 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 issued ordinary shares outstanding during the financial year, excluding relevant treasury shares if applicable.

	2024	2023
Net profit/(loss) attributable to owners of the Company *(USD'000)*	**100,559**	(1,100,988)
Weighted average number of ordinary shares *(thousands)*:		
Class A Ordinary Shares outstanding	**–**	1,824,675
Class B Ordinary Shares outstanding	**–**	761,260
Class A Shares outstanding	**892,534**	177,085
Class B Shares outstanding	**7,817,178**	1,416,350
Total weighted average number of shares outstanding	**8,709,712**	4,179,370
Basic earnings/(losses) per share *(USD cent)*	**1.2**	(26.3)

The weighted average number of ordinary shares for the year ended December 31, 2023 for the purpose of calculating the basic and diluted earnings/(losses) per share had been adjusted to account for the effect of the share subdivision of the capital of the Company.

(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 earnings/(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 relevant dilutive ordinary shares assumed to have been issued at the earliest practicable date or the date of conversion.

	2024 ***USD'000***	2023 *USD'000*
Net profit/(loss) attributable to owners of the Company *(USD'000)*	**100,559**	(1,100,988)
Adjustment for fair value change of the JET Global's convertible preferred shares through profit or loss	**(41,119)**	–
Adjustment for fair value change of the JET Global's convertible notes through profit or loss	**4**	–
Net profit/(loss) attributable to owners of the Company *(USD'000)*	**59,444**	(1,100,988)
Weighted average number of shares *(thousands)*:		
Weighted average number of shares outstanding	**8,709,712**	4,179,370
Adjustment for convertible preferred shares of the JET Global	**426,763**	–
Adjustment for convertible notes of the JET Global	**57,235**	–
Adjustment for ordinary shares with vesting schedule	**131,176**	–
Weighted average number of shares for calculation of diluted earnings/(loss) per share	**9,324,886**	4,179,370
Diluted earnings/(losses) per share *(USD cent)*	**0.6**	(26.3)

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:

	2024	2023
	USD'000	*USD'000*
Within 1 month	**380,008**	319,037
1-4 months	**261,764**	219,765
4-6 months	**47,704**	40,050
6-9 months	**7,208**	5,777
9-12 months	**5,124**	4,647
Above 12 months	**5,577**	3,611
Less: provision for impairment	**(27,205)**	(36,909)
Total	**680,180**	555,978

7. TRADE PAYABLES

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

	2024	2023
	USD'000	*USD'000*
Within 3 months	**560,942**	433,167
3-6 months	**17,778**	18,311
6-9 months	**3,437**	8,596
9-12 months	**1,992**	3,117
Above 12 months	**5,711**	3,713
Total	**589,860**	466,904

OTHER INFORMATION

COMPLIANCE WITH THE 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 Corporate Governance Code, the roles of chairman of the board and chief executive officer should be separate and should not be performed by the same person. 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 of the Board 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 year ended 31 December 2024, the Company repurchased a total of 27,070,600 Class B Shares (the "**Repurchased Shares**") on the Stock Exchange at an aggregate consideration of HK$162,229,087.16 (excluding expenses). Details of the Repurchased Shares are set out below:

Month of Repurchase	No. of Shares Repurchased	No. of Shares Repurchased and Held as Treasury Shares	The Highest Price Paid per Share *(HK$)*	The Lowest Price Paid per Share *(HK$)*	Aggregate Consideration *(HK$'000)*
October 2024	3,476,600	3,476,600	6.18	5.94	20,926
November 2024	12,327,400	12,327,400	6.34	5.63	73,620
December 2024	11,266,600	11,266,600	6.28	5.69	67,684
Total	**27,070,600**	**27,070,600**			**162,229**

Note: The inconsistency between the sum of the numbers in the above table is due to rounding.

Following the aforesaid share repurchase, Mr. Jet Jie Li, as the beneficial owner of different voting rights, converted 1,574,170 Class A Shares carrying different voting Rights into Class B Shares on a one-for-one basis as required under Rule 8A.21 of the Listing Rules. Accordingly, there will be no increase in the proportion of different voting shares as required under Rules 8A.13 and 8A.15 of the Listing Rules.

As of 31 December 2024, 27,070,600 Repurchased Shares were not canceled and were held by the Company as treasury shares (as defined in the Listing Rules) intended to be used in accordance with the applicable rules and regulations, including but not limited to resale for cash, transfer to satisfy share grants and cancellations under the Share Scheme. During the Reporting Period, the Company did not sell or transfer any treasury shares.

Save as disclosed above, during the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including the sale of treasury shares (as defined in the Listing Rules)).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, no material events has occurred after 31 December 2024 and up to the date of this announcement which would have an effect on the Group.

FINAL DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The data in respect of the Group's consolidated income statements, consolidated statement of comprehensive income/(loss), consolidated balance sheets and its related notes for the year ended 31 December 2024 set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to be consistent with the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standard on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and accordingly, no assurance has been expressed by PricewaterhouseCoopers on this results announcement.

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 audited consolidated financial statements of the Group for the year ended 31 December 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 THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jtexpress.com). The annual report of the Company for the year ended 31 December 2024 will 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, 5 March 2025

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.