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)
（於開曼群島註冊成立以不同投票權控制的有限責任公司）

Stock code 股份代號: 1519

2024 中期報告 Interim Report

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Corporate Information

BOARD OF DIRECTORS

Executive Director

Jet Jie Li (Chairman and Chief Executive Officer)

Non-executive Directors

Alice Yu-fen Cheng
Qinghua Liao
Yuan Zhang

Independent Non-executive Directors

Erh Fei Liu
Peng Shen
Peter Lai Hock Meng *(appointed on 18 May 2024)*
Charles Zhaoxuan Yang *(resigned on 18 May 2024)*

AUDIT COMMITTEE

Peter Lai Hock Meng (Chairman)
(appointed on 18 May 2024)
Alice Yu-fen Cheng
Erh Fei Liu
Charles Zhaoxuan Yang *(resigned on 18 May 2024)*

REMUNERATION COMMITTEE

Erh Fei Liu (Chairman)
Jet Jie Li
Peng Shen

NOMINATION COMMITTEE

Erh Fei Liu (Chairman)
Jet Jie Li
Peng Shen

CORPORATE GOVERNANCE COMMITTEE

Peng Shen (Chairman)
Erh Fei Liu
Peter Lai Hock Meng *(appointed on 18 May 2024)*
Charles Zhaoxuan Yang *(resigned on 18 May 2024)*

JOINT COMPANY SECRETARIES

Quanxi Shang *(appointed on 19 August 2024)*
Ching Kit Cheng *(appointed on 19 August 2024)*
Yin Shan Hui *(resigned on 19 August 2024)*

AUTHORIZED REPRESENTATIVES

Jet Jie Li
Ching Kit Cheng *(appointed on 19 August 2024)*
Yin Shan Hui *(resigned on 19 August 2024)*

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong

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COMPLIANCE ADVISER

Somerley Capital Limited
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Hong Kong

STOCK CODE

1519

COMPANY'S WEBSITE

www.jtexpress.com

LISTING DATE

27 October 2023

Financial Summary

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

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

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

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

Segment information:

	For the six months ended 30 June 2024 (Unaudited)					
	SEA USD'000	**China USD'000**	**New Markets USD'000**	**Cross-border USD'000**	**Unallocated USD'000**	**Total USD'000**
Segment revenue	**1,519,987**	**2,998,260**	**291,592**	**51,857**	**–**	**4,861,696**
Segment cost	**(1,232,702)**	**(2,784,371)**	**(256,570)**	**(52,321)**	**–**	**(4,325,964)**
Segment gross profit (loss)	**287,285**	**213,889**	**35,022**	**(464)**	**–**	**535,732**
Adjusted EBITDA	**207,770**	**198,926**	**(7,841)**	**(7,233)**	**(40,840)**	**350,782**
Adjusted EBIT	**134,781**	**59,595**	**(22,510)**	**(12,691)**	**(40,932)**	**118,243**

	For the six months ended 30 June 2023 (Audited)					
	SEA USD'000	China USD'000	New Markets USD'000	Cross-border USD'000	Unallocated USD'000	Total USD'000
Segment revenue	1,246,076	2,203,070	132,757	448,536	–	4,030,439
Segment cost	(1,025,958)	(2,220,155)	(156,215)	(434,571)	–	(3,836,899)
Segment gross profit (loss)	220,118	(17,085)	(23,458)	13,965	–	193,540
Adjusted EBITDA	184,060	(44,967)	(55,172)	(11,259)	(33,493)	39,169
Adjusted EBIT	92,365	(183,134)	(72,433)	(16,014)	(33,596)	(212,812)

Note: The "Other" segment of "Revenue by geographic segment" as described in the prospectus issued by the Company in connection with the Hong Kong Public Offering is consistent with the combined scope of "Cross-border" segment and "New Markets" segment as described.

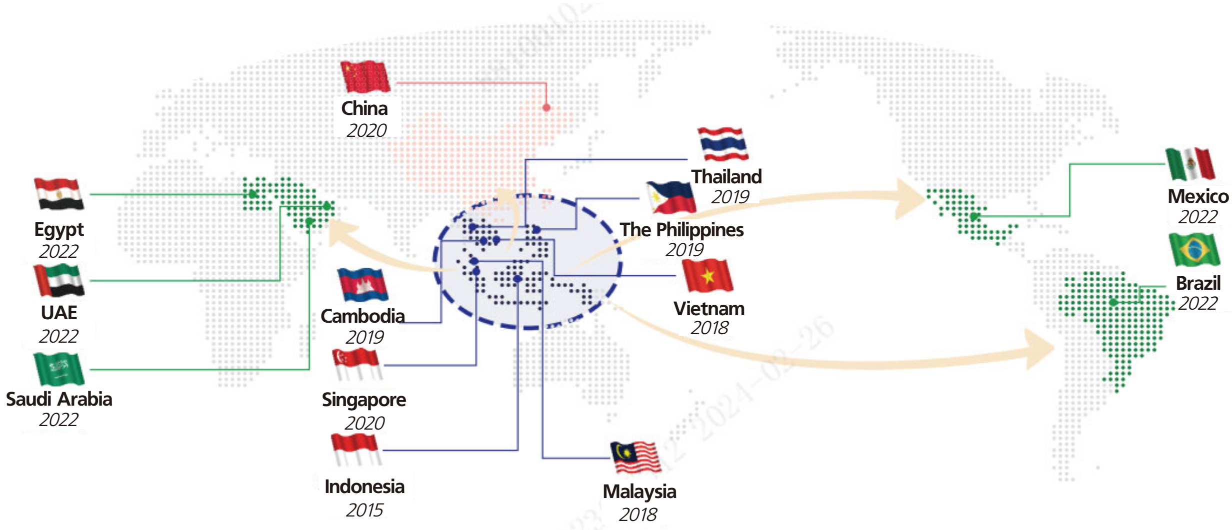
Operational data

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

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

(I) Global Network of the Company



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

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

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

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

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

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

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

(II) Southeast Asia (the "SEA")

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

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

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

[1] Market share in 2023 was calculated on a comparable basis.

2. Competitive Landscape of the Express Delivery Industry in SEA

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

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

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

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

3. Growth and Momentum of Parcel Volume

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

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

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

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

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

4. Continuing the Optimization of Operations in Each Process

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

5. Maintaining a Healthy Level of Profitability

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

(III) China

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

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

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

2. Competitive Landscape of the Express Delivery Industry in China

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

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

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

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

3. Growth and Momentum of Parcel Volume

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

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

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

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

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

4. Continuing the Optimization of Operations in Each Process

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

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

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

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

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

6. Introduction of Key Projects

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

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

(IV) New Markets

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

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

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

2. Growth and Momentum of Parcel Volume

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

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

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

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

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

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

(V) Future Outlook

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

II. REVIEW OF FINANCIAL RESULTS

1. Profit/(Loss) for the Six Months Ended 30 June 2024 and the Six Months Ended 30 June 2023

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

2. Segment Information (Non-IFRS Measure)

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

	For the six months ended 30 June 2024 (Unaudited)					
	SEA USD'000	**China USD'000**	**New Markets USD'000**	**Cross-border USD'000**	**Unallocated USD'000**	**Total USD'000**
Segment revenue	**1,519,987**	**2,998,260**	**291,592**	**51,857**	**–**	**4,861,696**
Segment cost	**(1,232,702)**	**(2,784,371)**	**(256,570)**	**(52,321)**	**–**	**(4,325,964)**
Segment gross profit (loss)	**287,285**	**213,889**	**35,022**	**(464)**	**–**	**535,732**
Adjusted EBITDA	**207,770**	**198,926**	**(7,841)**	**(7,233)**	**(40,840)**	**350,782**
Adjusted EBIT	**134,781**	**59,595**	**(22,510)**	**(12,691)**	**(40,932)**	**118,243**

	For the six months ended 30 June 2023 (Audited)					
	SEA USD'000	China USD'000	New Markets USD'000	Cross-border USD'000	Unallocated USD'000	Total USD'000
Segment revenue	1,246,076	2,203,070	132,757	448,536	–	4,030,439
Segment cost	(1,025,958)	(2,220,155)	(156,215)	(434,571)	–	(3,836,899)
Segment gross profit (loss)	220,118	(17,085)	(23,458)	13,965	–	193,540
Adjusted EBITDA	184,060	(44,967)	(55,172)	(11,259)	(33,493)	39,169
Adjusted EBIT	92,365	(183,134)	(72,433)	(16,014)	(33,596)	(212,812)

3 Revenue

3.1 Revenue by nature:

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

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

Revenue from express delivery services

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

Revenue from cross-border services

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

Rental income

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

Revenue from sale of accessories

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

3.2 Revenue by geographic segment:

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

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

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

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

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

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

4. Economic Benefits per Parcel

SEA:

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

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

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

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

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

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

China:

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

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

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

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

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

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

New Markets:

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

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

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

5. Cost of Revenue and Expenses:

5.1 Costs and expenses by nature

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

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

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

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

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

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

5.2 Cost by geographic segment

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

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

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

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

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

6. Gross Profit and Gross Profit Margin

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

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

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

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

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

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

7. Selling, General and Administrative Expenses

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

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

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

8. Adjusted EBITDA:

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

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

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

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

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

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

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

9. Finance Costs

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

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

10. Other Income

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

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

11. Non-IFRS Measures

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

12. Liquidity and Financial Resources

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

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

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

13. Foreign Exchange Risk

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

We will continue to monitor changes in currency exchange rates and will take necessary measures to mitigate any impacts caused by exchange rate fluctuations. We did not hedge against any movement in foreign currency during the six months ended 30 June 2024.

14. Capital Expenditure

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

15. Capital Expenditure Commitment

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

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

16. Material Acquisitions and Disposals of Subsidiaries and Associates

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

17. Employee and Remuneration Policy

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

18. Pledge of Assets

As of 30 June 2024, we pledged restricted deposits of US$31.2 million. We had also pledged certain equipment and land use rights to secure borrowings, details of which are set out in Note 26 to the Interim Financial Information.

19. Significant Investments Held

Investments with fair value/market value of not less than 5% of the Group's total assets are significant investments of the Group. The Group invested around US$457.0 million in 2022 and further invested around US$58.0 million in May 2023 in the convertible bonds issued by Huisen Global Limited. As of 30 June 2024, the Group held convertible bonds issued by Huisen Global Limited with fair value of approximately US$484.9 million, representing approximately 7.3% of the Group's total assets, which was included in the Group's financial assets at fair value through profit or loss. For the six months ended 30 June 2024, the Group recognized a gain of approximately US$1.4 million from changes in the fair value of such investment, and the Group did not receive any dividends from such investment. Details of such investments are set out in Note 22 to the Interim Financial Information.

Huisen Global Limited is an exempted company incorporated in the Cayman Islands with limited liability. Huisen Global Limited and its subsidiaries are principally engaged in the industry of freight less-than truckload delivery business, covering transportation and loading, unloading and handling services. In the future, while stabilizing the China's market, Huisen Global Limited will continue to expand its overseas markets. In view of Huisen Global Limited's promising development prospects, the Group believes that there is no indication that the convertible bonds issued by Huisen Global Limited to the Group will default.

Save as disclosed in this interim report, during the six months ended 30 June 2024, the Group did not hold any other significant investments.

20. Future Plans for Material Investments and Capital Assets

As of 30 June 2024, the Group did not have plans for material investments or capital assets.

21. Contingent Liabilities

As of 30 June 2024, the Group did not have any material contingent liabilities.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As of 30 June 2024, so far as our Directors are aware, the interests or short positions of our Directors and the chief executive in any Shares, underlying shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which have been taken or deemed to have been taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code, will be as follows:

Name of Director	Capacity/Nature of interest(1)	Number and class of securities	Approximate % shareholding interest in the relevant class of Shares as of 30 June 2024	Approximate % of the Company's issued shares as of 30 June 2024
Mr. Jet Jie Li(2)	Interest in a controlled corporation	979,333,410 Class A Shares	**100.00%**	**11.11%**
Ms. Alice Yu-fen Cheng(3)	Interest in a controlled corporation	40,008,020 Class B Shares	**0.51%**	**0.45%**
Mr. Yuan Zhang(4)	Interest in a controlled corporation	331,831,635 Class B Shares	**4.24%**	**3.77%**

Notes:

(1) All interests stated are long position.

(2) This includes the 979,333,410 Class A Shares held by Jumping Summit Limited; Topping Summit Limited, an entity wholly-owned by Mr. Jet Jie Li, owns 5% equity interest of Jumping Summit Limited; Exceeding Summit Holding Limited, which is held by Vistra Trust (Singapore) Pte. Limited as a trustee for a trust established by Mr. Jet Jie Li for the benefit of Mr. Jet Jie Li and his family members, owns the remaining 95% equity interest in Jumping Summit Limited. Accordingly, Mr. Jet Jie Li is deemed to be interested in the 979,333,410 Class A Shares held by Jumping Summit Limited under the SFO.

(3) This includes the 40,008,020 Class B Shares held by Robust Idea Limited, which is wholly-owned by Ms. Alice Yu-fen Cheng. Accordingly, Ms. Alice Yu-fen Cheng is deemed to be interested in the 40,008,020 Class B Shares held by Robust Idea Limited.

(4) This includes the 327,712,070 Class B Shares held by LONG ORIGIN LIMITED and 4,119,565 Class B Shares held by Blink Field Limited. Both of LONG ORIGIN LIMITED and Blink Field Limited are wholly-owned by Mr. Yuan Zhang. Accordingly, Mr. Yuan Zhang is deemed to be interested in the 327,712,070 Class B Shares held by LONG ORIGIN LIMITED and 4,119,565 Class B Shares held by Blink Field Limited.

Save as disclosed above, as of 30 June 2024, so far as are known to the Directors, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be disclosed under Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 30 June 2024, so far as are known to any Director, the following persons (not being Directors or the chief executive of the Company) or corporation had interests or short positions in the Shares or underlying Shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or were required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Capacity/ Nature of interest[1]	Number and class of securities	Approximate percentage of shareholding in the relevant class of Shares of the Company as of 30 June 2024	Approximate percentage of the Company's issued shares as of 30 June 2024
Jumping Summit Limited[2]	Beneficial owner	979,333,410 Class A Shares	**100.00%**	**11.11%**
Exceeding Summit Holding Limited[2]	Interest in controlled corporation	979,333,410 Class A Shares	**100.00%**	**11.11%**
Topping Summit Limited[2]	Interest in controlled corporation	979,333,410 Class A Shares	**100.00%**	**11.11%**
Vistra Trust (Singapore) Pte. Limited[2]	Trustee	979,333,410 Class A Shares	**100.00%**	**11.11%**
Mr. Chen Mingyong[3]	Interest in controlled corporation/ Interest of spouse	700,887,980 Class B Shares	**8.95%**	**7.95%**
Ms. Liang Xiaojing[3]	Interest in controlled corporation/ Interest of spouse	700,887,980 Class B Shares	**8.95%**	**7.95%**
Tencent Holdings Limited[4]	Interest in controlled corporation	533,278,240 Class B Shares	**6.81%**	**6.05%**
Boyu Capital Fund IV, L.P.[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**
Boyu Capital General Partner IV, Ltd[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**
Boyu Capital Group Holdings Ltd[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**
Boyu Group, LLC[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**
XYXY Holdings Ltd.[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**
Mr. Tong Xiaomeng[5]	Interest in controlled corporation	460,820,640 Class B Shares	**5.88%**	**5.23%**

Notes:

(1) All interests stated are long position.

(2) Topping Summit Limited, an entity wholly-owned by Mr. Jet Jie Li, an executive Director, owns 5% equity interest of Jumping Summit Limited; Exceeding Summit Holding Limited, which is held by Vistra Trust (Singapore) Pte. Limited as a trustee for a trust established by Mr. Jet Jie Li for the benefit of Mr. Jet Jie Li and his family members, owns the remaining 95% equity interest in Jumping Summit Limited. Accordingly, Mr. Jet Jie Li is deemed to be interested in the 979,333,410 Class A Shares held by Jumping Summit Limited under the SFO.

(3) This includes the 373,175,910 Class B Shares and 327,712,070 Class B Shares held by Team Spirit Group Limited and Starlight Hero Limited, respectively. Team Spirit Group Limited is wholly-owned by Sky Royal Trading Limited, which is wholly-owned by Guangdong OPlus Holdings Co., Ltd. Guangdong OPlus Holdings Co., Ltd is 65.9% held by the Labor Union Committee of Guangdong OPlus Holdings Co., Ltd, and the Labor Union Committee of Guangdong OPlus Holdings Co., Ltd is controlled by Mr. Chen Mingyong. Accordingly, Mr. Chen Mingyong is deemed to be interested in the 373,175,910 Class B Shares held by Team Spirit Group Limited under the SFO.

Ms. Liang Xiaojing does not hold any legal or beneficial interest in the share capital of Team Spirit Group Limited; however, solely pursuant to Part XV of the SFO, Ms. Liang Xiaojing is deemed to be interested in the 373,175,910 Class B Shares held by her spouse, Mr. Chen Mingyong, although she does not personally hold such shares as a direct shareholder.

Starlight Hero Limited is wholly-owned by Ms. Liang Xiaojing.

Mr. Chen Mingyong does not hold any legal or beneficial interest in the share capital of Starlight Hero Limited; however, solely pursuant to Part XV of the SFO, Mr. Chen Mingyong is deemed to be interested in the 327,712,070 Class B Shares held by his spouse, Ms. Liang Xiaojing, although he does not personally hold such shares as a direct shareholder.

(4) This includes the 382,316,440 Class B Shares, 107,829,815 Class B Shares and 43,131,985 Class B Shares held by Huang River Investment Limited, Eternal Earn Holding Limited, and Parallel Cluster Investment Limited, respectively. Huang River Investment Limited is a wholly-owned subsidiary of Tencent Holdings Limited, a company listed on the Stock Exchange (HKEX: 700, "**Tencent**"). Eternal Earn Holding Limited is a wholly-owned subsidiary of TPP Fund II, L.P., whose general partner is TPP GP II, Ltd, which is ultimately indirectly controlled by Tencent through Nasturtium Investment Limited. Parallel Cluster Investment Limited is a wholly-owned subsidiary of Parallel Cluster Investment L.P., whose general partner is Parallel Cluster GP Limited, is a wholly-owned subsidiary of Tencent. Accordingly, Tencent is deemed to be interested in the total of 533,278,240 Class B Shares held by Huang River Investment Limited, Eternal Earn Holding Limited and Parallel Cluster Investment Limited under the SFO.

(5) This includes the 115,175,995 Class B Shares, 285,259,927 Class B Shares and 60,384,718 Class B Shares held by Joyous Tempinis Limited, Jaunty Global Limited, and Jallion Global Limited, respectively. Joyous Tempinis Limited, Jaunty Global Limited, and Jallion Global Limited are directly or indirectly controlled by Boyu Capital Fund IV, L.P., whose general partner is Boyu Capital General Partner IV, Ltd. Boyu Capital General Partner IV, Ltd is wholly-owned by Boyu Capital Group Holdings Ltd, which is wholly-owned by Boyu Group, LLC. Boyu Group, LLC is controlled by XYXY Holdings Ltd., which is wholly-owned by Mr. Tong Xiaomeng. Accordingly, Boyu Capital Fund IV, L.P., Boyu Capital General Partner IV, Ltd, Boyu Capital Group Holdings Ltd, Boyu Group, LLC, XYXY Holdings Ltd. and Mr. Tong Xiaomeng are deemed to be interested in the total of 460,820,640 Class B Shares held by Jaunty Global Limited, Joyous Tempinis Limited and Jallion Global Limited under the SFO.

Save as disclosed above, as of 30 June 2024, to the knowledge of our Directors, none of any other persons (other than Directors or chief executive of the Company) have interests or short positions in the Shares or underlying shares of the Company, which were required to be disclosed in accordance with Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or which were required to be kept in the register under the requirements in Section 336 of the SFO or which were required to be notified to the Company and the Stock Exchange.

SHARE INCENTIVE PLAN

Pre-IPO Share Incentive Plan

In order to align the interests of the Company's network partners and regional sponsors with those of the Company's Shareholders, the Network Partner Equity Incentive Plan was initially approved by the Shareholders on 26 February 2022, and further amended by the Board on 31 May 2023. As disclosed in the prospectus, the terms of the Network Partner Equity Incentive Plan are not subject to the provisions of Chapter 17 of the Listing Rules.

The maximum number of shares that may be issued under the Pre-IPO Share Incentive Plan is 38,000,000 Class A ordinary shares (or 190,000,000 Class B Shares, following completion of the reclassification, redesignation and share subdivision). Prior to the Listing, the Company issued 38,000,000 Class A ordinary shares of the Company on 28 September 2022 to NP Investment Platform Limited at par value to facilitate the administration of the Pre-IPO Share Incentive Plan. The Pre-IPO Share Incentive Plan does not involve the grant of options or awards by the Company after the Listing and no further Shares will be issued by our Company under the Pre-IPO Share Incentive Plan upon the Listing Date.

Details of our Pre-IPO Network Partner Equity Incentive Plan are set forth in the "Statutory and General information – 4. Pre-IPO Share Incentive Plan" in Appendix V to the prospectus and in Note 24 to the Interim Financial Information of this interim report.

2024 SHARE INCENTIVE SCHEME

The 2024 Share Incentive Scheme was approved and adopted by all the then Shareholders of the Company on 18 June 2024. The Scheme shall be valid and effective for a period of ten years commencing on 18 June 2024. The terms of the 2024 Share Incentive Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

For details of the 2024 Share Incentive Scheme, please refer to the circular of the Company dated 27 May 2024 and the poll results announcement of the Company dated 18 June 2024.

As of the date of 30 June 2024, 881,216,623 shares are available for grants under the scheme mandate limit under the 2024 Share Incentive Scheme, and 176,243,324 shares are available for grants under the service provider sublimit under the Scheme. During the period commencing from the Adoption Date to 30 June 2024, no options or awards had been granted, exercised, vested, cancelled or lapsed under the 2024 Share Incentive Scheme.

During the Reporting Period, the Company has not granted any options or awards, therefore the percentage of the number of shares that may be issued in respect of options and awards granted under all the schemes of the Company during the Reporting Period divided by the weighted average number of shares of the shares in issue for the Reporting Period is not applicable.

WEIGHTED VOTING RIGHTS

The Company has adopted the WVR Structure. Under this structure, the Company's share capital will comprise Class A Shares and Class B Shares. Each Class A Share shall entitle its holder to ten votes, and each Class B Share shall entitle its holder to one vote, on each resolution subject to a vote at the Company's general meetings on a poll, except for resolutions with respect to any reserved matters specified in the articles of association of the Company (the "**Reserved Matters**"), in relation to which each Class A Share and each Class B Share shall entitle its holder to one vote on a poll at a general meeting. The Company has adopted the WVR Structure to enable the WVR Beneficiary to exercise voting control over the Company. This will enable the Company to benefit from the continuing vision and leadership of the WVR Beneficiary who will control the Company with a view to its long-term prospects and strategy.

Shareholders and prospective investors are advised to be aware of the potential risks of investing in companies with weighed voting rights structures, in particular that interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exert significant influence over the affairs of our Company and the outcome of shareholders' resolutions, irrespective of how other shareholders vote. Prospective investors should make the decision to invest in the Company only after due and careful consideration.

As of 30 June 2024, the WVR Beneficiary is Mr. Jet Jie Li. Mr. Jet Jie Li beneficially owns 979,333,410 Class A Shares, representing approximately 55.56% of the total voting rights in the Company with respect to shareholder resolutions relating to matters other than the Reserved Matters. The Class A Shares beneficially owned by Mr. Jet Jie Li are held by Jumping Summit Limited, a company jointly owned by Topping Summit Limited and Exceeding Summit Holding Limited. Topping Summit Limited, wholly-owned by Mr. Jet Jie Li, holds 5% of the equity interest in Jumping Summit Limited. Exceeding Summit Holding Limited, the entire equity interest of which is held by Vistra Trust (Singapore) Pte. Limited as trustee for the family trust established by Mr. Jet Jie Li for the benefit of himself and his family, holds the remaining 95% equity interest in Jumping Summit Limited.

Class A Shares may be converted into Class B Shares on a one to one ratio. As of 30 June 2024, upon conversion of all the outstanding Class A Shares to Class B Shares, the Company will issue 979,333,410 Class B Shares, representing approximately 12.50% of the total number of outstanding Class B Shares or 11.11% of the issued share capital of the Company.

The weighted voting rights attached to our Class A Shares will cease when the WVR Beneficiary ceases to have beneficial ownership of any of our Class A Shares, in accordance with Rule 8A.22 of the Listing Rules. This may occur:

(i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rules, in particular where the WVR Beneficiary is: (1) deceased; (2) no longer a member of our Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;

(ii) when the holders of Class A Shares have transferred to another person the beneficial ownership of, or economic interest in, all of the Class A Shares or the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rules;

(iii) where a vehicle holding Class A Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rules; or

(iv) when all of the Class A Shares have been converted to Class B Shares.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving a high standard of corporate governance to facilitate its long-term development and to protect the interests of its shareholders. In this regard, the Company's corporate governance practices are based on the principles of good corporate governance and code provisions set forth in the Corporate Governance Code. 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 report.

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

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

JOINT COMPANY SECRETARIES

During the Reporting Period, Ms. Yin Shan Hui acted as the company secretary of the Company. Since 19 August 2024, Ms. Quanxi Shang ("**Ms. Shang**") and Mr. Ching Kit Cheng ("**Mr. Cheng**") have acted as the joint company secretaries of the Company. As stated in the announcement of the Company dated 19 August 2024, the Stock Exchange has granted a waiver to the Company in respect of Ms. Shang's eligibility to act as the joint company secretary of the Company for a period of three years from the effective date of appointment of Ms. Shang as a Joint Company Secretary (the "**Waiver Period**") on the condition that Ms. Shang must be assisted by Mr. Cheng during the Waiver Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted 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.

USE OF PROCEEDS

Based on the offer price of HK$12.00 per offer Share, the net proceeds of the Global Offering received by the Company (after deducting the underwriting fees, commission charges and estimated expenses payable by the Company in relation to the Global Offering) amounted to HK$3,553.50 million, which will be used according to the purposes of the proceeds from the Global Offering disclosed in the prospectus. The use purposes are set out below:

- approximately 30%, or HK$1,066.05 million, will be used to expand our logistics networks, improve our infrastructure, and strengthen our sorting and warehouse capacity and capabilities in Southeast Asia and other existing markets;

- approximately 30%, or HK$1,066.05 million, will be used to expand in new markets and diverse our service offering;

- approximately 30%, or HK$1,066.05 million, will be used for research and development and technology innovations; and

- approximately 10%, or HK$355.35 million, will be used for general corporate purposes and working capital needs.

During the Reporting Period and up to the date of this interim report, there has been no change in the intended use of the net proceeds and the expected timetable disclosed in the prospectus.

As of 30 June 2024, the utilization of the net proceeds from the Global Offering are as follows:

Purposes	Percentage of net proceeds (%)	Net proceeds (US$ million)	Unutilized amount as of 1 January 2024 (US$ million)	Utilized amount during the Reporting Period (US$ million)	Utilized amount as of 30 June 2024 (US$ million)	Unutilized amount as of 30 June 2024 (US$ million)	Expected timetable of full utilization of the remaining net proceeds
Expanding our logistics networks	30%	136.3	58.0	11.6	89.9	46.4	By the end of 2027
Expanding the Company's service scope	30%	136.3	83.0	27.4	80.7	55.6	By the end of 2027
Research and development and technology innovations	30%	136.3	129.0	31.7	39.0	97.3	By the end of 2027
General corporate purposes and working capital needs	10%	45.4	16.5	3.0	31.9	13.5	By the end of 2027
Total	100%	454.3	286.5	73.7	241.5	212.8	

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the Company or any of its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares). As at 30 June 2024, the Company did not hold any treasury shares.

CHANGES IN DIRECTOR'S INFORMATION

The changes in the Directors' information since the date of the Company's annual report for the financial year ended 31 December 2023, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

(1) On 18 May 2024, Mr. Charles Zhaoxuan Yang has resigned as an independent non-executive Director of the Company, a member and the chairman of the Audit Committee of the Board and a member of the Corporate Governance Committee. For details, please refer to the Company's announcement dated 18 May 2024.

(2) Since 18 May 2024, Mr. Peter Lai Hock Meng has been appointed as an independent non-executive Director of the Company, a member and the chairman of the Audit Committee of the Board and a member of the Corporate Governance Committee, and has been appointed as an independent non-executive Director of mm2 Asia Ltd (SGX: 1B0) with effect from 1 August 2024. For details, please refer to the Company's announcement dated 18 May 2024.

(3) Mr. Erh Fei Liu, an independent non-executive Director, is currently Chief Executive Officer and Founding Partner of Asia Investment Fund (the manager of the Asian investment fund), resigned as an independent non-executive Director of Qingling Motors Co. Ltd (HKEX: 1122) with effect from 27 June 2024.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

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

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established Corporate Governance Committee, Nomination Committee and Remuneration Committee.

CORPORATE GOVERNANCE COMMITTEE

The Company has established a Corporate Governance Committee in compliance with the CG Code and Rule 8A.30 of the Listing Rules. As of the Latest Practicable Date, the Corporate Governance Committee consists of three independent non-executive Directors, namely, Mr. Peng Shen, Mr. Erh Fei Liu and Mr. Peter Lai Hock Meng. Mr. Peng Shen is the chairman of the Corporate Governance Committee.

The key tasks of the Corporate Governance Committee during the Reporting Period included:

- reviewed and monitored the training and continuing professional development of Directors and senior management;
- reviewed the implementation and effectiveness of the shareholder communication policy;
- confirmed that the WVR Beneficiary has complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules during the year ended 31 December 2023;
- confirmed that the WVR Beneficiary has been the member of the Board and that no matters under Rule 8A.17 of the Listing Rules have occurred during the year ended 31 December 2023;
- confirmed the process for managing conflicts of interest and all risks associated with the Company's different voting rights structure; and
- confirmed the annual ESG Report and make recommendations to the Board for approval.

INTERIM DIVIDENDS

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

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

On 9 September 2024, Winner Star (the "**Borrower**") and the Company and certain members of the Group (as guarantors) entered into the Facility Agreement with, among others, certain banks and financial institutions (the "**Original Lenders**"). Pursuant to the Facility Agreement, the Original Lenders agreed to provide term loan facilities to the Borrower, which comprise (i) USD facility of up to USD674,000,000; (ii) HKD facility of up to HKD1,362,000,000; and (iii) CNH and CNY facilities of up to RMB2,871,350,000, for a term of 36 months commencing from the date on which the first loan is to be made.

Pursuant to the Facility Agreement, if Mr. Jet Jie Li, the controlling shareholder of the Company, (i) ceases to, directly or indirectly, exercise or control the exercise of the single largest percentage of the voting rights that might be exercised at the general meeting of the Company; or (ii) ceases to have the power to give directions with respect to the operating, management and financial policies of the Company, the loan facilities available under the Facility Agreement will be immediately cancelled, each such facility will immediately cease to be available for further utilisation, and all loans, accrued interest and other amounts will become immediately due and payable if so required by majority lenders under the Facility Agreement by no less than 10 business days' notice.

Save as disclosed above, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

Report on Review of Interim Financial Information

羅兵咸永道

To the Board of Directors of J&T Global Express Limited
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 38 to 93, which comprises the interim condensed consolidated balance sheet of J&T Global Express Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2024 and the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19 August 2024

Interim Condensed Consolidated Income Statement

	Note	Six months ended 30 June 2024 USD'000 Unaudited	2023 USD'000
Revenue	*5*	**4,861,696**	4,030,439
Cost of revenue	*9*	**(4,325,964)**	(3,836,899)
Gross profit		**535,732**	193,540
Selling, general and administrative expenses	*9*	**(381,660)**	(1,767,875)
Research and development expenses	*9*	**(23,565)**	(18,874)
Net impairment losses on financial assets	*11*	**(12,438)**	(11,814)
Other income	*6*	**3,148**	12,228
Other losses – net	*7*	**(6,192)**	(43,423)
Operating profit/(Loss)		**115,025**	(1,636,218)
Finance income	*10*	**17,243**	11,367
Finance costs	*10*	**(62,197)**	(56,002)
Finance costs – net		**(44,954)**	(44,635)
Fair value change of financial assets and liabilities at fair value through profit or loss	*22, 27*	**(28,912)**	1,020,747
Share of results of associates		**(92)**	(84)
Profit/(Loss) before income tax		**41,067**	(660,190)
Income tax expense	*12*	**(10,041)**	(6,579)
Profit/(Loss) for the period		**31,026**	(666,769)
Attributable to:			
Owners of the Company		**27,589**	(640,967)
Non-controlling interests		**3,437**	(25,802)
		31,026	(666,769)
Earnings/(losses) per share attributable to owners of the Company:			
Basic earnings/(losses) per share (USD cent)	*13*	**0.3**	(20.8)
Diluted earnings/(losses) per share (USD cent)	*13*	**0.3**	(22.2)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Comprehensive Income

	Note	Six months ended 30 June 2024 USD'000 Unaudited	2023 USD'000
Profit/(loss) for the period		**31,026**	(666,769)
Other comprehensive loss			
Item that may be reclassified subsequently to profit or loss			
Currency translation differences		**(72,125)**	(15,296)
Item 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	*27*	**(43)**	5,233
Others		**507**	241
Other comprehensive loss for the period, net of tax		**(71,661)**	(9,822)
Total comprehensive loss for the period		**(40,635)**	(676,591)
Attributable to:			
Owners of the Company		**(44,049)**	(652,418)
Non-controlling interests		**3,414**	(24,173)
		(40,635)	(676,591)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Balance Sheet

	Note	As at 30 June 2024 USD'000 Unaudited	As at 31 December 2023 USD'000
ASSETS			
Non-current assets			
Investment properties	*14*	**168**	278
Property, plant and equipment	*15*	**1,185,135**	1,178,690
Right-of-use assets	*16*	**486,366**	503,073
Intangible assets	*17*	**942,853**	974,525
Investments accounted for using the equity method		**2,620**	2,729
Deferred income tax assets	*28*	**55,866**	53,813
Other non-current assets	*18*	**31,615**	25,423
Financial assets at fair value through profit or loss	*22*	**572,510**	725,577
		3,277,133	3,464,108
Current assets			
Inventories		**24,041**	34,756
Trade receivables	*19*	**540,703**	555,978
Prepayments, other receivables and other assets	*20*	**1,131,353**	971,496
Financial assets at fair value through profit or loss	*22*	**207,347**	49,957
Restricted cash	*21*	**45,232**	41,921
Cash and cash equivalents	*21*	**1,428,189**	1,483,198
		3,376,865	3,137,306
Total assets		**6,653,998**	6,601,414
EQUITY			
Equity attributable to owners of the Company			
Share capital	*23*	**18**	18
Share premium	*23, 25*	**9,061,736**	9,061,736
Other reserves	*25*	**(189,402)**	(185,273)
Accumulated losses		**(6,099,210)**	(6,126,799)
		2,773,142	2,749,682
Non-controlling interests		**(330,137)**	(270,083)
Total equity		**2,443,005**	2,479,599

	Note	As at 30 June 2024 USD'000 Unaudited	As at 31 December 2023 USD'000
LIABILITIES			
Non-current liabilities			
Borrowings	*26*	**125,414**	1,071,313
Lease liabilities	*16*	**291,675**	304,316
Deferred tax liabilities	*28*	**14,109**	15,808
Employee benefit obligations		**12,339**	13,082
Financial liabilities – redemption liabilities of shares of JNT KSA	*27*	**59,773**	36,740
Financial liabilities at fair value through profit or loss	*27*	**589,634**	595,782
		1,092,944	2,037,041
Current liabilities			
Trade payables	*29*	**450,448**	466,904
Advances from customers	*31*	**287,958**	272,231
Accruals and other payables	*30*	**884,762**	888,942
Lease liabilities	*16*	**183,748**	204,341
Current income tax liabilities		**30,465**	30,601
Borrowings	*26*	**1,270,599**	211,236
Financial liabilities at fair value through profit or loss	*27*	**10,069**	10,519
		3,118,049	2,084,774
Total liabilities		**4,210,993**	4,121,815
Total equity and liabilities		**6,653,998**	6,601,414

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

Alice Yu-fen Cheng
Director

Jet Jie Li
Director

Interim Condensed Consolidated Statement of Changes in Equity

		Attributable to owners of the Company						
	Note	Share capital USD'000	Share premium USD'000	Other reserves USD'000	Accumulated losses USD'000	Total USD'000	Non-controlling interests USD'000	Total equity USD'000
Balance as at 1 January 2023		14	603,829	(434,108)	(5,016,768)	(4,847,033)	(137,215)	(4,984,248)
Comprehensive income								
Loss for the period		–	–	–	(640,967)	(640,967)	(25,802)	(666,769)
Other comprehensive loss:								
Items that may be reclassified subsequently to profit or loss								
Currency translation differences		–	–	(16,873)	–	(16,873)	1,577	(15,296)
Item that will not be reclassified subsequently to profit or loss								
Other comprehensive loss – resulted from change of credit risk of financial liabilities measured at fair value	*27*	–	–	5,233	–	5,233	–	5,233
Others		–	–	189	–	189	52	241
Total comprehensive income		–	–	(11,451)	(640,967)	(652,418)	(24,173)	(676,591)
Transactions with owners in their capacity as owner:								
Capital injection from non-controlling shareholders		–	–	–	–	–	89	89
Transactions with non-controlling interests	*32*	–	–	58,852	–	58,852	(58,852)	–
Dividends of subsidiaries		–	–	–	–	–	(6,179)	(6,179)
Employee benefit expenses – Share-based compensation expenses	*24*	–	–	10,295	–	10,295	–	10,295
Repurchase of ordinary shares and convertible preferred shares	*23, 24, 27*	–	(5,573)	(39,981)	–	(45,554)	–	(45,554)
Issuance of convertible preferred shares	*23*	3	–	(3)	–	–	–	–
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	*25*	–	–	172,598	–	172,598	–	172,598
Total transactions with owners in their capacity as owner		3	(5,573)	201,761	–	196,191	(64,942)	131,249
Balance as at 30 June 2023		17	598,256	(243,798)	(5,657,735)	(5,303,260)	(226,330)	(5,529,590)

		Unaudited						
		Attributable to owners of the Company						
	Note	Share capital USD'000	Share premium USD'000	Other reserves USD'000	Accumulated losses USD'000	Total USD'000	Non-controlling interests USD'000	Total equity USD'000
Balance as at 1 January 2024		18	9,061,736	(185,273)	(6,126,799)	2,749,682	(270,083)	2,479,599
Comprehensive income								
Profit for the period		–	–	–	27,589	27,589	3,437	31,026
Other comprehensive loss:								
Items that may be reclassified subsequently to profit or loss								
Currency translation differences		–	–	(72,061)	–	(72,061)	(64)	(72,125)
Item that will not be reclassified subsequently to profit or loss								
Other comprehensive loss – resulted from change of credit risk of financial liabilities measured at fair value	27	–	–	(43)	–	(43)	–	(43)
Others		–	–	466	–	466	41	507
Total comprehensive income		–	–	(71,638)	27,589	(44,049)	3,414	(40,635)
Transactions with owners in their capacity as owner:								
Capital withdrawal of non-controlling shareholders		–	–	–	–	–	(103)	(103)
Transactions with non-controlling interests	32	–	–	29,103	–	29,103	(36,527)	(7,424)
Dividends of subsidiaries		–	–	–	–	–	(26,838)	(26,838)
Employee benefit expenses – Share-based compensation expenses	24	–	–	32,222	–	32,222	–	32,222
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	25	–	–	6,184	–	6,184	–	6,184
Total transactions with owners in their capacity as owner		–	–	67,509	–	67,509	(63,468)	4,041
Balance as at 30 June 2024		18	9,061,736	(189,402)	(6,099,210)	2,773,142	(330,137)	2,443,005

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

		Six months ended 30 June	
	Note	**2024**	2023
		USD'000	USD'000
		Unaudited	
Cash flows generated from operating activities			
Cash generated from operations		**363,471**	49,908
Interest received		**17,253**	11,405
Income tax paid		**(35,093)**	(58,516)
Net cash flows generated from operating activities		**345,631**	2,797
Cash flows (used in)/generated from investing activities			
Purchase of financial assets at fair value through profit or loss		**(167,634)**	(80,327)
Redemption of financial assets at fair value through profit or loss		**142,201**	29,281
Loans to third parties		**(83,305)**	(36,522)
Repayment of loans by third parties and interests received		**942**	5,200
Purchase of property, plant and equipment		**(164,686)**	(249,471)
Proceeds from disposal of long-term assets		**6,716**	28,888
Purchases of intangible assets		**(545)**	(1,146)
Acquisition of subsidiaries, net of cash acquired		**–**	(61,984)
Disposals of subsidiaries and associates		**–**	43
Net cash flows used in investing activities		**(266,311)**	(366,038)

	Note	Six months ended 30 June 2024 USD'000 Unaudited	 2023 USD'000
Cash flows used in financing activities			
Restricted cash placed		**(14,920)**	(555)
Restricted cash withdrawn		**8,491**	–
Proceeds from borrowings		**305,687**	131,053
Repayment of borrowings		**(191,811)**	(64,168)
Interest paid for borrowings		**(35,243)**	(33,299)
Dividends paid		**(27,516)**	(6,216)
Net proceeds from issuance of Series B Preferred Shares, Series B+ Preferred Shares, Series C1 Preferred Shares, Series D Preferred Shares of the Company and other preferred shares	*23, 27*	**–**	200,000
Net proceeds from issuance of convertible loan of JNT KSA	*27*	**–**	10,000
Net proceeds received related to the issuance of shares of JNT KSA	*27*	**–**	15,000
Principal elements of lease payments		**(135,675)**	(168,427)
Interest elements of lease payments		**(16,194)**	(19,015)
Capital injection from non-controlling interests		**–**	11
Capital withdrawal of non-controlling interests		**(103)**	–
Listing expenses		**–**	(213)
Cash paid in transactions with non-controlling interests	*32*	**(7,424)**	–
Net cash flows (used in)/generated from financing activities		**(114,708)**	64,171
Net decrease in cash and cash equivalents		**(35,388)**	(299,070)
Cash and cash equivalents at the beginning of the period		**1,483,198**	1,504,048
Effects of foreign exchange rate changes on cash and cash equivalents		**(19,621)**	(9,714)
Cash and cash equivalents at the end of the period		**1,428,189**	1,195,264

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim Financial Information

1. GENERAL INFORMATION

J&T Global Express Limited (the "Company"), was incorporated in the Cayman Islands on 24 October 2019 as an exempted company registered under the laws of the Cayman Islands. The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company acts as an investment holding company and its subsidiaries and consolidated affiliated entities (collectively, the "Group") are principally engaged in express delivery services in the People's Republic of China (the "PRC", or "China"), Indonesia, the Philippines, Malaysia, Thailand, Vietnam, and other countries.

The Company's shares have been listed on The Stock Exchange of Hong Kong Limited ("HKSE") since 27 October 2023.

Mr. Jet Li is the ultimate controlling shareholder of the Company as of the date of this report.

The condensed consolidated interim financial information comprises the interim condensed consolidated balance sheet as of 30 June 2024, the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income for the six-month periods then ended, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (the "Interim Financial Information"). The Interim Financial Information is presented in USD, unless otherwise stated.

The Interim Financial Information has been approved for issue by the Board of Directors on 19 August 2024.

The Interim Financial Information has not been audited but has been reviewed by the external auditor of the Company.

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

2.1 Basis of preparation

The Interim Financial Information has been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting", issued by the International Accounting Standards Board ("IASB").

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

2. BASIS OF PREPARATION AND NEW OR AMENDED STANDARDS OR INTERPRETATIONS (Continued)

2.2 New or amended standards or interpretations

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

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

		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

The directors of the Company anticipate that the application of the above new standards, amendments and interpretations will have no material impact on the Interim Financial Information upon adoption.

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

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were substantially the same as those applied to the 2023 Financial Statements.

4. FAIR VALUE ESTIMATION

Fair value hierarchy

The table below analyses the Group's financial instruments carried at fair value as at each balance sheet date, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value on 30 June 2024:

	Level 1 USD'000	**Level 2 USD'000**	**Level 3 USD'000**	**Total USD'000**
(Unaudited)				
Assets				
Non-current financial assets at fair value through profit or loss *(Note 22)*	**–**	**–**	**572,510**	**572,510**
Short-term investments measured at fair value through profit or loss *(Note 22)*	**–**	**68,333**	**–**	**68,333**
Other current financial assets at fair value through profit or loss *(Note 22)*	**56,014**	**–**	**83,000**	**139,014**
	56,014	**68,333**	**655,510**	**779,857**
Liabilities				
Financial liabilities at fair value through profit or loss *(Note 27)*	**–**	**–**	**599,703**	**599,703**

The following table presents the Group's assets and liabilities that are measured at fair value on 31 December 2023:

	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets				
Non-current financial assets at fair value through profit or loss *(Note 22)*	–	–	725,577	725,577
Short-term investments measured at fair value through profit or loss *(Note 22)*	–	49,957	–	49,957
	–	49,957	725,577	775,534
Liabilities				
Financial liabilities at fair value through profit or loss *(Note 27)*	–	–	606,301	606,301

4. FAIR VALUE ESTIMATION (Continued)

Fair value hierarchy (Continued)

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at each of the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

As at 30 June 2024, level 1 instruments of the Group's assets included the Group's other investments (Note 22).

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in level 2.

As at 30 June 2024 and 31 December 2023, level 2 instruments of the Group's assets mainly include wealth management products offered by banks, classified as financial assets at fair value through profit or loss.

(c) Financial instruments in level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate; and

- A combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability, market multiples, etc.

As at 30 June 2024 and 31 December 2023, level 3 instruments of the Group's assets included the Group's investments in Windfall T&L SPC, the convertible bonds of Huisen Global Limited and other investments (Note 22), and liabilities mainly included convertible preferred shares (Note 27).

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the six months ended 30 June 2024 and 2023.

The carrying amounts of the Group's financial assets including cash and cash equivalents, restricted cash, trade receivables, other receivables, other assets and other non-current assets, and the Group's financial liabilities, including borrowing, trade payables, lease liabilities, advances from customers, financial liabilities – redemption liabilities of shares of JNT KSA, accruals and other payables, approximate their fair values due to their short maturities or that the contract interest rates (if applicable) are generally close to the market interest rates.

5. REVENUE AND SEGMENT INFORMATION

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (the "CEO") that makes strategic decisions.

The CEO examines the Group's performance from a geographic perspective and has identified three reportable segments of its business generally basing on territories in which the Group operates.

The CEO assesses the performance of the abovementioned segments mainly based on segment revenue, segment gross profit/(loss), and segment adjusted EBITDA.

The abovementioned adjusted EBITDA is defined as net profit or loss to exclude the following items (the "Adjustments"):

- Income tax expense
- Finance income/costs – net
- Depreciation and amortisation
- Share-based compensation expenses – employee benefit expenses
- Share-based compensation expenses – related to equity transactions
- Fair value change of financial assets and liabilities at fair value through profit or loss
- Other gains, expenses or losses the Group and the CEO deem to be one-off

During the reporting period, certain expenses, gains and losses incurred at corporate and holding companies' level including the Company, the BVI Holdco and the HK Holding, and the fair value changes of financial assets and financial liabilities of the Group that would not be converted into equity of the Company upon listing, were defined as un-allocated items.

The revenue from external customers is measured as segment revenue, which is the revenue derived from the customers in each operating segment respectively.

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information

The geographical segment information for the six months ended 30 June 2024 and 2023 is as follows:

	Six months ended 30 June 2024				
	China USD'000	South-East Asia USD'000	Cross-border USD'000	New Markets USD'000	Total USD'000
(Unaudited)					
Segment revenue	**2,998,260**	**1,519,987**	**51,857**	**291,592**	**4,861,696**
Segment cost of revenue	**(2,784,371)**	**(1,232,702)**	**(52,321)**	**(256,570)**	**(4,325,964)**
Segment gross profit/(loss)	**213,889**	**287,285**	**(464)**	**35,022**	**535,732**
Adjusted segment EBITDA	**198,926**	**207,770**	**(7,233)**	**(7,841)**	**391,622**
Unallocated					**(40,840)**
Total adjusted EBITDA					**350,782**
Adjusted segment EBIT	**59,595**	**134,781**	**(12,691)**	**(22,510)**	**159,175**
Unallocated					**(40,932)**
Total adjusted EBIT					**118,243**

	Six months ended 30 June 2023				
	China USD'000	South-East Asia USD'000	Cross-border USD'000	New Markets USD'000	Total USD'000
Segment revenue	2,203,070	1,246,076	448,536	132,757	4,030,439
Segment cost of revenue	(2,220,155)	(1,025,958)	(434,571)	(156,215)	(3,836,899)
Segment gross profit/(loss)	(17,085)	220,118	13,965	(23,458)	193,540
Adjusted segment EBITDA	(44,967)	184,060	(11,259)	(55,172)	72,662
Unallocated					(33,493)
Total adjusted EBITDA					39,169
Adjusted segment EBIT	(183,134)	92,365	(16,014)	(72,433)	(179,216)
Unallocated					(33,596)
Total adjusted EBIT					(212,812)

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Adjusted EBITDA		
China	**198,926**	(44,967)
South-East Asia	**207,770**	184,060
Cross-border	**(7,233)**	(11,259)
New Markets	**(7,841)**	(55,172)
Un-allocated	**(40,840)**	(33,493)
Total adjusted EBITDA	**350,782**	39,169
Adjustments:		
Depreciation and amortization	**(232,539)**	(251,981)
Share-based compensation expenses – related to employee benefit expenses *(Note 8)*	**(32,222)**	(10,295)
Share-based compensation expense – related to regional sponsors	**–**	(158,442)
Share-based compensation expenses – related to equity transactions *(Note 9)*	**–**	(1,258,131)
Fair value change of financial liabilities of the Company	**–**	1,029,661
Listing expenses	**–**	(5,536)
Finance income	**17,243**	11,367
Finance costs	**(62,197)**	(56,002)
Income tax expense	**(10,041)**	(6,579)
Profit/(Loss) for the period	**31,026**	(666,769)

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

The total of non-current assets other than financial instruments and deferred tax assets, broken down by location of the assets, are shown in the following table:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
China	**1,619,255**	1,623,132
South-East Asia	**876,540**	876,097
Cross-border	**15,451**	28,053
New Markets	**133,532**	153,266
	2,644,778	2,680,548

(c) Revenue during the six months ended 30 June 2024 and 2023

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Type of revenue:		
Express delivery services	**4,739,965**	3,546,178
Cross-border services	**51,857**	448,536
Rental income	**28,509**	23,307
Sale of accessories	**28,585**	8,465
Others	**12,780**	3,953
	4,861,696	4,030,439
Timing of revenue recognition:		
Over time	**4,731,307**	3,943,832
At a point in time	**101,880**	63,300
Rental income	**28,509**	23,307
	4,861,696	4,030,439

6. OTHER INCOME

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Subsidy income	**100**	10,791
Interest income on loans to third parties	**3,048**	1,437
	3,148	12,228

7. OTHER LOSSES – NET

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Exchange losses – net	**(12,569)**	(12,686)
Net gains/(losses) on disposal of property, plant and equipment	**4,421**	(21,306)
Taxes and surcharges	**(3,382)**	(3,549)
Others	**5,338**	(5,882)
	(6,192)	(43,423)

8. EMPLOYEE BENEFIT EXPENSES

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Salaries and bonuses	**565,214**	473,860
Pension cost – defined contribution plans *(i)*	**26,454**	23,689
Share-based compensation expenses *(Note 24 (i), (ii), (iii))*	**32,222**	10,295
Medical and other benefits	**41,795**	32,198
	665,685	540,042

(i) The Group's subsidiaries have to make contribution to certain social security plans managed by relevant local government authorities in accordance with the relevant rules and regulations. Contributions to these plans are charged to the consolidated income statement as and when incurred. The Group has no legal or constructive obligations to pay further contributions. The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

9. EXPENSES BY NATURE

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

10. FINANCE COSTS – NET

	Six months ended 30 June	
	2024	2023
	USD'000	USD'000
	(Unaudited)	
Finance income		
Interest income from bank deposits	**17,243**	11,367
Finance costs		
Interest expenses on lease liabilities *(Note 16)*	**(16,194)**	(19,015)
Interest expenses on borrowings		
Includes: Interest expense on borrowings from financial institutions	**(37,068)**	(32,870)
Interest expense on borrowings from third parties	**(8,935)**	(4,117)
Total finance costs	**(62,197)**	(56,002)
Finance costs – net	**(44,954)**	(44,635)

11. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Impairment losses recognized, net of reversal, on:		
– trade receivables	**7,602**	9,225
– other receivables and other non-current assets	**4,836**	2,589
	12,438	11,814

12. INCOME TAX EXPENSE

The amount of income tax charged to the interim condensed consolidated income statement represents:

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Current tax on profits for the period	**13,921**	23,239
Deferred income tax *(Note 28)*	**(3,880)**	(16,660)
	10,041	6,579

Taxes on profits assessable have been calculated at the rates of tax prevailing in the jurisdictions in which relevant entities operate.

(a) Cayman Islands profits tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and is exempted from payment of the Cayman Islands income tax.

(b) British Virgin Islands ("BVI") profits tax

The Company's subsidiaries incorporated in the BVI are exempted from BVI income tax, as they are incorporated under the International Business Companies Act of the BVI.

(c) Hong Kong profits tax

The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 8.25% on assessable profits up to HK$2,000,000, and 16.5% on any part of assessable profits over HK$2,000,000 for the reporting period.

12. INCOME TAX EXPENSE (Continued)

(d) PRC corporate income tax ("PRC CIT")

The Group's subsidiaries in the PRC are subject to PRC CIT which is calculated based on the applicable tax rate of 25% on the assessable profits of the subsidiaries in accordance with PRC tax laws and regulations for the reporting period, except for disclosed below.

One subsidiary of the Group in the PRC is qualified as a software enterprise under the relevant laws and regulations in the PRC. Accordingly, applicable profits, may be exempted from PRC CIT for two years since the first profit-making year, followed by a 50% reduction in the PRC CIT tax rate of 25% for the next three years, starting from year 2023.

Besides, one subsidiary of the Group in the PRC is subject to "high and new technology enterprises", whose preferential income tax rate was 15%.

Moreover, certain Group's subsidiaries benefit from a preferential tax rate of 15% under the CIT Law if they are located in applicable PRC regions, such as certain western regions and special economic zone, as specified in the relevant catalogue of encouraged industries, subject to certain general restrictions described in the CIT Law and the related regulations.

For the reporting period, several subsidiaries in the PRC were qualified as small and micro enterprises under the PRC CIT regime, which enjoyed a 50%-87.5% reduction in certain statutory taxable income, with a preferential income tax rate of 20%.

(e) Indonesia corporate income tax ("Indonesia CIT")

The Group's subsidiaries in Indonesia are subject to Indonesia CIT which is calculated based on the applicable tax rate of 22% on the assessable profits of the subsidiaries in accordance with Indonesia tax laws and regulations for the reporting period.

(f) Malaysia corporate income tax ("Malaysia CIT")

The Group's subsidiaries in Malaysia are subject to Malaysia CIT which is calculated based on the applicable tax rate of 24% on the assessable profits of the subsidiaries in accordance with Malaysia tax laws and regulations for the reporting period.

(g) Vietnam corporate income tax ("Vietnam CIT")

The Group's subsidiaries in Vietnam are subject to Vietnam CIT which is calculated based on the applicable tax rate of 20% on the assessable profits of the subsidiaries in accordance with Vietnam tax laws and regulations for the reporting period.

(h) Thailand corporate income tax ("Thailand CIT")

The Group's subsidiaries in Thailand are subject to Thailand CIT which is calculated based on the applicable tax rate of 20% on the assessable profits of the subsidiaries in accordance with Thailand tax laws and regulations for the reporting period.

(i) The Philippines corporate income tax ("the Philippines CIT")

The Group's subsidiaries in Philippines are subject to Philippines CIT which is calculated based on the applicable tax rate of 25% on the assessable profits of the subsidiaries in accordance with Philippines tax laws and regulations for the reporting period.

12. INCOME TAX EXPENSE (Continued)

(j) Withholding income tax

As at 30 June 2024 and 2023, the Group's major business is still in a loss position except for the business in Indonesia and the Philippines.

According to the Indonesia CIT Law, a 20% withholding tax will be levied on the immediate holding companies established outside Indonesia when their Indonesian subsidiaries declare dividends out of their profits, and the rate could be lowered to 5% when certain conditions are met in accordance with Hong Kong-Indonesia Double Tax Treaty.

During the six months ended 30 June 2024 and 2023, withholding tax for Indonesia companies was provided as the directors have confirmed that the Group does not expect those subsidiaries to distribute the retained earnings as at 30 June 2024 and 2023 in the foreseeable future. Unremitted earnings that deferred income tax liabilities have not been recognized totalled USD 252,422,000 and USD 229,399,000 as at 30 June 2024 and 2023, respectively.

According to the Philippine CIT Law, withholding tax will be levied on the immediate holding companies established outside the Philippines when their Philippine subsidiaries declare dividends out of their profits. The withholding tax rates is 15% or 25% for six months ended 30 June 2024 and 2023.

During the six months ended 30 June 2024 and 2023, no dividend withholding tax for the Philippine companies was provided as the directors have confirmed that the Group does not expect those subsidiaries to distribute the retained earnings as at 30 June 2024 and 2023 in the foreseeable future. Unremitted earnings that deferred income tax liabilities have not been recognized totalled USD 133,827,000 and USD 118,557,000 as at 30 June 2024 and 2023, respectively.

13. 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 ordinary shares outstanding during the reporting periods, excluding relevant treasury shares if applicable.

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

The weighted average number of ordinary shares for the six months ended 30 June 2024 and 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 (Note 23).

13. EARNINGS/(LOSSES) PER SHARE (Continued)

(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 ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

For the six months ended 30 June 2024, the Group has four categories of potential ordinary shares, namely Series A Preferred Shares of JET Global (Note 27), redeemable shares of JNT KSA (Note 27), convertible loans of JNT KSA (Note 27) and ordinary shares with vesting schedule granted to network partners (Note 24).

For the six months ended 30 June 2023, the Group has six categories of potential ordinary shares, namely convertible preferred shares of the Company, Series A Preferred Shares of JET Global (Note 27), redeemable shares of JNT KSA (Note 27), redeemable shares of JNT KSA to be issued (Note 27), convertible loans of JNT KSA (Note 27) and ordinary shares with vesting schedule granted to network partners (Note 24).

Series A Preferred Shares of JET Global, redeemable shares of JNT KSA, convertible loans of JNT KSA and ordinary shares with vesting schedule granted to network partners were anti-dilutive for the six months ended 30 June 2024 and 2023.

Convertible preferred shares of the Company were dilutive for the six months ended 30 June 2023. Redeemable shares of JNT KSA to be issued was anti-dilutive for the six months ended 30 June 2023.

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

14. INVESTMENT PROPERTIES

The Group's investment properties are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Investment properties		
Opening balance	**278**	507
Transferred to property, plant and equipment *(Note 15)*	**(79)**	(182)
Depreciation	**(19)**	(53)
Exchange differences	**(12)**	6
Closing balance	**168**	278
Cost	**274**	425
Accumulated depreciation	**(106)**	(147)
Net book amount	**168**	278

Investment properties mainly represent buildings and warehouses held by the Group in Indonesia erected on freehold land and include the cost of land, buildings and warehouses. The fair values as at 30 June 2024 and 31 December 2023 were determined by management's self-assessment using discounted cash flow projection based on significant unobservable inputs.

15. PROPERTY, PLANT AND EQUIPMENT

	Buildings and warehouses USD'000	Logistic equipment USD'000	Vehicles USD'000	Leasehold improvements USD'000	Office equipment USD'000	Land USD'000	Others USD'000	Construction in progress USD'000	Total USD'000
(Unaudited)									
Six months ended 30 June 2024									
Cost									
As at 1 January 2024	69,118	884,824	465,968	103,071	140,043	91,247	1,009	140,510	1,895,790
Transfer from investment properties	132	–	–	–	–	–	–	–	132
Transfer upon completion	42,335	47,691	46,222	4,156	750	–	–	(141,154)	–
Transfer to intangible assets	–	–	–	–	(9)	–	–	–	(9)
Other additions	8	5,476	19,231	4,827	8,366	–	–	142,171	180,079
Other disposals	(133)	(25,143)	(21,842)	(2,654)	(5,431)	–	–	(1,190)	(56,393)
Exchange differences	(4,992)	(13,256)	(13,034)	(2,793)	(6,253)	(2,585)	(25)	(1,597)	(44,535)
As at 30 June 2024	106,468	899,592	496,545	106,607	137,466	88,662	984	138,740	1,975,064
Depreciation									
As at 1 January 2024	(14,845)	(147,140)	(212,263)	(48,569)	(66,779)	–	(499)	–	(490,095)
Transfer from investment properties	(53)	–	–	–	–	–	–	–	(53)
Charge for the period	(2,904)	(41,607)	(45,711)	(11,689)	(14,030)	–	(150)	–	(116,091)
Other disposals	–	7,135	9,543	1,893	1,409	–	–	–	19,980
Exchange differences	806	4,039	5,652	1,701	3,793	–	17	–	16,008
As at 30 June 2024	(16,996)	(177,573)	(242,779)	(56,664)	(75,607)	–	(632)	–	(570,251)
Impairment									
As at 1 January 2024	(1,353)	(174,277)	(127)	(15,307)	(3,714)	–	–	(32,227)	(227,005)
Transfer upon completion	–	(1,387)	–	–	–	–	–	1,387	–
Other disposals	–	5,958	119	–	55	–	–	–	6,132
Currency translation differences	–	984	–	46	36	–	–	129	1,195
As at 30 June 2024	(1,353)	(168,722)	(8)	(15,261)	(3,623)	–	–	(30,711)	(219,678)
Net book amount									
As at 30 June 2024	88,119	553,297	253,758	34,682	58,236	88,662	352	108,029	1,185,135

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Buildings and warehouses USD'000	Logistic equipment USD'000	Vehicles USD'000	Leasehold improvements USD'000	Office equipment USD'000	Land USD'000	Others USD'000	Construction in progress USD'000	Total USD'000
Six months ended 30 June 2023									
Cost									
As at 1 January 2023	65,622	843,230	421,644	89,853	111,935	58,944	2,243	131,289	1,724,760
Acquisition of subsidiaries	–	953	–	–	2,909	–	–	–	3,862
Transfer from investment properties	474	–	–	–	–	–	–	–	474
Transfer upon completion	510	61,959	17,505	13,767	998	–	–	(94,739)	–
Other additions	384	51,443	20,382	6,373	14,439	32,490	23	102,511	228,045
Disposal of subsidiaries	–	(33)	(9)	–	(3)	–	–	–	(45)
Other disposals	–	(129,719)	(1,885)	(24,121)	(6,892)	–	(1,647)	(14,967)	(179,231)
Exchange differences	4,478	(32,735)	(11,353)	(4,171)	71	(619)	576	(1,172)	(44,925)
As at 30 June 2023	71,468	795,098	446,284	81,701	123,457	90,815	1,195	122,922	1,732,940
Depreciation									
As at 1 January 2023	(9,989)	(91,616)	(141,054)	(34,191)	(45,954)	–	(531)	–	(323,335)
Transferred from investment properties	(289)	–	–	–	–	–	–	–	(289)
Charge for the period	(2,098)	(33,685)	(43,133)	(10,889)	(14,353)	–	(225)	–	(104,383)
Other disposals	(9)	24,466	829	3,686	4,758	–	52	–	33,782
Exchange differences	(521)	8,291	4,407	2,439	306	–	61	–	14,983
As at 30 June 2023	(12,906)	(92,544)	(178,951)	(38,955)	(55,243)	–	(643)	–	(379,242)
Impairment									
As at 1 January 2023	(1,353)	(280,548)	220	(19,854)	(4,596)	–	–	(42,410)	(348,541)
Other disposals	–	69,485	–	11,287	318	–	–	6,444	87,534
Exchange differences	–	7,492	1,256	216	240	–	–	334	9,538
As at 30 June 2023	(1,353)	(203,571)	1,476	(8,351)	(4,038)	–	–	(35,632)	(251,469)
Net book amount									
As at 30 June 2023	57,209	498,983	268,809	34,395	64,176	90,815	552	87,290	1,102,229

Depreciation expenses have been charged to the interim condensed consolidated income statement as follows:

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Cost of revenue	**104,741**	93,232
Selling, general and administrative expenses	**11,060**	11,015
Research and development expenses	**290**	136
	116,091	104,383

16. LEASES

(i) Amounts recognized in the interim condensed consolidated balance sheet

The interim condensed consolidated balance sheet shows the following amounts relating to leases:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Right-of-use assets		
Buildings and warehouses	**412,042**	428,385
Vehicles	**1,403**	7,570
Land	**70,411**	60,958
Equipment and others	**2,510**	6,160
	486,366	503,073
Lease liabilities		
Current lease liabilities	**183,748**	204,341
Non-current lease liabilities	**291,675**	304,316
	475,423	508,657

(ii) Amounts recognized in the interim condensed consolidated income statement

The interim condensed consolidated income statement shows the following amounts relating to leases:

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
Depreciation charge of right-of-use assets		
Buildings and warehouses	**101,610**	126,631
Vehicles	**868**	4,333
Land	**1,687**	686
Equipment and others	**3,604**	2,314
	107,769	133,964
Interest expense *(Note 10)*	**16,194**	19,015
Expense relating to short-term leases (included in cost of revenue, selling, general and administrative expenses, research, and development expenses)	**57,384**	57,578

17. INTANGIBLE ASSETS

	Software USD'000	Goodwill USD'000	Customer relationship USD'000	Trademark USD'000	License and others USD'000	Total USD'000
(Unaudited)						
Six months ended 30 June 2024						
Cost						
As at 1 January 2024	19,005	955,177	165,956	1,350	1,791	1,143,279
Other additions	554	–	–	–	–	554
Other disposals	(25)	–	–	–	–	(25)
Exchange differences	(1,098)	(19,823)	(3,766)	(20)	(9)	(24,716)
As at 30 June 2024	18,436	935,354	162,190	1,330	1,782	1,119,092
Amortization						
As at 1 January 2024	(13,875)	–	(34,260)	(602)	(986)	(49,723)
Additions	(4,559)	–	(4,106)	(406)	(142)	(9,213)
Other disposals	17	–	–	–	–	17
Exchange differences	821	–	114	5	8	948
As at 30 June 2024	(17,596)	–	(38,252)	(1,003)	(1,120)	(57,971)
Impairment						
As at 1 January 2024	–	(115,543)	(3,488)	–	–	(119,031)
Exchange differences	–	715	48	–	–	763
As at 30 June 2024	–	(114,828)	(3,440)	–	–	(118,268)
Carrying values						
As at 30 June 2024	840	820,526	120,498	327	662	942,853

17. INTANGIBLE ASSETS (Continued)

	Software USD'000	Goodwill USD'000	Customer relationship USD'000	Trademark USD'000	License and others USD'000	Total USD'000
Six months ended 30 June 2023						
Cost						
As at 1 January 2023	16,831	920,940	167,277	1,367	1,719	1,108,134
Acquisition of subsidiaries	4,219	33,629	–	–	–	37,848
Other additions	1,138	–	–	–	8	1,146
Other disposals	(2,595)	–	–	–	–	(2,595)
Exchange differences	3,089	(9,305)	(2,917)	–	(71)	(9,204)
As at 30 June 2023	22,682	945,264	164,360	1,367	1,656	1,135,329
Amortization						
As at 1 January 2023	(4,681)	–	(17,949)	(335)	(514)	(23,479)
Additions	(5,069)	–	(8,112)	–	(426)	(13,607)
Other disposals	79	–	–	–	–	79
Exchange differences	(45)	–	363	–	38	356
As at 30 June 2023	(9,716)	–	(25,698)	(335)	(902)	(36,651)
Impairment						
As at 1 January 2023	–	(117,502)	(3,584)	–	–	(121,086)
Exchange differences	–	4,248	130	–	–	4,378
As at 30 June 2023	–	(113,254)	(3,454)	–	–	(116,708)
Carrying values						
As at 30 June 2023	12,966	832,010	135,208	1,032	754	981,970

17. INTANGIBLE ASSETS (Continued)

Amortization expenses have been charged to the interim condensed consolidated income statement as follows:

	Six months ended 30 June	
	2024	2023
	USD'000	USD'000
	(Unaudited)	
Cost of revenue	**188**	4,721
Selling, general and administrative expenses	**8,952**	8,886
Research and development expenses	**73**	–
	9,213	13,607

18. OTHER NON-CURRENT ASSETS

	As at 30 June 2024	As at 31 December 2023
	USD'000	USD'000
	(Unaudited)	
Prepayments for constructions	**27,634**	21,253
Deposits	**3,924**	4,016
Others	**57**	154
	31,615	25,423

19. TRADE RECEIVABLES

	As at 30 June 2024	As at 31 December 2023
	USD'000	USD'000
	(Unaudited)	
Trade receivables	**585,221**	592,887
Less: provision for impairment	**(44,518)**	(36,909)
	540,703	555,978

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.

19. TRADE RECEIVABLES (Continued)

The aging analysis of trade receivables based on invoice date is as follows:

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

The Group applies the simplified approach under IFRS 9, which requires lifetime expected losses to be recognized from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and forward-looking estimates. At the end of each reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The carrying amounts of the Group's trade receivables approximated their fair values as at the balance sheet dates.

20. PREPAYMENTS, OTHER RECEIVABLES, AND OTHER ASSETS

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Loans to third parties	**218,346**	133,034
Prepaid VAT and other taxes	**593,554**	555,361
Deposits	**83,425**	81,640
Prepaid expenses	**61,147**	85,340
Others	**181,046**	121,326
Less: allowance for credit losses	**(6,165)**	(5,205)
	1,131,353	971,496

As at 30 June 2024 and 31 December 2023, loans to third parties due within 1 year were included in current assets, and those due over 1 year would be included in non-current assets (Note 18).

Terms for loans to third parties were substantially negotiated on a case-by-case basis and during the reporting period, the Group and the Company entered into loan agreements with third parties with terms ranging from 11 months to 3 years, with annual interest rates from 1.05% to 6.41% per annum.

21. RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Restricted cash		
Cash at banks	**45,232**	41,921
Cash and cash equivalents		
Cash on hand and at banks	**1,428,189**	1,483,198
Total	**1,473,421**	1,525,119

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

As at 30 June 2024, restricted cash with a total amount of USD 19,584,000 (as at 31 December 2023: 13,155,000) was pledged as collaterals for the Group's borrowings (Note 26).

As at 30 June 2024, restricted cash with a total amount of USD 10,666,000 (as at 31 December 2023: 12,948,000) was placed as securities of the Group's certain guarantees and commitments.

As at 30 June 2024, restricted cash with a total amount of USD 962,000 (as at 31 December 2023: USD 6,500,000) was pledged as collateral for the Group's bank acceptance notes.

As at 30 June 2024, restricted cash with a total amount of USD 14,020,000 (as at 31 December 2023: USD 9,318,000) was placed under restriction, due to a number of on-going legal claims, for which management has made relevant provisions (Note 30).

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Current		
Bank wealth management products *(i)*	**68,333**	49,957
Other investments *(iv)*	**139,014**	–
	207,347	49,957
Non-current		
Investments in the convertible bonds of Huisen Global Limited *(ii)*	**484,896**	483,487
Investments in Windfall T&L SPC *(iii)*	**87,614**	159,054
Other investments *(iv)*	**–**	83,036
	572,510	725,577
	779,857	775,534

(i) Bank wealth management products purchased by the Group were issued by major and reputable commercial banks without guaranteed returns. The Group manages and evaluates the performance of investments on a fair value basis in accordance with the Group's risk management and investment strategy. The fair values of part of the bank wealth management products are based on cash flow discounted using the expected return based on observable market inputs and are within level 2 of the fair value hierarchy.

(ii) The Group held the investment in the convertible bonds issued by Huisen Global Limited, a related party engaged in the industry of freight less-than truckload delivery business, which was accounted for as financial assets at fair value through profit or loss.

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 Huisen Global Limited, and adopted equity allocation model (if applicable) to determine the fair value of the abovementioned convertible bonds.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(ii) (Continued)

In determining the fair value of the abovementioned convertible bonds, one or more of the significant inputs are not based on observable market data, and therefore the Group included the abovementioned investments in level 3 financial instruments. Key assumptions are set out as below:

	As at 30 June 2024 (Unaudited)	As at 31 December 2023	Relationship of unobservable inputs to fair value
Discount rate	**15.0%**	15.0%	The higher the discount rate, the lower the fair value
Discount of lack of marketability ("DLOM")	**25.0%**	25.0%	The higher the DLOM, the lower the fair value
Expected volatility	**47.8%**	46.8%	The higher the expected volatility, the lower the fair value

Discount rate was estimated by weighted average cost of capital as at the valuation date. The DLOM was estimated based on the option-pricing method. Under the option pricing method, the cost of put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the lack of marketability discount. Expected volatility was estimated based on annualized standard deviation of daily stock price return of comparable companies for the period before respective valuation date and with similar span as time to expiration. In addition to the assumptions adopted above, the Huisen Global Limited's projections of future performance were also factored into the determination of the underlying equity value of Huisen Global Limited on the valuation date.

The estimated carrying amount of relevant convertible bonds as at 30 June 2024 and 31 December 2023 would have been USD 13,188,000 lower/USD 15,234,000 higher and USD 12,213,000 lower/USD 14,782,000 higher, respectively, should the discount rate used in discounted cash flow analysis be higher/lower by 100 basis points from management's estimates.

(iii) Through May to June 2024, the Group redeemed around USD 110,000,000 from Windfall T&L SPC, a private equity fund focusing on investing in industries such as logistics and its upstream and downstream industry chains, and further invested around USD 49,500,000 in this equity fund.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(iii) (Continued)

The movements of investments in Windfall T&L SPC are set out below:

	Six months ended 30 June 2024 USD'000 (Unaudited)
Carrying amount at the beginning of the period	**159,054**
Investment in Windfall T&L SPC	**49,500**
Redemption of investments	**(110,000)**
Changes in fair value – profit or loss	**(10,940)**
Carrying amount at the end of the period	**87,614**

	Six months ended 30 June 2023 USD'000
Carrying amount at the beginning of the period	52,372
Investment in Windfall T&L SPC	–
Changes in fair value – profit or loss	(3,764)
Carrying amount at the end of the period	48,608

In determining the fair value of the abovementioned investments, one or more of the significant inputs are not based on observable market data, and therefore the Group included the abovementioned investments in level 3 financial instruments. These quantitative and unobservable inputs are not developed by the Group. Key assumptions are set out as below:

		Relationship of unobservable inputs to fair value
Discount rate	Not observable	The higher the discount rate, the lower the fair value
Discount of lack of marketability ("DLOM")	Not observable	The higher the DLOM, the lower the fair value
Expected volatility	Not observable	The higher the expected volatility, the lower the fair value

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(iv) Other investments comprise of the financial instruments in level 1 and level 3 (Note 4).

The Group included the relevant investments in level 1 financial instruments, as the investments are traded in active markets and the fair value of the investments is based on quoted market prices at each of the reporting dates.

The Group included the relevant investments in level 3 financial instruments, as one or more of the significant inputs are not based on observable market data. These quantitative and unobservable inputs are not developed by the Group. Key assumptions are set out as below:

		Relationship of unobservable inputs to fair value
Discount rate	Not observable	The higher the discount rate, the lower the fair value
Discount of lack of marketability ("DLOM")	Not observable	The higher the DLOM, the lower the fair value
Expected volatility	Not observable	The higher the expected volatility, the lower the fair value

The movements of the abovementioned other investments are set out below:

	Six months ended 30 June 2024 USD'000 (Unaudited)
Carrying amount at the beginning of the period	**83,036**
Investments made	**67,000**
Changes in fair value – profit or loss	**(11,022)**
Carrying amount at the end of the period	**139,014**

23. SHARE CAPITAL

Authorised

	Ordinary shares								Preferred shares																
	Number of Class A Ordinary Shares ('000)	Nominal value of Class A Ordinary Shares USD'000	Number of Class B Ordinary Shares ('000)	Nominal value of Class B Ordinary Shares USD'000	Number of Class A Shares ('000)	Nominal value of Class A Shares USD'000	Number of Class B Shares ('000)	Nominal value of Class B Shares USD'000	Number of Series Pre-A1 Preferred Shares ('000)	Nominal value of Series Pre-A1 Preferred Shares USD'000	Number of Series Pre-A2 Preferred Shares ('000)	Nominal value of Series Pre-A2 Preferred Shares USD'000	Number of Series A Preferred Shares ('000)	Nominal value of Series A Preferred Shares USD'000	Number of Series B Preferred Shares ('000)	Nominal value of Series B Preferred Shares USD'000	Number of Series B+ Preferred Shares ('000)	Nominal value of Series B+ Preferred Shares USD'000	Number of Series C1 Preferred Shares ('000)	Nominal value of Series C1 Preferred Shares USD'000	Number of Series C2 Preferred Shares ('000)	Nominal value of Series C2 Preferred Shares USD'000	Number of Series D Preferred Shares ('000)	Nominal value of Series D Preferred Shares USD'000	Total number of shares ('000)
As at 1 January 2024 and 30 June 2024 (Unaudited)	-	-	-	-	979,333	2	24,020,667	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000,000
As at 1 January 2023	3,852,854	38	184,950	2	-	-	-	-	74,667	1	54,267	1	269,921	3	22,462	-	255,864	3	212,765	2	72,250	1	-	-	5,000,000
Reclassification and re-designation upon issuance of the Class B Ordinary Shares	(10,917)	-	10,917	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification and re-designation upon issuance of the Series C1 Preference Shares	(53,408)	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53,408	1	-	-	-	-	-
Reclassification and re-designation upon issuance of the Series C2 Preference Shares	(43,082)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,082	-	-	-	-
Reclassification and re-designation upon issuance of the Series D Preference Shares	(26,144)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,144	-	-
As at 30 June 2023	3,719,303	37	195,867	2	-	-	-	-	74,667	1	54,267	1	269,921	3	22,462	-	255,864	3	266,173	3	115,332	1	26,144	-	5,000,000

23. SHARE CAPITAL (Continued)

Issued

	Number of Class A Ordinary Shares ('000)	Nominal value of Class A Ordinary Shares USD'000	Number of Class B Ordinary Shares ('000)	Nominal value of Class B Ordinary Shares USD'000	Number of Class A Shares ('000)	Nominal value of Class A Shares USD'000	Number of Class B Shares ('000)	Nominal value of Class B Shares USD'000	Number of Series Pre-A1 Preferred Shares ('000)	Nominal value of Series Pre-A1 Preferred Shares USD'000	Number of Series Pre-A2 Preferred Shares ('000)	Nominal value of Series Pre-A2 Preferred Shares USD'000
As at 1 January 2024 and 30 June 2024 (Unaudited)	-	-	-	-	979,333	2	7,832,833	16	-	-	-	-
As at 1 January 2023	466,240	4	173,865	2	-	-	-	-	70,707	1	51,389	-
Repurchase of ordinary shares and preferred shares	(3,351)	-	(2,556)	-	-	-	-	-	(1,192)	-	(867)	-
Issuance of Series D Preferred Shares	-	-	-	-	-	-	-	-	-	-	-	-
Share-based compensation for employees	261	-	24,558	-	-	-	-	-	-	-	-	-
Issuance of Series C1 Preferred Shares	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Series C2 Preferred Shares	-	-	-	-	-	-	-	-	-	-	-	-
As at 30 June 2023	463,150	4	195,867	2	-	-	-	-	69,515	1	50,522	-

	Number of Series A Preferred Shares ('000)	Nominal value of Series A Preferred Shares USD'000	Number of Series B Preferred Shares ('000)	Nominal value of Series B Preferred Shares USD'000	Number of Series B+ Preferred Shares ('000)	Nominal value of Series B+ Preferred Shares USD'000	Number of Series C1 Preferred Shares ('000)	Nominal value of Series C1 Preferred Shares USD'000	Number of Series C2 Preferred Shares ('000)	Nominal value of Series C2 Preferred Shares USD'000	Number of Series D Preferred Shares ('000)	Nominal value of Series D Preferred Shares USD'000
As at 1 January 2024 and 30 June 2024 (Unaudited)	-	-	-	-	-	-	-	-	-	-	-	-
As at 1 January 2023	255,607	3	21,271	-	242,296	3	147,428	1	55,528	-	-	-
Repurchase of ordinary shares and preferred shares	(4,311)	-	(359)	-	(4,086)	-	-	-	-	-	-	-
Issuance of Series D Preferred Shares	-	-	-	-	-	-	-	-	-	-	26,144	-
Share-based compensation for employees	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Series C1 Preferred Shares	-	-	-	-	-	-	118,746	2	-	-	-	-
Issuance of Series C2 Preferred Shares	-	-	-	-	-	-	-	-	59,804	1	-	-
As at 30 June 2023	251,296	3	20,912	-	238,210	3	266,174	3	115,332	1	26,144	-

24. SHARE-BASED COMPENSATION

The Group operates share incentive plans, under which it receives services from employees as consideration for equity instruments of the Company. The fair value of the equity instruments received in exchange for the services is recognized as an expense on the consolidated income statement with a corresponding increase in equity.

In terms of the equity instruments awarded to employees, the total amount to be expensed is determined by reference to the fair value of equity instruments granted.

The total amount expensed is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied if applicable.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-marketing vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

In some circumstances, employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date.

	Six months ended 30 June	
	2024 USD’000 (Unaudited)	2023 USD’000
Share-based compensation – related to employee benefit expenses *(Note 8)*:		
Employee benefit expenses – shares granted to employees *(i)*	**32,222**	10,295
Share-based compensation – related to equity transactions *(Note 9)*:		
Ordinary shares and preferred shares repurchased accompanying Series C2 Preferred Shares issuance *(ii)*	**–**	22,960
Issuance of preferred shares *(iii)*	**–**	1,235,171
	–	1,258,131
Issuance of ordinary shares to network partners and regional sponsors under “J&T Global Express Limited Equity Incentive Plan” (“2022 Incentive Plan”) *(iv)*		
– deducting revenue	**446**	1,336
– recognising in administrative expenses	**–**	158,442
	32,668	1,428,204

24. SHARE-BASED COMPENSATION (Continued)

(i) Shares granted to employees

In December 2020, the board of directors of the Company approved the establishment of J&T Global Express Limited 2020 Share Incentive Plan ("2020 Plan") with the purpose of attracting, motivating, retaining, and rewarding certain members of management and employees. The awards that may be awarded or granted under 2020 plan include options, RSUs, restricted shares, dividend equivalents, deferred shares, share payments, share appreciation rights and other awards. Pursuant to the Second Amended and Restated Shareholder Agreement signed on 30 December 2020, the maximum number of shares that may be issued under 2020 Plan shall be 101,088,653 Class A Ordinary Shares, which was further expanded in February 2021 accompanying the closing of Series B+ financing, and during October 2021 to March 2022 accompanying the closing of Series C1 financing, and in May 2023 accompanying the closing of Series D financing, and certain extraordinary general meetings of the shareholders of the Company.

On 17 May 2023, the Company granted 261,438 Class A Ordinary Shares, to certain employees of the Group at par value, and the shares granted were fully vested on the grant date. On the same date, the Company granted 24,557,934 Class B Ordinary Shares to Mr. Jet Li at par value. Pursuant to relevant award agreements, the vesting schedule is as follows, on the condition that Mr. Jet Li will remain in service as the chairman of the board of the Company, or as the chief executive officer or such other position equivalent ("Executive Position") within the four year period commencing on the date of initial public filing of the Company ("Listing Date").

Vesting date	Percentage of shares vested
the 1st anniversary of the Listing Date	25%
the 2nd anniversary of the Listing Date	25%
the 3rd anniversary of the Listing Date	25%
the 4th anniversary of the Listing Date	25%

Upon the termination of service as Executive Position, Mr. Jet Li shall return the unvested portion of ordinary shares to the Company at par value.

The fair values of the Company's ordinary shares granted under 2020 Plan are as follows:

	Number of ordinary shares	Weighted average fair value per share in USD
Granted during the six months ended 30 June 2023	24,819,372	6.94

24. SHARE-BASED COMPENSATION (Continued)

(i) Shares granted to employees (Continued)

The Company appointed an external valuer to provide assistance in the valuation of the fair value of its ordinary shares at the grant dates. The discounted cash flow method was adopted to determine the underlying equity fair value of the Group and the equity allocation model was applied to determine the fair value of the underlying ordinary shares of the Company. Key assumptions, such as discount rate and projections of future performance, are required to be determined by the Company with best estimate.

The total expenses recognized in the interim condensed consolidated income statement with a corresponding increase in share-based compensation reserve for the abovementioned share-based awards granted were USD 32,222,000 and USD 10,295,000 for the six months ended 30 June 2024 and 2023, respectively. Except for the abovementioned 24,557,934 Class B Ordinary Shares granted to Mr. Jet Li, all shares were vested upon the grant date without any outstanding unvested shares as at 30 June 2024 and 31 December 2023.

(ii) Repurchase of ordinary shares and preferred shares in relation to Series C2 Preferred Shares issuance

In May 2023, the Company entered into agreements with certain personals and third-party investors to repurchase 3,351,470 Class A Ordinary Shares, 2,556,199 Class B Ordinary Shares, 1,192,408 Series Pre-A1 Preferred Shares, 866,626 Series Pre-A2 Preferred Shares, 4,310,571 Series A Preferred Shares, 358,716 Series B Preferred Shares and 4,086,085 Series B+ Preferred Shares, and issued 16,722,075 Series C2 Preferred Shares as the consideration. The difference between such consideration and the fair value of the repurchased shares amounted to USD 22,960,000, which was recognized as share-based compensation expenses during the six months ended 30 June 2023.

	Fair value as at the repurchase date USD'000	Number of shares	Repurchase consideration USD'000	Share-based compensation expenses USD'000
Class A Ordinary Shares	25,843	3,351,470	31,166	5,323
Class B Ordinary Shares	19,712	2,556,199	23,771	4,059
Series Pre-A1 Preferred Shares	9,359	1,192,408	11,089	1,730
Series Pre-A2 Preferred Shares	6,802	866,626	8,059	1,257
Series A Preferred Shares	34,309	4,310,571	40,086	5,777
Series B Preferred Shares	2,882	358,716	3,336	454
Series B+ Preferred Shares	33,638	4,086,085	37,998	4,360
	132,545	16,722,075	155,505	22,960

24. SHARE-BASED COMPENSATION (Continued)

(iii) Issuance of preferred shares

In May 2023, accompanying Series D financing, the Company entered into agreements with the existing Series C1 and C2 Preferred Share holders to further issue 118,745,672 Series C1 Preferred Shares and 43,082,204 Series C2 Preferred Shares respectively at par value, representing both the exercise of relevant anti-dilution arrangements included in the Company's shareholder agreement and an additional compensation to such shareholders, accordingly share-based compensation expenses with an amount of USD 1,235,171,000 were recognized, representing the fair value of the additional shares issued as compensation.

(iv) Issuance of ordinary shares to network partners and regional sponsors under 2022 Incentive Plan

In 2022, the board of directors of the Company approved the establishment of the 2022 Incentive Plan for the purpose of enhancing the bonding between the interests of the Group and relevant regional sponsors and network partners.

Pursuant to the 2022 Incentive Plan, the maximum number of shares that may be issued shall be 38,000,000 Class A Ordinary Shares.

Shares granted to network partners

Ordinary shares granted to network partners with vesting schedule

On 28 September 2022, the Company granted certain network partners 6,330,100 ordinary shares under the abovementioned plan with the total consideration of USD 44,579,000. Pursuant to relevant award agreements, the vesting schedule is as follows, on the condition that the network partners will remain in service.

Vesting date	Percentage of shares vested
28 September 2023	30%
28 September 2024	30%
28 September 2025	40%

Upon the termination of service, the unvested portion of ordinary shares shall be returned to the Company, and the Company shall also refund the relevant purchase price.

Pursuant to the relevant agreements, the unvested portion of the ordinary shares are not entitled to any voting power or dividends.

In addition to the abovementioned shares granted with considerations and vesting schedule listed above, the 2022 Incentive Plan also include certain number of ordinary shares to be granted with various vesting arrangements and with nil consideration.

24. SHARE-BASED COMPENSATION (Continued)

(iv) Issuance of ordinary shares to network partners and regional sponsors under 2022 Incentive Plan (Continued)

Ordinary shares granted to network partners with "fast-track" vesting schedule

On 28 September 2022, the Company granted certain network partners 90,000 ordinary shares at nil consideration, the fair value of which was USD 683,000. Pursuant to the relevant award agreements, these ordinary shares would fully vest on 28 September 2023 on the condition that the network partners remained in service. Upon the termination of service, the unvested portion of ordinary shares shall be returned to the Company. Pursuant to the relevant agreements, the unvested portion of the ordinary shares are not entitled to any voting power or dividends.

On 28 September 2023, the abovementioned ordinary shares fully vested.

As the shares granted to network partners in 2022 under the 2022 Incentive Plan were not linked to distinct goods or services, such shares granted were considered as payments to customers. Revenue with a total amount of approximately USD 446,000 and USD 1,336,000 was reduced for the six months ended 30 June 2024 and 2023 respectively, representing the difference between the total consideration received and the fair value of the abovementioned vested shares at the grant date, with a corresponding increase in share-based compensation reserve.

Shares granted to regional sponsors

Ordinary shares granted to regional sponsors with no vesting schedule

On 27 June 2023, the Company granted certain regional sponsors 23,104,560 ordinary shares at nil consideration. Pursuant to the relevant award agreements, these shares granted immediately vest upon the grant date, with a fair value amount of USD 158,442,000 and fully charged to share-based compensation expenses during the six months ended 30 June 2023.

The Company appointed an external valuer to provide assistance in the valuation of the fair value of its ordinary shares at the grant dates. The discounted cash flow method was adopted to determine the underlying equity fair value of the Group and the equity allocation model was applied to determine the fair value of the underlying ordinary shares of the Company. Key assumptions, such as discount rate and projections of future performance, are required to be determined by the Company with best estimate.

25. SHARE PREMIUM AND OTHER RESERVES

(a) Share premium

	Total USD'000
(Unaudited) As at 1 January 2024 and 30 June 2024	**9,061,736**
As at 1 January 2023	603,829
Repurchase of ordinary shares *(Notes 23, 24 and 27)*	(5,573)
As at 30 June 2023	598,256

(b) Other reserves

	Share-based compensation reserve USD'000	Translation reserve USD'000	Others USD'000	Total USD'000
(Unaudited)				
As at 1 January 2024	**816,481**	**(262,502)**	**(739,252)**	**(185,273)**
Other comprehensive loss – resulted from change of credit risk of financial liabilities measured at fair value	**–**	**–**	**(43)**	**(43)**
Share-based compensation *(Note 24)*	**32,222**	**–**	**–**	**32,222**
Transaction with non-controlling interests *(Note 32)*	**–**	**–**	**29,103**	**29,103**
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	**–**	**–**	**6,184**	**6,184**
Currency translation differences	**–**	**(72,061)**	**–**	**(72,061)**
Others	**–**	**–**	**466**	**466**
As at 30 June 2024	**848,703**	**(334,563)**	**(703,542)**	**(189,402)**

25. SHARE PREMIUM AND OTHER RESERVES (Continued)

(b) Other reserves (Continued)

	Share-based compensation reserve USD'000	Translation reserve USD'000	Others USD'000	Total USD'000
As at 1 January 2023	770,631	(273,444)	(931,295)	(434,108)
Other comprehensive loss – resulted from change of credit risk of financial liabilities measured at fair value	–	–	5,233	5,233
Share-based compensation *(Note 24)*	10,295	–	–	10,295
Transaction with non-controlling interests *(Note 32)*	–	–	58,852	58,852
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	–	–	172,598	172,598
Repurchase of ordinary shares and convertible preferred shares *(Notes 23 and 24)*	–	–	(39,981)	(39,981)
Issuance of convertible preferred shares	–	–	(3)	(3)
Currency translation differences	–	(16,873)	–	(16,873)
Others	–	–	189	189
As at 30 June 2023	780,926	(290,317)	(734,407)	(243,798)

In May 2023, the Company repurchased certain number of ordinary shares and preferred shares. For those repurchased ordinary shares, the differences between the carrying values (historical cost) and the fair values of such repurchased shares as at repurchase date were substantially recorded in other reserves, while the differences between the fair values of such repurchased shares as at repurchase date and the relevant repurchase considerations of such shares were substantially recorded as share-based compensation expenses. For those repurchased preferred shares which were already carried at fair value and recognised as financial liabilities at fair value through profit or loss, the difference between the carrying values (fair values) as at repurchase date and relevant repurchase considerations of such shares were substantially recorded as share-based compensation expenses.

26. BORROWINGS

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Non-current		
Borrowings from financial institutions *(i)*	**125,414**	1,071,313
Current		
Borrowings from financial institutions *(i)*	**1,262,999**	203,636
Borrowings from third parties	**7,600**	7,600
	1,270,599	211,236
Total borrowings	**1,396,013**	1,282,549

(i) As at 30 June 2024, borrowings from financial institutions of USD 1,388,413,000 (31 December 2023:USD 1,274,949,000), were substantially secured by the pledges of bank deposits (Note 21), property, plant and equipment, right-of-use assets, and debentures over the items including but not limited to the shares the Company holds in certain subsidiaries, certain receivables, material intellectual property and other assets of the Group, and supported by guarantees from certain regional sponsors. The Group was in compliance with the relevant borrowing covenants during the reporting period.

(ii) As at 30 June 2024 and 31 December 2023, the borrowings from third parties were generally due within 1 year, and the borrowings from third parties were not secured. The weighted average interest rates per annum as at 30 June 2024 was 5.54% (31 December 2023: 6.12%).

As at 30 June 2024 and 31 December 2023, the Group's borrowings were repayable as follows:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Within 1 year	**1,270,599**	211,236
Between 1 and 2 years	**55,335**	1,008,460
Between 2 and 5 years	**23,927**	28,614
Over 5 years	**46,152**	34,239
	1,396,013	1,282,549

The fair values of the borrowings were not materially different from their carrying amounts since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

27. FINANCIAL LIABILITIES

(a) Financial liabilities at fair value through profit or loss

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Liabilities of the Company's subsidiaries		
– Series A Preferred Shares of JET Global Express Limited ("JET Global")	**589,634**	580,782
– Redeemable shares of JNT Express KSA LLC ("JNT KSA") to be issued *(Note 27 (b))*	**–**	15,000
– Convertible loans of JNT KSA	**10,069**	10,519
	599,703	606,301

Convertible preferred shares of the Company

In May 2023, the Company entered into agreements with certain personals and third-party investors to repurchase 3,351,470 Class A Ordinary Shares, 2,556,199 Class B Ordinary Shares, 1,192,408 Series Pre-A1 Preferred Shares, 866,626 Series Pre-A2 Preferred Shares, 4,310,571 Series A Preferred Shares, 358,716 Series B Preferred Shares and 4,086,085 Series B+ Preferred Shares, and issued 16,722,075 Series C2 Preferred Shares as the consideration. The difference between such consideration and the fair value of the repurchased shares amounted to USD 22,960,000, which was recognized as share-based compensation expenses during the six months ended 30 June 2023 (Note 24 (ii)).

In May 2023, the Company entered into agreements with a third-party investor to raise Series D financing, with total consideration of USD 200,000,000 by issuance of 26,143,791 Series D Preferred Shares. The fair value of Series D Preferred Shares at issuance was the same as the consideration.

All the convertible preferred shares of the Company were converted to ordinary shares upon the completion of global offering in accordance with the agreed terms.

Liabilities of the Company's subsidiaries

Series A Preferred Shares of JET Global

JET Global is the holding company of the Group's business in Mexico, Egypt, Brazil and Middle East ("New Markets").

In July 2021, JET Global entered into agreements with third-party investors to raise Series A financing, with total consideration of USD 283,620,000 by issuance of 283,620,000 JET Global Series A Preferred Shares. These financing proceeds were divided into four parts with certain investment allocation ratio, and allocated among the businesses of the four regions, namely Mexico, Egypt, Brazil, and Middle East ("Allocated Investment"). Major operations in such regions substantially started in 2022.

The rights, preferences, and privileges of the JET Global Series A Preferred Shares are as follows:

Dividend rights

The directors of JET Global may from time to time declare dividends (including interim dividends) and distributions on JET Global' s shares. No dividend will be declared and paid on JET Global' s ordinary shares unless and until a dividend is declared and paid on JET Global Series A Preferred Shares.

27. FINANCIAL LIABILITIES (Continued)

(a) Financial liabilities at fair value through profit or loss (Continued)

Liabilities of the Company's subsidiaries (Continued)

Series A Preferred Shares of JET Global (Continued)

Voting rights

The holder of each share issued and outstanding, including JET Global' s ordinary share and JET Global Series A Preferred Share, shall have one vote for each share held by such holder.

Liquidation preference

In the liquidation, dissolution or winding up of substantially all regional entities of a given region, prior and in preference to any distribution of any of the available funds and assets to any other holders of shares, each JET Global Series A Preferred Share holder shall be entitled to receive for each issued and outstanding JET Global Series A Preferred Share, the amount equal to one hundred percent (100%) of the Allocated Investment, plus (a) all interest that would accrue on the Allocated Investment during the period from the relevant issue date to the date of receipt by the holder thereof of the full liquidation amount at a rate of 6% per annum, plus (b) declared but unpaid dividends for such portion of preferred shares, respectively.

If the available funds and assets of liquidated regions are insufficient for the full payment to all JET Global Series A Preferred Shareholders, then these available funds and assets shall be distributed among the JET Global Series A Preferred Shareholders in proportion. After distributing or paying in full the liquidation preference amount to JET Global Series A Preferred Shareholders, the remaining available funds, and assets, if any, shall be distributed shall be distributed among the holders of the JET Global' s ordinary shares and preferred shares on a pro rata basis, based on the number of ordinary shares then held by each holder on an as-converted basis.

Exit right

During two thirty-day periods following receipt of the annual regional financial statements of all abovementioned regions after the fifth and sixth anniversary of the closing date, each JET Global Series A Preferred Shareholders will have an exit right for the purpose of disposing of all (but not less than all) of their JET Global Series A Preferred Shares.

The exit price will be subject to certain agreements between the group and the third-party investors.

Upon receiving the exit right exercise notice, the Company shall issue to the exiting JET Global Series A Preferred Shareholders a number of shares of the Company substantially equal to the result of (i) the sum of all regional exit prices for each unliquidated region, divided by (ii) the applicable share price of the Company. If the Company is not publicly listed as at the exit date, the satisfactory information evidencing the Company's share price shall be provided to the exiting shareholder.

Convertible loans of JNT KSA

In April 2023, JNT KSA entered into agreements with its third-party shareholder to obtain a convertible loan with the amount of USD 10,000,000, which approximated relevant fair value as at transaction date and was accounted for as financial liabilities at fair value through profit or loss.

The convertible loan matures in 12 months after its issuance, the interest of which is 8% per annum, and the term may be adjusted under certain circumstance. Typically, the entire principal amount may be converted into the shares of JNT KSA upon the maturity date, with the conversion price as 80% of the fair market price per share of JNT KSA as determined per relevant agreements.

27. FINANCIAL LIABILITIES (Continued)

(a) Financial liabilities at fair value through profit or loss (Continued)

The movements of financial liabilities at fair value through profit or loss are set out below:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Carrying amount at the beginning of the period	**606,301**	7,765,067
Issuance of Series C1 Preferred Shares	**–**	898,649
Issuance of Series C2 Preferred Shares	**–**	492,027
Issuance of Series D Preferred Shares	**–**	200,000
Repurchase of Series Pre-A1 Preferred Shares *(Note 24 (ii))*	**–**	(9,359)
Repurchase of Series Pre-A2 Preferred Shares *(Note 24 (ii))*	**–**	(6,802)
Repurchase of Series A Preferred Shares *(Note 24 (ii))*	**–**	(34,309)
Repurchase of Series B Preferred Shares *(Note 24 (ii))*	**–**	(2,882)
Repurchase of Series B+ Preferred Shares *(Note 24 (ii))*	**–**	(33,638)
Redeemable shares of JNT KSA to be issued	**–**	15,000
Issuance of redeemable shares of JNT KSA	**(15,000)**	–
Issuance of convertible loans of JNT KSA	**–**	10,000
Conversion of Preferred Shares to Common shares upon global offering	**–**	(7,964,492)
Changes in fair value – profit or loss	**8,359**	(717,315)
Changes in fair value – other comprehensive loss	**43**	(5,645)
Carrying amount at the end of the period	**599,703**	606,301

Determination of fair value

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 the Company and its subsidiaries and adopted option-pricing method and equity allocation model to determine the fair value of the convertible preferred shares. Key assumptions in determining the fair value of Series A Preferred Shares of JET Global are set out as below:

	As at 30 June 2024 (Unaudited)	As at 31 December 2023	Relationship of unobservable inputs to fair value
Discount rate	**20.0%**	20.0%	The higher the discount rate, the lower the fair value
Discount of lack of marketability ("DLOM")	**30.0%**	30.0%	The higher the DLOM, the lower the fair value
Expected volatility	**50.0%**	50.0%	The higher the expected volatility, the lower the fair value

27. FINANCIAL LIABILITIES (Continued)

(a) Financial liabilities at fair value through profit or loss (Continued)

Determination of fair value (Continued)

Discount rate was estimated by weighted average cost of capital as at each valuation date. The DLOM was estimated based on the option-pricing method. Under the option pricing method, the cost of put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the lack of marketability discount. Expected volatility was estimated based on annualised standard deviation of daily stock price return of comparable companies for the period before respective valuation date and with similar span as time to expiration. In addition to the assumptions adopted above, the Company's projections of future performance were also factored into the determination of the fair value of the preferred shares on each valuation date.

(b) Financial liabilities – redemption liabilities of shares of JNT KSA

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Financial liabilities – redemption liabilities of shares of JNT KSA	**59,773**	36,740

JNT KSA is a non-wholly owned subsidiary of the Group operating in Saudi Arabia, established in 2021. The shares of JNT KSA held by a third-party investor were entitled to an exit right as below and were recognized as financial liabilities – redemption liabilities of shares of JNT KSA.

Exit right

After the fifth anniversary of the closing date and so long as JNT KSA maintains its business operation, the abovementioned investor shall have an exit right for the purpose of disposing of all (but not less than all) of its shares.

The exit price will be subject to certain agreements between the Group and the third-party investor. Upon receiving the exit right exercise notice, the Company shall issue to the abovementioned investor a number of shares of the Company substantially equal to the result of (i) the exit price divided by (ii) the applicable share price of the Company. If the Company is not publicly listed as at the exit date, the satisfactory information evidencing the Company's share price shall be provided to the exiting shareholder.

The Company accounted such shares and exit right as a redemption liability at initial recognition. As at 30 June 2024, the carrying amount of such redemption liability was USD 59,773,000 (As at 31 December 2023: USD 36,740,000).

In January 2024, as per agreements entered into between JNT KSA and the abovementioned third-party shareholder, JNT KSA issued a number of its shares with similar exit right, with total consideration of USD 15,000,000.

28. DEFERRED INCOME TAX

(i) Deferred income tax assets

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
The balance comprises temporary differences attributable to:		
Deductible tax losses	**63,766**	75,556
Lease liabilities	**122,719**	132,117
Provision and other temporary difference	**6,477**	6,917
Total deferred tax assets	**192,962**	214,590
Net-off with deferred tax liabilities	**(137,096)**	(160,777)
Net deferred tax assets	**55,866**	53,813

The gross movements in deferred income tax assets before offsetting during the reporting period are as follows:

	Deductible tax losses USD'000	Lease liabilities USD'000	Provision and other temporary difference USD'000	Total USD'000
(Unaudited)				
As at 1 January 2024	**75,556**	**132,117**	**6,917**	**214,590**
Credit/(debit) to consolidated income statement	**(11,181)**	**(8,192)**	**18**	**(19,355)**
Exchange differences	**(609)**	**(1,206)**	**(458)**	**(2,273)**
As at 30 June 2024	**63,766**	**122,719**	**6,477**	**192,962**
As at 1 January 2023	58,788	129,047	6,643	194,478
Credit to consolidated income statement	18,378	6,976	2,333	27,687
Exchange differences	(2,285)	2,343	(154)	(96)
As at 30 June 2023	74,881	138,366	8,822	222,069

28. DEFERRED INCOME TAX (Continued)

(ii) Deferred income tax liabilities

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
The balance comprises temporary differences attributable to:		
Right-of-use assets	**122,212**	140,933
Depreciation and other temporary difference	**28,993**	35,652
Total deferred tax liabilities	**151,205**	176,585
Net-off of deferred tax assets	**(137,096)**	(160,777)
Net deferred tax liabilities	**14,109**	15,808

The gross movements in deferred income tax liabilities before offsetting during the reporting period are as follows:

	Right-of-use assets USD'000	**Depreciation and other temporary difference** USD'000	**Total** USD'000
(Unaudited) As at 1 January 2024	**140,933**	**35,652**	**176,585**
Debit to consolidated income statement	**(17,234)**	**(6,001)**	**(23,235)**
Exchange differences	**(1,487)**	**(658)**	**(2,145)**
As at 30 June 2024	**122,212**	**28,993**	**151,205**
As at 1 January 2023	130,805	42,973	173,778
Credit/(debit) to consolidated income statement	12,734	(1,707)	11,027
Exchange differences	(900)	2,116	1,216
As at 30 June 2023	142,639	43,382	186,021

29. TRADE PAYABLES

The following is an aging analysis of the Group's trade payables presented based on the invoice issuance date:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Within 3 months	**419,440**	433,167
3 to 6 months	**12,535**	18,311
6 to 9 months	**7,053**	8,596
9 to 12 months	**5,170**	3,117
Above 12 months	**6,250**	3,713
	450,448	466,904

The carrying amounts of trade payables approximated their fair values as at the balance sheet dates.

30. ACCRUALS AND OTHER PAYABLES

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Cash on delivery related payables	**265,736**	323,660
Salary and welfare payables	**243,830**	207,973
Deposits	**166,309**	159,995
Payables for purchase of long-term assets	**64,449**	55,438
Tax payables (excluding Corporate Income Tax)	**60,413**	42,517
Consideration received pursuant to 2022 Incentive Plan *(Note 24 (iv))*	**9,067**	15,531
Others	**74,958**	83,828
	884,762	888,942

31. ADVANCES FROM CUSTOMERS

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Advances from customers for express delivery services	**287,958**	272,231

Advances from customers for express delivery services were mainly the advance payments from customers which can be refunded as per request by customers.

As at 30 June 2024 and 31 December 2023, the outstanding express delivery service orders would generally be completed within ten days, while other types of orders generally within one month.

All contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

32. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The material transactions with non-controlling interests during the reporting period are as follows:

Acquisition of non-controlling interests of the regional subsidiaries in Indonesia

In June 2024, the Group acquired an additional 30.0% of the equity interests of certain subsidiaries in Indonesia, with a total cash payment of approximately USD 7,424,000. After the transaction, the Group holds 100% of the equity interests of the abovementioned subsidiaries in Indonesia.

Immediately prior to the transaction, the carrying amount of the 30.0% non-controlling interest in the abovementioned subsidiaries was around USD 45,499,000. The Group recognized a decrease in non-controlling interests by USD 38,075,000 and an increase in equity attributable to owners of the Company by USD 38,075,000.

The effect of the transactions with non-controlling interests on the equity attributable to the owners of the Company during the reporting period are summarised follows:

32. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)

Six months ended 30 June 2024	**Acquisition of NCI of the regional subsidiaries in Indonesia USD'000**	**Other immaterial transactions USD'000**	**Total USD'000**
(Unaudited)			
Carrying amount of non-controlling interests debited/(credited)	**45,499**	**(8,972)**	**36,527**
Consideration paid to non-controlling interests in cash	**(7,424)**	**–**	**(7,424)**
(Increase)/decrease in other reserve	**(38,075)**	**8,972**	**(29,103)**

Six months ended 30 June 2023	Acquisition of NCI of the Philippines subsidiary USD'000	Other immaterial transactions USD'000	Total USD'000
Carrying amount of non-controlling interests debited/(credited)	62,378	(3,526)	58,852
(Increase)/decrease in other reserve	(62,378)	3,526	(58,852)

33. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control.

Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

33. RELATED PARTY TRANSACTIONS (Continued)

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the reporting period.

Name of related party	Relationship with the Group
Jet Commerce Group	Controlled by Mr. Jet Li
Jie Business Sdn Bhd	Controlled by Mr. Jet Li
J&T Courier Service Sdn Bhd	Under significant influence of Mr. Jet Li
Huisen Global Limited	Under significant influence of Mr. Jet Li
Windfall T&L SPC	Under significant influence of Mr. Jet Li (Ceased to be related party in March 2024)

Save as disclosed in other notes of this report, related party transactions and balances of the Group are listed as follows:

(b) Transactions with related parties

	Six months ended 30 June	
	2024 USD'000 (Unaudited)	2023 USD'000
(i) Rendering of services		
Jie Business Sdn Bhd	**677**	886
Jet Commerce Group	**3**	14
Others	**427**	719
	1,107	1,619
(ii) Receiving of services		
J&T Courier Service Sdn Bhd	**–**	238
Others	**27**	404
	27	642

(c) Balance with related parties

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
(i) Bond receivables		
– Non-trade		
Huisen Global Limited *(Note 22)*	**484,896**	483,487

34. COMMITMENT

(a) Capital commitments

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

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

(b) Short-term lease commitments

The Group leases certain warehouses and vehicles under non-cancellable short-term lease agreements. The lease terms are generally within one year.

The Group's future aggregate minimum lease payments under such non-cancellable short-term leases are as follows:

	As at 30 June 2024 USD'000 (Unaudited)	As at 31 December 2023 USD'000
Within one year	34,825	47,097

35. DIVIDENDS

No dividend has been paid or declared by the Company in the six months ended 30 June 2024 and 30 June 2023.

36. CONTINGENT LIABILITIES

There are no significant contingent liabilities as at 30 June 2024 and 31 December 2023.

37. SUBSEQUENT EVENTS

There were no material subsequent events during the period from 1 July 2024 to the approval date of the Interim Financial Information by the Board on 19 August 2024.

Definitions

"2024 Share Incentive Scheme" or "Scheme"	the 2024 share incentive scheme of the Company in its present form or as amended from time to time
"Adoption Date"	the date on which the 2024 Share Incentive Scheme is conditional adopted by the Shareholders
"Audit Committee"	the audit committee of the Board
"Class A Shares"	class A shares of the Company with a par value of US$0.000002 each, conferring weighted voting rights in the Company such that each Class A Share shall entitle its holder to ten votes on each resolution subject to a vote at the Company's general meetings, save for resolutions with respect to any reserved matters specified in the articles of association of the Company, in which case each Class A Share and each Class B Share shall entitle its holder to one vote on a poll at a general meeting
"Class B Shares"	class B shares of the Company with a par value of US$0.000002 each, conferring a holder of a Class B Share one vote per share on any resolution subject to a vote at the Company's general meeting on a poll
"COD"	cash on delivery, when a recipient pays for the goods at the time of delivery
"Company", "our Company"	J&T Global Express Limited (極兔速遞環球有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 24 October 2019
"Consolidated Affiliated Entities" or "consolidated affiliated entities"	the entities we control through the Contractual Arrangements, namely the PRC Holdco and Indonesian Holdco and their respective subsidiaries
"Corporate Governance Code" or "CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Corporate Governance Committee"	the corporate governance committee of the Board
"Director(s)"	the director(s) of the Company
"Facility Agreement"	the facility agreement dated 9 September 2024 entered into among, among others, Winner Star (as borrower), the Company and certain members of the Group (as guarantors) and the Original Lenders

"GDP"	gross domestic product
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group", "the Group", or "we", "us", "our"	our Company, its subsidiaries and consolidated affiliated entities, or where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries and consolidated affiliated entities, the subsidiaries and consolidated affiliated entities as if they were the subsidiaries and consolidated affiliated entities of our Company at the time
"HK$"	the lawful currency of Hong Kong
"HKEX", "Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"IDR"	the lawful currency of Indonesia
"IFRS"	International Financial Reporting Standards, amendments and interpretations issued by the International Accounting Standards Board
"Latest Practicable Date"	12 September 2024, being the latest practicable date for the purpose of ascertaining certain information contained in this interim report prior to its publication
"Listing"	the listing of our Class B Shares on the Main Board of the Stock Exchange
"Listing Date"	27 October 2023
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"New Markets"	Saudi Arabia, UAE, Mexico, Brazil and Egypt
"Nomination Committee"	the nomination committee of the Board

"PRC" or "China"	the People's Republic of China, but for the purposes of this interim report only (unless otherwise indicated) excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"Pre-IPO Share Incentive Plan"	the Network Partners Equity Incentive Plan, as adopted by our Shareholders on 26 February 2022 and amended by way of Directors' resolutions dated 31 May 2023
"prospectus"	the prospectus being issued in connection with the Hong Kong Public Offering
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	for the six months ended 30 June 2024
"RMB", "CNH" or "CNY"	the lawful currency of the PRC
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"US$" or "USD"	the lawful currency for the time being of the United States
"Winner Star"	WINNER STAR HOLDINGS LIMITED, a company incorporated in Hong Kong on 2 April 2015, with limited liability and a wholly-owned subsidiary of the Company
"WVR Beneficiary"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Jet Jie Li, being the beneficial owner of the Class A Shares, entitling him to weighted voting rights
"WVR" or "weighted voting rights"	has the meaning ascribed to it under the Listing Rules
"WVR Structure"	has the meaning ascribed to it under the Listing Rules

J&T EXPRESS