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)

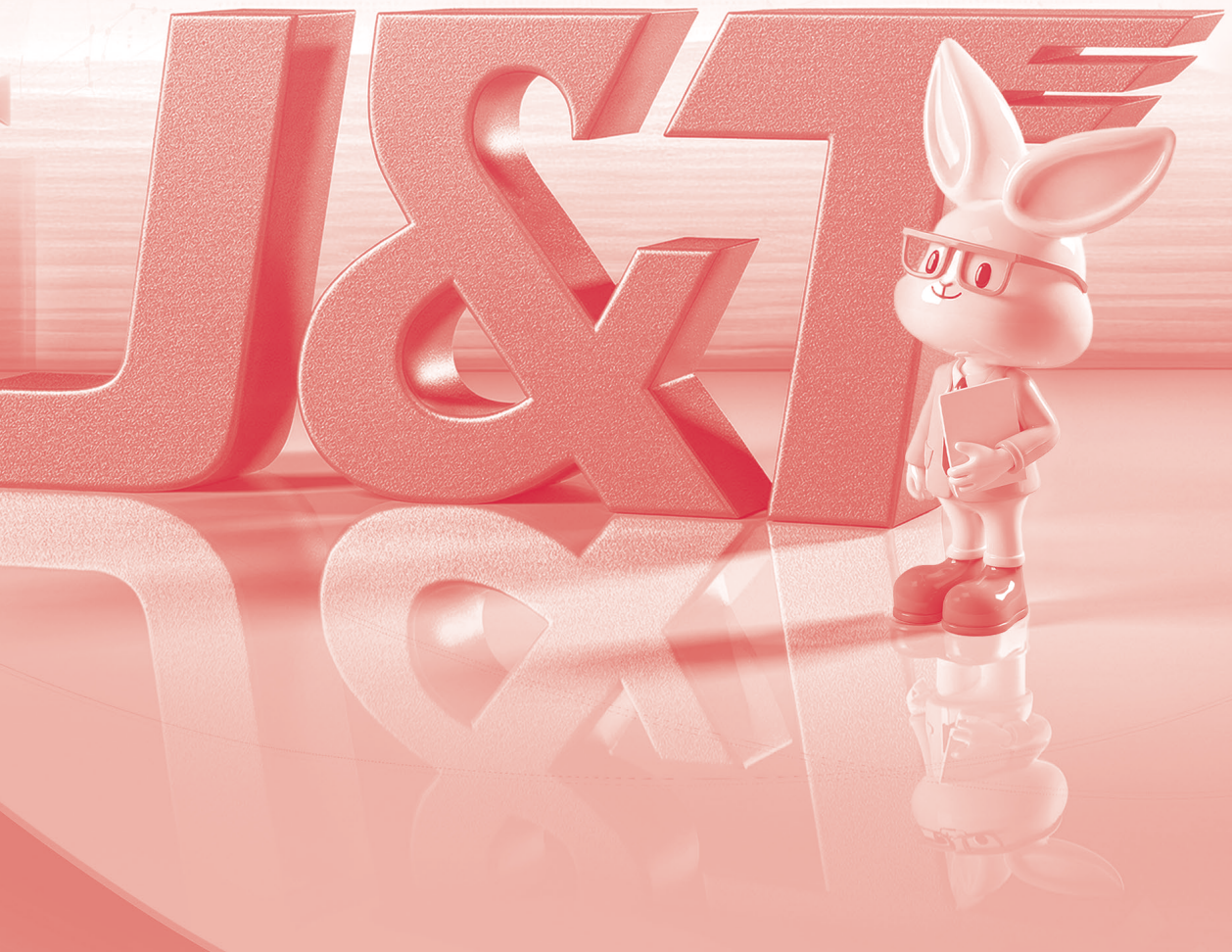
Stock code 股份代號：1519

2025 年度報告 Annual Report



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I. Chairman's Statement

A Letter to Shareholders – Keeping Steady Progress, Striving for Excellence, and Surpassing Ourselves

Dear Shareholders,

Greetings to you all.

This is the third time I have written to our global shareholders, and I am filled with deep emotion. This year also marks J&T's eleventh year in the industry. At the beginning of the year, I set a guiding principle for the team as "Keeping Steady Progress, Striving for Excellence, and Surpassing Ourselves", which eight words serve both as our methodology and our goal. Standing at this juncture today, I have gained a deeper understanding of "speed" versus "steadiness", and "scale" versus "strength". Express delivery is a long march where "the winner takes all". Over the past eleven years, we have witnessed too many peers fall by the wayside, which fills us with regret. We are fortunate to have survived thanks to a stroke of "dumb luck", and have established a firm foothold in every country and region where we are operating. This has taught us that we must not only think about how to grow "faster", but also how to become "stronger".

This road is so long that even after our generation steps aside, it can still stretch far into the future.

J&T'S LONG-TERMISM

In the past two years, "long-termism" has become a buzzword. Mentioning long-termism or value often gives people a feeling of exaggeration or trend-following. But for J&T, true "long-termism" must confront two realities:

Firstly, is the industry itself sustainable in the long run? Over the years, many industries have been continuously disrupted. People often say that food delivery disrupted instant noodles, and smartphones disrupted cameras. During this Spring Festival, Seedance 2.0 caused an industry earthquake, while OpenClaw sparked a "shrimp farming craze" overnight. The recent scenes of people lining up to stock shrimp have gone viral online. Netizens joke that "each generation has its own eggs", and while the comments are amusing, this is indeed how industries evolve. Regardless, not every industry is here for the long haul, and discussing long-termism in industries that lack such attributes is pointless. Fortunately, logistics serves as the "road" and infrastructure for the entire society, representing a sufficiently enduring endeavor. No matter how society develops, logistics will always exist, albeit in different forms. Like an old tree that has stood tall through years of wind and rain, it naturally becomes a part of the landscape. Our mission is to make this road broader, smoother, and more efficient.

Secondly, and more crucially, what will enable you to survive till the end in a long-standing industry? Just like in the stock market, some people suffer huge losses in a bull market, while others make significant gains in a bear market. What matters is not the market itself, but your own actions. Therefore, J&T's "long-termism" essentially boils down to nine words: survive, thrive, and endure. This is precisely the original intention behind my proposal of "Keeping Steady Progress, Striving for Excellence, and Surpassing Ourselves".

"Steadiness" by no means indicates standing still or lacking ambition. Starting a business is like sailing against the current: if you don't advance, you'll retreat, and if you move too slowly, you'll perish. The "steadiness" we seek involves rising in a spiral pattern at a controllable pace, unafraid of mistakes. "Excellence" is the pursuit after gaining a firm foothold while continuously building on advantages to achieve sustainable self-transcendence, with the goal of becoming number one in every market we approach.

This journey has no finish line. Going public merely grants us an entry ticket, while the real competition is a "rooted" long march alongside time.

We link the world through a single network. We are the "road builders" who are constructing highways that connect global logistics networks. We extend from Southeast Asia to China, from the Middle East to Latin America, and from Latin America to Europe and the United States. As a "born global" enterprise, we aim to weave a healthy and synergistic global network. This is not about "planting flags", but about "taking root": building local teams, and becoming "locals", with network to serve as the skeleton, rooting to provide the flesh and blood, and long-termism to act as the soul.

Road building requires immense patience and, more importantly, doing the right things. We once postponed infrastructure development for short-term profits, only to see services decline rapidly. This has further strengthened our conviction: investments that must be made should be made, and hubs that must be built should be built. If there is something that must be done in the lifetime, just do it sooner. I once told the team that in life, you're either waiting for death or seeking change. Rather than waiting for death, it's better to seek change. Perhaps, by walking through the darkness, the road will eventually become clear. For J&T, only by widening the road can parcels be delivered quickly, and only by strengthening the network can services be improved. A couple of years ago, some people said we were "expanding too fast" and called us "industry disruptors, or even bad apples". Today, as we gradually get on the right track in various countries, these skeptical voices are slowly fading away.

SOME PEOPLE ARE PUZZLED: EXPRESS DELIVERY IS A CAPITAL-INTENSIVE BUSINESS, SO WHAT IS ITS VALUE?

I believe that every penny we invest today in sorting centers, vehicles, outlets, and equipment, along with the increasingly professional services provided by our team, are all laying the foundation for the future. Every penny spent, every ounce of energy expended, and every drop of sweat shed will not vanish into thin air, and they will only return to you in another form. While everyone is talking about AI and robots, I have come to a profound realization: this physical network of heavy assets covering the globe will evolve into a dynamic "data field" and "intelligent testing ground". Since we have spent years in building it, anyone who wants to surpass us will not be able to avoid spending the same amount of time, effort, and money. This, perhaps, is its deepest value and moat for the future.

Just like how we reduced the unit cost per parcel from several US dollars to a fraction of a US dollar in Southeast Asia, thereby driving the development of the entire e-commerce ecosystem – this value of reducing logistics costs and enhancing service experiences for the society is growing along every road we have traveled:

In terms of breadth, we have achieved full coverage from 17,508 islands in Indonesia to the Amazon rainforest in Brazil. From the Sulu Archipelago in the Philippines to the desert villages in Saudi Arabia, the UAE, and Egypt, we have become the only private express delivery company in these regions to achieve full coverage.

In terms of depth, we continuously optimize services and experiences: We took the lead in eliminating COD handling fees in Vietnam. In Xinjiang, China, our express delivery reaches villages, bringing fresh oranges to thousands of households.

In terms of technology, we drive efficiency innovations: We took the lead in achieving full coverage of automated equipment in distribution centers across Thailand.

The significance of a road lies not in where it connects, but in how the places it reaches are transformed once we arrive. Our mission is to lay a solid logistical foundation for this region and even the wider world, enabling the e-commerce businesses we serve to grow bigger and stronger, and providing our consumers with better and faster services.

The poet Robert Frost ever said, "Two roads diverged in a yellow wood, and I took the one less traveled by". A road is always forged by those who walk it, and we have chosen the most challenging one.

SPEED, STABILITY, QUALITY – THE UNBREAKABLE TRINITY

Standing tall amidst the cold pine, wind, and snow, we make our vow. Traversing mountains and stars, we press on without delay. "Steady progress" means taking every step on the right path. To this end, I propose the core leadership principles of J&T: Respecting Common Sense, Reaching Consensus, Keeping Things Simple, and Returning to the Essence.

What is the common sense in the express delivery industry? Customers don't care whether you deliver parcels by airplane, tank, or rocket. They only care about three things: speed, safety, and service. This is common sense and also the essence.

Therefore, we must treat every parcel with reverence, "as if delivering our own lives". This principle is ingrained in our DNA. As K·Boy, a courier in Thailand, said, "Every parcel is important to us because it could be a new schoolbag for the start of a semester, a Mother's Day gift, or even a wedding dress". To this end, in addition to ensuring the speed and safety of express delivery, we are also fully implementing the mandatory standard of "prompt compensation within one hour for any issues". We are aware that in some markets, the usual compensation cycle is much longer, but we are determined to set our own standards: faster, more reliable, and more accountable.

Respecting common sense requires reaching consensus, and even more so, keeping things simple. As the saying goes, "When everyone shares the same goal, their strength converges into one". We operate a labor-intensive network globally, so reaching consensus is an essential foundation for all our partners worldwide. We must understand and respect the importance of every parcel, handle every customer complaint promptly, and respond to consumer demands. Last year, in the Philippines, the average national delivery time was extended by two hours for a month due to floods that washed away bridges. This reason might seem sufficient to justify the delay. But I told the team that this was unacceptable. Our common sense tells us that customers will never accept a delay in parcel delivery just because a bridge is down. If the bridge is down, we can find a boat, buy a speedboat, or even use a drone. The problem is there, and it won't change, but there are always ways to solve it. Without a profound understanding of the fundamental aspects of speed and service in express delivery, it's impossible to truly serve our customers well in every corner of the world.

In Hanoi, Vietnam, one of our customers dealing in children's clothing encountered a typhoon. "There were strong winds, power outages, and heavy rain. Other courier services halted operations, but only J&T came to pick up the goods. I couldn't print the waybills and was extremely anxious, but the J&T courier told me not to worry and immediately helped me process them manually".

In Ho Chi Minh City, one of our customers made traditional ao dai dresses and only ran offline stores before. "The courier suggested I try online sales and taught me how to take product photos, list items, and promote them. Gradually, more and more people got to know me online". "During the peak season of the Spring Festival each year, the order volume is very high, but J&T doesn't close during the holiday, providing me with the most needed support. Starting a business is tough, but I'm touched that there are people who have been by my side all along".

In Dong Thap Province, we have an old customer who has been with us for six years, growing from a small seller to a local influencer. "I went from less than 10 orders a day to 2,000 orders a day now. J&T never rejected me due to my small volume. Sometimes, when there was a sudden surge in orders during a live stream, the regional manager would come to the warehouse at night to help me pack. We have progressed step by step to where we are now. I only ship my products with J&T – this has become an 'anti-counterfeiting mark' in my live stream room".

The deepest trust is when someone thinks of your number first in times of trouble. Without the conditions, we create them; and without the manpower, we step in ourselves, truly becoming an irreplaceable "anti-counterfeiting mark" in the hearts of our customers.

To survive means to respect common sense; and to thrive means to transcend common sense. This is a journey of seeking the essence and the foundation of our "steady progress".

THE WIDEST MOAT: A GROUP OF LOYAL AND RIGHTEOUS "ROAD BUILDERS"

We operate all over the world and make it our home. Why fear the boundless expanse? On our journey, what serves as our blade, and what serves as our armor?

My answer is our group of people. "Be serious about being a group of partners who pursue health, longevity, and common interests, while embracing brotherhood and culture". This is the deepest moat of J&T.

The fundamental difference of J&T lies in having a group of brothers willing to take root overseas for the long haul. Going abroad is not just a business trip but embarking with the courage that "this life might be spent in the local place or even buried there".

A few days ago, at our kick-off meeting, a girl who is about to be assigned abroad said:

"It's never too late to embark on a journey in life. Expanding the boundaries of my life and becoming a better version of myself is what I pursue. No matter the outcome, this journey is something we can be proud of, even making our next generation proud".

Another young man who is about to set off said, "I came here after leaving the mountains, and now I want to go abroad to see the world as it truly is".

Many of my companions said with emotion that they had never imagined in their lives that they would come to such a distant country. They are not here to travel, but to start a business. It's far beyond their past self-perception.

Regardless of the distance of the mountains and borders, wherever our banner points, Sino-descendants shall prevail across the land. The brothers say:

"We used to believe that our prior experience would give us an advantage, but after arriving, we realized that our experience was far from sufficiency to address local challenges, forcing us to start from scratch".

"Every day in a foreign land teaches us that long-termism is not just about enduring time but continuously innovating based on respecting local culture".

"I carry the image of J&T overseas on my shoulders. I must do well to be worthy of the brothers following me".

"When a disaster strikes, we are the only one still providing services. After customers received their emergency parcels, they said to me, 'Thank you for delivering even in such dangerous conditions.' I was deeply touched at that moment".

Behind each parcel, there might be an expectation, an emergency aid, or a chapter in someone's life.

Service holds value. When people think of us first when they need help, that is value.

From pioneers setting up networks while sleeping on concrete floors to steadfast individuals going against the tide during disasters, and from the commitment of "one person, one parcel, one city" to the courage of "willing to be buried in a foreign land for life", this is the DNA of J&T.

Those who go abroad take root wherever they land. Our overseas brothers say, "Many of us keep track of two time zones on our phones, one for China and one for the local place". Hundreds of thousands of people worldwide strive for this brand, so what we carry on our shoulders is not just livelihood, but also the dreams and the career entrusted to each other.

Overseas, we rely on brotherhood. On the day when the Middle East server crashed, our leader was under so much stress that he "took blood pressure-lowering medication three times a day". Late at night, when he walked out of the office alone and found that "none of the brothers had left", he stood there with tears welling up in his eyes.

This brotherhood continues in our younger generation. A management trainee said philosophically, "We've studied for over a decade in learning rules and decorum, yet in the most real parts of life, we've become each other's most reliable brothers".

At the beginning of this year, the Chinese New Year coincided with the Muslim Ramadan. In the Egyptian J&T office, crescent moon decorations hung on the left, and Fu characters (Chinese characters symbolizing good luck) on the right. The light of two cultures merged here. Perhaps this is the meaning of us standing shoulder to shoulder: We don't have to be the same, but we can blend; and we come from different paths but walk towards the same long road.

We are a group of "road builders" who firmly believe in long-term commitment, dare to take root, and value loyalty and brotherhood;

"Together, we have a future" has never been just a slogan. It represents the stories of countless individuals who have turned foreign places into their homeland, and it embodies the relay from the post-60s generation to the post-00s generation, one generation after another;

True "one person, one parcel, one city" is not about individual heroism but knowing that the entire team is behind you. And this will be the whole life we can reminisce about.

HEALTH AND LONGEVITY: OUR ANSWER TO THE FUTURE

While opportunities drive an organization's short-term survival and strength fuels its mid-term development, culture is essential for it to "endure the test of time". Culture represents the direction in which we establish our roots.

Our vision is to "become a healthy and long-lasting enterprise". This means that even when our generation is no longer here, the brand will remain, the services will persist, the culture will continue to be passed on, and there will still be a group of brothers and sisters embodying the spirit of J&T, continuing to nurture its presence on this land.

Our mission is to cultivate an environment of "happiness, openness, and growth". We require that "leaders are willing to listen first and foremost, while enabling the team to speak up, express boldly, and share willingly". I demand that all our executives, starting with myself, make their contact information available to the frontline teams. Earlier this year, a franchisee managed to reach me through various connections, presented an issue, and had it resolved promptly. I was genuinely delighted – this proves that he still trusts me. As our internal team members say, "Trust is the most precious foundation within an organization".

Our values are "benfen, sharing and responsibility".

Benfen means doing the right thing and doing things right.

In October last year, Davao in the Philippines was hit by a 7.6-magnitude earthquake. Our team members in charge of the region rushed 160 kilometers to the epicenter immediately. "I couldn't let anything happen to the team. As the person in charge, I am the primary responsible party".

During the severe floods in Indonesia, our courier walked through mountain roads for over ten hours searching for signals. "There was no signal anywhere. After over ten hours, I finally got ones. I had to quickly inform the headquarters that help was urgently needed here".

Actually, everyone has his own basic principle regarding right or wrong. However, when something happens, choosing to do the right thing at the first moment is one's benfen.

Sharing means giving those who can hear the gunshots the ammunition and letting those who can solve problems take the stage.

We adhere to the principle of "letting performance speak", before going beyond merely expanding our business overseas. Every individual must possess genuine expertise, and this is the foundation for establishing oneself anywhere in the world.

In a warehouse in Sudan, the Middle East, where the temperature is over 50 degrees Celsius, a tall and strong young man who used to be a security guard voluntarily applied to be an operator. Working in the scorching heat, they sorted items with great efficiency, saving a significant amount of time for the night shift. "I am educated. After graduating from university, I came to the Middle East to seek employment. I believe I can take on greater responsibilities". At that moment, there was a spark of light in his innocent eyes.

In the Amazon rainforest in Brazil, transportation relies on boats and air freight, which is time-consuming and costly. The brother in charge of the local area said, "Roads are created by treading". He specifically conducted tests during the rainy season when the roads were at their muddiest, traversing a 700-kilometer uninhabited area repeatedly, and pioneered a new route combining "land transportation + passenger ship", reducing the delivery time by two days. "This is our route advantage in the Amazon. If we can execute it well, it will become our moat in this region".

Responsibility is a response to trust and an adherence to our original aspiration.

The larger the Company grows, the more I fear internal decay; and I always proceed with caution, as if treading on thin ice. Within our organization, everyone is aware of the "three oppositions": Oppose the sickness of big corporations, the success of petty individuals, and corruption. I've witnessed too many companies that didn't fall to external market competition but were destroyed by internal laxity and complacency.

Health is the immunity of an organization, and longevity is the vitality of its culture. Only by doing good deeds, nurturing good people, and maintaining a pure heart can we continue on the "Journey to the West".

THE FORWARD ROAD BENEATH OUR FEET WITHOUT A FINISH LINE

Only by moving steadily can we excel in competition, and only by taking root can we achieve long-term success. Looking to the future, we must seek the farthest and most solid path between speed and quality, and between change and stability.

Over the past year, many of our investors have been concerned about our pace, profitability, and future prospects in various markets. How is the growth in Southeast Asia? How can we thrive in China? What are the expectations for the Middle East and Latin America? When will we enter the European and American markets? What are your thoughts on the platform's self-built delivery service? Why did you engage in cross-shareholding with SF? Why opt for equity financing? Are you running out of money?... There are so many questions and anxieties. Actually, I'd love to answer them all, but after years of entrepreneurship, I've learned that what you want to express will eventually reveal itself over time. There's no need to panic, but we should proceed calmly, skillfully, and naturally.

Roads are not planned, but forged through action. As a franchisee brother from Xinjiang once said, "Before you achieve anything, no one asks about you or encourages you. Only after you succeed will applause follow".

The path of life has always been unpredictable, with many chased empty fames on paper. Who draws the blueprint? I forge my own path amidst the vast expanse.

IN CLOSING

To the industry, we are "road builders";

To the market, we are "rooted players";

To our customers, we are "promise fulfillers";

To our team, we are "like-minded partners".

Not all who journey together share the same path, but those who do together will surely walk side by side. A group of like-minded entrepreneurs on the same journey will undoubtedly make valuable contributions to the world. As time goes on, our original aspiration remains unchanged.

We are a group of people willing to inscribe both our careers and names into this land for a lifetime.

We come not to become legends, but to leave without regret in this era.

With mountains high and waters long, our footsteps never cease.

Time will reveal our strength, and over time, J&T will prove its mettle.

Jet Jie Li
Founder of J&T

Spring 2026

II. 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

AUDIT COMMITTEE

Peter Lai Hock Meng (Chairman)
Alice Yu-fen Cheng
Erh Fei Liu

REMUNERATION COMMITTEE

Erh Fei Liu (Chairman)
Jet Jie Li
Peng Shen

NOMINATION COMMITTEE

Erh Fei Liu (Chairman)
Jet Jie Li
Peng Shen
Peter Lai Hock Meng *(appointed on 16 December 2025)*
Qinghua Liao *(appointed on 16 December 2025)*

CORPORATE GOVERNANCE COMMITTEE

Peng Shen (Chairman)
Erh Fei Liu
Peter Lai Hock Meng

JOINT COMPANY SECRETARIES

Quanxi Shang
Ching Kit Cheng

AUTHORIZED REPRESENTATIVES

Jet Jie Li
Ching Kit Cheng

AUDITOR

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

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STOCK CODE

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COMPANY'S WEBSITE

www.jtexpress.com

LISTING DATE

27 October 2023

III. Financial Summary

Condensed consolidated statement of comprehensive income	2025 USD'000	2024 USD'000	2023 USD'000	2022 USD'000	2021 USD'000
Revenue	**12,157,806**	10,259,104	8,849,251	7,267,428	4,851,800
Gross profit/(loss)	**1,462,675**	1,078,215	472,798	(270,238)	(544,744)
Operating profit/(loss)	**472,513**	210,543	(1,766,550)	(1,389,565)	(1,647,207)
Profit/(loss) before income tax	**263,424**	129,150	(1,139,196)	1,583,330	(6,119,132)
Profit/(loss) for the year	**225,334**	113,704	(1,156,378)	1,572,567	(6,192,258)
Net comprehensive income/(loss) for the year	**249,207**	34,982	(1,138,204)	1,331,767	(6,231,543)
Non-IFRS measures:					
Adjusted net profit/(loss)	**425,387**	200,333	(432,277)	(1,488,297)	(1,177,666)
Adjusted EBIT	**566,115**	301,283	(334,761)	(1,400,037)	(1,014,939)
Adjusted EBITDA	**1,049,058**	778,279	146,694	(894,090)	(794,450)

Condensed consolidated balance sheets	2025 USD'000	2024 USD'000	2023 USD'000	2022 USD'000	2021 USD'000
Assets					
Non-current assets	**4,295,736**	3,681,814	3,464,108	3,089,262	3,028,218
Current assets	**4,504,885**	3,612,692	3,137,306	2,846,297	3,516,424
Total assets	**8,800,621**	7,294,506	6,601,414	5,935,559	6,544,642
Equity and liabilities					
Equity attributable to owners of the Company	**3,155,231**	2,825,313	2,749,682	(4,847,033)	(6,591,010)
Non-controlling interests	**(311,063)**	(302,765)	(270,083)	(137,215)	(45,414)
Total equity/deficits	**2,844,168**	2,522,548	2,479,599	(4,984,248)	(6,636,424)
Non-current liabilities	**2,501,009**	2,354,059	2,037,041	9,188,190	10,975,327
Current liabilities	**3,455,444**	2,417,899	2,084,774	1,731,617	2,205,739
Total equity and liabilities	**8,800,621**	7,294,506	6,601,414	5,935,559	6,544,642

IV. Management Discussion and Analysis

I. INDUSTRY REVIEW[1]

(I) Southeast Asia[2]

1. Sustained Favorable Macro Environment with Accelerated Growth in Total Retail Sales

The SEA market maintains rapid growth and is one of the fastest-growing economic regions in the world. In 2025, the global economy exhibited a development trend of "overall stability, internal differentiation, and coexistence of resilience and risks". Although a global recession has not occured, the foundations of recovery remained relatively fragile. Despite the impact of tariffs, Southeast Asia (SEA) maintained one of the fastest-growing economies worldwide, benefiting from the dividends of supply chain relocation, the development of the digital economy and cross-border trade, and resilient domestic demand. According to Frost & Sullivan, the nominal gross domestic product ("**GDP**") of SEA reached USD4.1 trillion in 2025, representing a year-on-year increase of 4.9%, accelerating from the year-on-year increase of 4.4% in 2024; nominal GDP per capita reached around USD6,000, representing a year-on-year increase of 4.0%. SEA is expected to remain one of the fastest-growing economies in the world from 2026 to 2030, with a compounded annual growth rate (CAGR) of 6.7% in nominal GDP.

A vibrant consumer market has provided a solid foundation for the development of e-commerce and express delivery markets. In 2025, under the prudent regulation by central banks across various countries, inflation in the SEA continued to decline, creating a relatively stable, moderate and predictable price environment. According to the World Economic Outlook published by the International Monetary Fund (IMF) in October 2025, the growth rate of the Consumer Price Index ("**CPI**") in the major SEA countries in 2025 was 0.6 percentage points lower than that in 2024. The low inflation environment and resilient labor market in SEA have contributed to rising household real purchasing power and stabilizing consumer expectations, thereby ensuring that private consumption will remain firm. Meanwhile, dynamic intra-regional trade and economic exchanges continued to boost consumption growth. According to Frost & Sullivan, total retail sales in SEA reached USD1.2 trillion in 2025, representing a year-on-year increase of 14.0%, achieving significant accelerated growth compared to the year-on-year increase of 3.2% in 2024.

2. Increased Investment by E-commerce Platforms Drives Accelerated Business Growth

Demand for e-commerce retail continues to be unlocked, accompanied by a gradual rise in e-commerce penetration. In recent years, with the gradual improvement of mobile networks and the e-commerce industry chain, online platforms in SEA have significantly broadened their product offerings, enhanced delivery convenience, and improved both product quality and cost-effectiveness. This has optimized the consumer shopping experience, and accelerated the migration of consumer purchasing mindset and corporate retail channels toward online platforms. Against this backdrop, major existing e-commerce platforms have intensified efforts to expand their user bases and drive rapid growth in transaction volumes, allocated more resources to optimize user service systems and introduced supportive policies for both users and merchants, thus further increasing market demand for high-quality express delivery services. According to Frost & Sullivan, in 2025, the transaction value of the e-commerce retail market increased by 27.5% year-on-year, reaching USD303.85 billion. This represents relative growth compared to the year-on-year increase of 25.7% in 2024. The e-commerce penetration rate reached 24.6%, an increase of 2.6 percentage points from 2024.

1. Unless otherwise specified, all industry data are sourced from Frost & Sullivan
2. For the purpose of this report, Southeast Asia (the "**SEA**") includes seven countries, namely, Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia and Singapore

Social commerce is surging strongly, emerging as the core growth driver of e-commerce retail. By reshaping traditional purchasing pathways and transforming consumer behavior, social commerce is gradually redefining the existing landscape of the e-commerce market. Social e-commerce companies, represented by TikTok and Meta, leverage short-form video, live streaming, social sharing, and community interaction to embed products into content ecosystems, enabling the rapid dissemination and conversion of product sales information. According to Frost & Sullivan, in 2025, the proportion of population aged under 15 in the SEA was 23.3%, reflecting a relatively young demographic structure. Young consumers, characterized by strong purchasing power, high consumption potential, and a preference for online shopping, are being rapidly penetrated by social commerce, representing significant future growth potential for e-commerce in SEA. According to Frost & Sullivan, the retail transaction value of social e-commerce reached USD151.73 billion in 2025, representing a year-on-year increase of 39.1%, compared to a year-on-year increase of 33.2% in 2024, achieving rapid growth for two consecutive years. In 2025, social e-commerce accounted for 49.9% of the total e-commerce retail market in SEA, an increase of 4.2 percentage points from 2024, and this percentage is expected to reach 58.9% in 2030.

3. The Express Delivery Industry is Growing Rapidly, with Strong Demand for High-quality Services

The express delivery market in SEA has experienced rapid expansion, accompanied by rising demand for high-quality delivery services. Supported by a favorable macroeconomic environment, the continued unlocking of consumer potential and the vigorous growth of the e-commerce retail market, the demand for the express delivery market in SEA continued to be released. According to Frost & Sullivan, the total parcel volume of the express delivery market in SEA reached 22.29 billion in 2025, representing a year-on-year increase of 39.5%, a significant acceleration compared to the year-on-year increase of 25.2% in 2024. The number of parcels per capita in SEA reached 35.5 in 2025, a year-on-year increase of 38.2% in 2024. As competition among major e-commerce players intensifies, delivery timeliness and service quality have become critical considerations for e-commerce platforms, merchants and consumers. Highly cost-effective express delivery service enables e-commerce companies and sellers to distinguish themselves amid fierce competition and remains one of the core competitive advantages of express delivery enterprises.

A series of government policies have been introduced in succession to support the standardized and orderly growth of the express delivery industry. To support the sustainable development of the express delivery industry at the policy level, relevant SEA countries have successively introduced a series of policies and guidance documents that establish clear positioning and development pathways for the industry while offering supporting measures, particularly in infrastructure construction. For instance, Indonesia Digital Direction aims to leverage logistics digitalization to break down geographical barriers as a core strategy supporting the growth of industries such as e-commerce and manufacturing; Action Plan on Thailand Logistics Development 2023-2027 aims to advance infrastructure development and strengthen logistics service capabilities, so as to achieve the goal of building an efficient, green and interconnected regional logistics hub.

(II) China

1. Steady Economic Growth with Increased Contribution from Consumption

China's national economy continues to recover, and its high-quality development is making steady progress. The year of 2025 marks the completion of China's 14th Five-Year Plan for economic and social development. As China faced a complex and severe internal and external environment as well as multiple challenges, governments at all levels implemented more proactive and effective macroeconomic policies, deepened the construction of a unified national market, and promoted China's economy forward against pressure and towards new and superior development. Meanwhile, the construction of a modernized industrial system progressed steadily, enabling the successful completion of expected goals and tasks. According to the National Bureau of Statistics of China, China's GDP reached RMB140.2 trillion in 2025, representing a year-on-year increase of 5.0% at constant prices, which is higher than the expected global growth rate of around 3%, reaffirming China's position as the world's key driver of economic growth.

Domestic consumption in China maintained steady growth, with the total scale reaching a new historical high. In 2025, China continued to anchor its economic strategy in the expansion of domestic demand, implemented special actions to boost consumption, actively expanded effective investment, and continuously unleashed the driving force of domestic demand. According to the National Bureau of Statistics of China, total retail sales of consumer goods reached RMB50.1 trillion in 2025, representing a year-on-year increase of 3.7%, with the overall size of the consumer market remaining the second largest in the world. Meanwhile, consumption remained one of the main drivers of economic growth, with final consumer spending contributing 2.6 percentage points to economic expansion in 2025 and accounting for 52.0% of GDP growth, higher than the 44.5% in 2024, further consolidating the central role of the domestic economic circulation. Regionally, retail sales of consumer goods in towns and cities amounted to RMB43.3 trillion, reflecting a 3.6% year-on-year increase, with per capita disposable income rising 4.3% in nominal terms. Meanwhile, rural retail sales amounted to RMB6.8 trillion, growing 4.1% year-on-year, with per capita disposable income increasing 5.8% in nominal terms. The rural market continues to outpace urban areas in both sales and income growth, highlighting significant potential for future expansion in lower-tier markets.

2. E-commerce Maintained Growth Resilience, with Rural E-commerce and Social Commerce Demonstrating Structural Growth Momentum

E-commerce continued to outpace retail sales growth, serving as a vital engine for the expansion and upgrading of China's consumer market. According to the National Bureau of Statistics of China, China's online retail sales of physical goods reached RMB13.1 trillion in 2025, representing a year-on-year increase of 5.2%, which outpaced the growth of the total retail sales of consumer goods by 1.5 percentage points. Therefore, China maintained its position as the world's largest online retail market. Meanwhile, as China's e-commerce industry continued to enhance its innovation capabilities, the synergy of technological empowerment and business model innovation generated powerful momentum for market growth. AI technologies have been widely applied across various aspects such as search and recommendation systems, intelligent customer service, and product selection for live-streaming commerce, thereby enhancing operational efficiency and user experience. E-commerce platforms have also actively expanded into instant retail and reshaped near-field consumption patterns, while live-streaming commerce continued to thrive. Short dramas have become a new gateway to consumption, and new e-commerce models are constantly emerging. According to data from the National Bureau of Statistics of China, the proportion of online retail sales of physical goods in the total retail sales of consumer goods reached 26.1% in 2025.

Driven by the dual forces of the deepening rural revitalization strategy and the continued penetration of the digital economy, rural e-commerce has entered a new phase of rapid development. China has implemented a county-level commercial development initiative, continuously enhancing the capacity for processing and selling agricultural products. Live-streaming commerce has facilitated direct supply from source producers, enabling the rapid development of rural e-commerce supply chains. Concurrently, the logistics distribution network is increasingly improving, and the professionalism of e-commerce practitioners is steadily rising, collectively driving robust growth in the rural e-commerce market. According to data from the Ministry of Commerce, China's online retail sales of rural and agricultural products grew by 6.7% and 9.9% respectively in 2025.

Social commerce has gradually evolved from an emerging model into a mainstream consumption channel. Platforms such as Douyin and Taobao Live have effectively strengthened consumer trust and purchase conversion through real-time interaction and product demonstrations, while platforms such as rednote have successfully transformed from a lifestyle community into a significant force within the e-commerce ecosystem, driving rapid growth across these platforms. According to Frost & Sullivan, the social e-commerce retail market in China increased from USD468.01 billion in 2021 to USD980.83 billion in 2025, at a CAGR of 20.3%. In 2025, the proportion of social e-commerce in the total e-commerce market reached 45.6%, representing a year-on-year increase of 5.4 percentage points compared to 2024.

3. Express Delivery Industry Maintained Relatively High Growth Rate, with Policies Steering the Industry Towards Healthy Development

China's express delivery industry has maintained operations at a high scale while continuing to enhance the quality of delivery services. According to the data disclosed by the State Post Bureau of the People's Republic of China, the cumulative volume of the express delivery industry reached 198.95 billion parcels in 2025, representing a year-on-year increase of 13.6%. Meanwhile, the service quality of the express delivery industry has steadily improved, which includes a further enhancement in timeliness. According to the data for the third quarter of 2025 released by the State Post Bureau of the People's Republic of China, the 72-hour on-time rate of express delivery services in key regions was 86.47%, representing an increase of 2.08 percentage points compared to the same period of the previous year. The overall delivery time limit of express delivery services in the third quarter of 2025 was 51.32 hours, a reduction of 2 hours compared to the same period in 2024, indicating that leading companies have implemented anti-involution requirements and placed greater emphasis on improving last-mile delivery services.

Several national policies have been introduced to promote the high-quality development of China's express delivery market. In order to advance high-quality development of the industry, consolidate its stable and positive development trend and foster a sound business environment, the Chinese government has issued a series of policies and reform measures. Relevant policies include the Plan for the Development of Modern Logistics during the "14th Five-Year Plan" (2021-2025) (《"十四五"現代物流發展規劃(2021-2025)》), which aims to develop and improve both domestic and cross-border logistics network; the Outline of the Plan for the Strategy to Expand Domestic Demand (2022-2035) (《擴大內需戰略規劃綱要(2022-2035年)》), which aims to improve the logistics infrastructure network, coordinate national logistics hubs and increase cross-regional logistics service capacity; the Guiding Opinions on Vigorously Developing Digital Consumption and Creating a Better Life in the Digital Era (《關於大力發展數字消費共創數字時代美好生活的指導意見》), which focuses on improving the express logistics distribution system and promoting the development of smart logistics; the Three-Year Action Plan for Digital Commerce (2024-2026) (《數字商務三年行動計劃(2024-2026年)》), which emphasizes the promotion of the digital development of logistics in the trade circulation field and the coordinated development of e-commerce and express logistics; and the Administrative Measures for the Express Delivery Market 2025 (《快遞市場管理辦法2025》), which aims to strengthen the supervision and management of the express delivery market and promote the healthy development of the express delivery industry.

(III) New Markets[3]

1. Latin America's Consumer Market Held Significant Potential, Creating Ideal Conditions for E-commerce and Express Delivery Development

Latin America has achieved a relatively high standing in both total economic volume and per capita GDP, providing vast space for the development of the e-commerce and express delivery industries. Latin America and the Caribbean comprise 33 sovereign countries and multiple territories, including regional powers such as Brazil and Mexico. According to the "World Economic Outlook" published by the International Monetary Fund (IMF) in October 2025, the total nominal GDP of Latin America and the Caribbean was approximately USD7.0 trillion in 2025, with nominal GDP per capita reaching USD10,700. The World Bank's Global Economic Prospect Report for January 2026 indicates that economic growth in Latin America and the Caribbean is expected to recover in 2026 to 2027, demonstrating certain economic resilience. Benefits from easier financing conditions and high prices for metals and food commodities positively impacting regional growth may be partially offset by factors such as heightened trade tensions and elevated uncertainty.

3. "New Markets" refers to Saudi Arabia, UAE, Mexico, Brazil and Egypt

Latin America, with its large population, high proportion of middle class, and strong consumer awareness, represents a significant consumer market with substantial potential. According to the "World Economic Outlook" published by the International Monetary Fund (IMF) in October 2025, the total population of Latin America and the Caribbean was estimated at 650 million in July 2025, making it one of the world's largest consumer markets, with a natural population growth rate of 0.72% in 2025. World Bank data shows that the middle class in Latin America and the Caribbean is expected to become the largest social group in 2025, accounting for 42.8% of the total population. The consumption power of this demographic extends beyond basic needs towards quality and convenience, driving higher average order values and category expansion in e-commerce. According to World Bank data, household final consumption expenditure in Latin America and the Caribbean reached USD4.9 trillion in 2024, making it the primary engine of economic growth in the region in recent years.

The underlying driver for long-term economic growth in Brazil and Mexico remains consistent. The Company has entered the Brazilian and Mexican markets within Latin America. In 2025, the global economy maintained moderate overall growth. Brazil benefited from strong agricultural commodity exports, partially offsetting industrial and consumer weakness under monetary tightening. According to Frost & Sullivan, in 2025, Brazil's nominal GDP reached USD2.3 trillion, registering a year-on-year growth of 3.1%, representing a slight rebound from the 2.9% growth rate in 2024, with its per capita nominal GDP at USD10,600. Mexico was affected to some extent by geopolitical factors and tariff fluctuations; Mexico's nominal GDP grew by 0.8% year on year to USD1.9 trillion in 2025, with its per capita nominal GDP at USD14,000. Brazil and Mexico, as the two largest markets in Latin America, possess vast land areas, large population bases, and stable household consumption levels. Following the stabilization of international uncertainties and the recovery of domestic demand, the nominal GDP of Brazil and Mexico is projected to grow at CAGRs of 5.3% and 4.7% respectively from 2026 to 2030, according to Frost & Sullivan.

Amidst a complex macroeconomic policy environment, social retail sales in Brazil and Mexico maintain solid growth. According to the "World Economic Outlook" published by the International Monetary Fund (IMF) in October 2025, the CPI growth rate in Mexico in 2025 declined compared to 2024. Meanwhile, both Brazil and Mexico have maintained relatively high fiscal deficit levels, which helps sustain consumer spending, supporting expectations for subsequent economic recovery and laying the foundation for rapid growth in e-commerce and express delivery markets. According to Frost & Sullivan, total retail sales in Brazil and Mexico reached USD270.88 billion and USD306.77 billion in 2025, representing year-on-year increases of 3.7% and 4.2% respectively.

2. Increased Investment by E-commerce Platforms Drives Rising E-commerce Penetration in Latin America

Latin America's young demographic structure with similar languages and cultures facilitate rapid e-commerce platform penetration and the establishment of a unified e-commerce market. Except for Brazil, where Portuguese is the primary language, most other countries and territories in Latin America and the Caribbean predominantly use Spanish, making them more susceptible to influence from the same social media platforms and, consequently, rapid coverage by social commerce. According to Demographic Observatory Report 2024 from the Economic Commission for Latin America and the Caribbean (ECLAC), 22.5% of Latin America's population was aged under 15 in 2024, indicating a still-young demographic structure. Young people are natural digital natives, more accustomed to online shopping, social media-influenced purchasing, and instant consumption, forming the most active and easily convertible user base for e-commerce.

The continuous online transformation of the retail market has further increased the penetration rate of e-commerce. Economic development and increased internet penetration have gradually fostered consumers' shopping mindset to shop on e-commerce platforms across Latin America. According to Frost & Sullivan, in 2025, the total e-commerce retail transaction value of Brazil and Mexico reached USD60.93 billion and USD58.63 billion respectively, representing year-on-year growth of 15.2% and 25.9% respectively. The e-commerce retail industry has maintained a notable growth rate and continued to drive the increase in e-commerce penetration.The e-commerce penetration rates of Brazil and Mexico stood at 22.5% and 19.1% respectively, up 2.2 and 3.3 percentage points year-on-year, and remained at a relatively low level.The e-commerce penetration rates of Brazil and Mexico are projected to keep rising, reaching 37.2% and 35.1% by 2030.

The cross-border e-commerce industry is showcasing vitality, and e-commerce platforms continue to increase resource investment in Latin America. Latin America possesses a rare combination of "high total GDP + high per capita consumption + low e-commerce penetration", making it a highly promising market in the consumer sector. The rapid proliferation of digital financial infrastructure in Latin America, such as instant payment systems, has significantly lowered the barrier to entry for business models like the internet, e-commerce, and local services. Cross-border e-commerce continued to develop in 2025 and has become an important engine for e-commerce market development. Many global e-commerce platforms continue to expand into Latin America, for example, TikTok entered the Mexican and Brazilian markets in 2025. At the same time, major e-commerce platforms are increasing their investment in the semi-managed model and the local-to-local model. This has further propelled the cross-border e-commerce market in Latin America into a new stage and also raised the requirements for the local service capabilities of express delivery companies.

3. Latin America's Express Delivery Industry Experiences Rapid Growth Driven by Underlying Factors, with Potential Yet to be Fully Unleashed

The express delivery industry in Latin America is growing rapidly, with third-party logistics providers capitalizing on the incremental market. Driven by the steady growth of total retail sales and the rapid rise in e-commerce penetration in Brazil and Mexico, the express delivery industry has experienced notable expansion. According to Frost & Sullivan, in 2025, the total parcel volume of the express delivery industry in Brazil and Mexico reached 2.30 billion and 2.12 billion pieces respectively, representing year-on-year growth of 10.9% and 25.2% respectively. These figures are expected to grow at CAGRs of 15.6% and 22.1% from 2026 to 2030, reaching 4.61 billion and 5.85 billion pieces by 2030. In 2025, the number of parcels per capita in Brazil and Mexico stood at only 10.8 and 15.9 respectively, representing a significant gap compared with mature express delivery markets, and indicating strong development potential and growth elasticity. As an increasing number of e-commerce platforms accelerate their expansion into Latin America, third-party logistics service providers enable e-commerce platforms and sellers to rapidly establish fulfillment systems by providing mature localized operational capabilities. Leveraging economies of scale, these providers have continuously optimized their cost structures, thereby continuously enhancing their value proposition amid the incremental competition in Latin America.

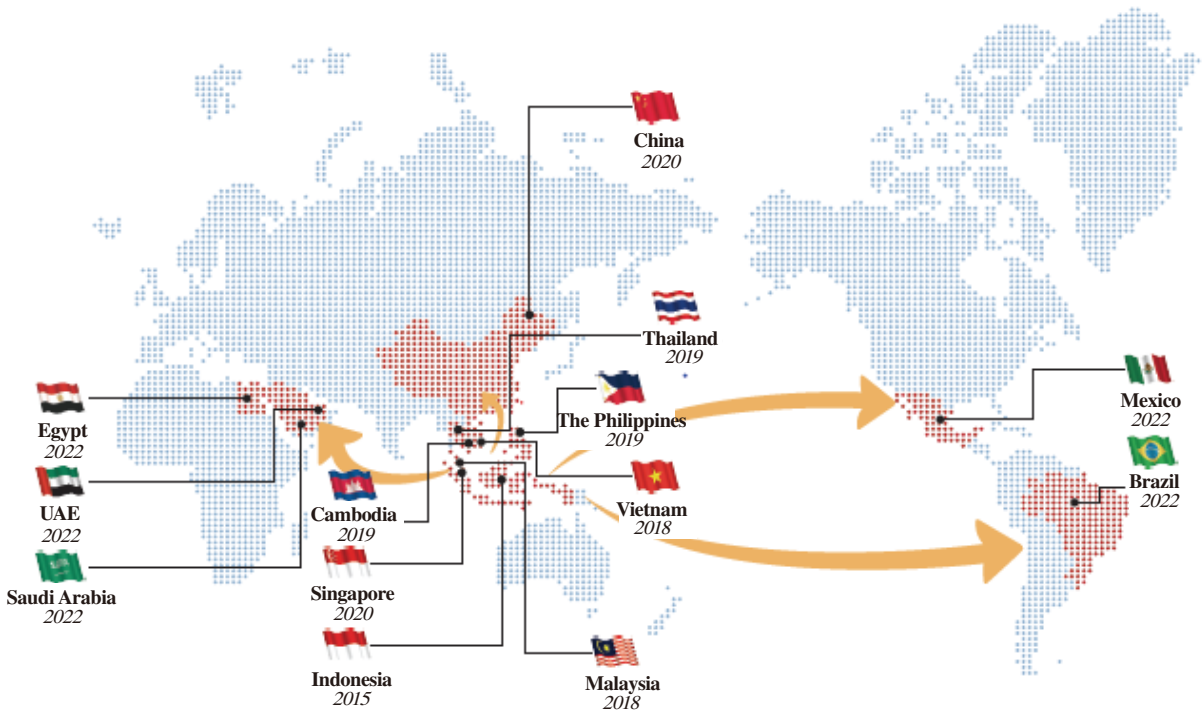
4. The Middle East Region Exhibits High Economic Development Levels, Laying a Solid Foundation for the Long-term Growth of the Express Delivery Industry

Driven by consumption potential from economic development, the e-commerce and express delivery industries in the Middle East are developing rapidly and simultaneously. In 2025, amidst global macroeconomic tightening and complex geopolitical situations, the global economy maintained moderate growth. The Middle East region, despite facing certain geopolitical fluctuations, maintained healthy economic growth driven by the parallel development of its overall energy-based economy and diversification strategies. According to Frost & Sullivan, the combined nominal GDP of the three Middle Eastern countries (UAE, Saudi Arabia, and Egypt) increased by 8.0% year-on-year in 2025, reaching USD2.2 trillion, with nominal GDP per capita reaching USD14,000. Among them, the UAE and Saudi Arabia had the most prominent nominal GDP per capita, i.e. around USD51,000 and around USD35,000 respectively.

This high level of economic strength creates excellent conditions for the healthy development of e-commerce and express delivery. Growth potential is being unleashed at an accelerated pace. In 2025, the combined e-commerce retail transaction value of the three Middle Eastern countries reached USD42.37 billion, representing a year-on-year increase of 28.7%, achieving accelerated growth compared with the 25.3% growth rate in 2024.The combined total parcel volume of the express delivery industry reached 0.99 billion pieces, representing a year-on-year increase of 20.8%, achieving accelerated growth compared with the 17.9% growth rate in 2024.The combined parcels per capita stood at 6.3, representing a significant increase from 5.4 in 2024.

II. BUSINESS DEVELOPMENT

(I) Global Network Covering 13 Countries



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

In 2025, the Company handled a total of 30.13 billion parcels, representing a year-on-year increase of 22.2%. The table below shows the growth of the Company's parcel volume in SEA, China and New Markets, as well as its market share in these regions in 2025:

	For the year ended 31 December				
	2025 In millions	2024 In millions	Year-on-year Change	**2025 Market share**	2024 Market share
SEA	**7,658.8**	4,563.2	67.8%	**34.4%**	28.6%
China	**22,066.0**	19,801.2	11.4%	**11.1%**	11.3%
New Markets	**403.9**	281.2	43.6%	**7.5%**	6.1%

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

As of 31 December 2025, the Company had approximately 19,300 outlets, representing a year-on-year increase of 200; operated 246 sorting centers, representing a year-on-year increase of 8; equipped with 413 sets of automated sorting machines, representing a year-on-year increase of 134 sets; operated more than 13,300 line-haul vehicles, including more than 8,500 self-owned line-haul vehicles, representing year-on-year increases of 1,380 and 1,880 respectively.

(II) SEA

1. Accelerated Parcel Volume Growth, Solidifying the Number One Industry Position

In 2025, the Company handled 7.66 billion parcels in SEA, representing a year-on-year increase of 67.8%. According to Frost & Sullivan, the Company has been the number one express delivery operator by parcel volume in the SEA market for six consecutive years since 2020. In 2025, the Company's market share in SEA was 34.4%, further consolidating the Company's leading position and competitive advantage in SEA. Looking ahead, the Company will continue to leverage its first-mover advantage, ongoing empowerment from China's express delivery experience, high-quality services and competitive pricing to further increase its market share, and consolidate and expand its leading position.

Against the backdrop of increased investment by e-commerce platforms, independent third-party express delivery service providers benefit significantly. As regional e-commerce competition becomes increasingly intense in SEA, platforms' demands for optimizing fulfillment costs are becoming more prominent. As an independent e-commerce enabler, we leverage the economies of scale by integrating multiplatform order resources. By successfully transferring China's advanced express delivery operational experience to SEA, the Company has effectively reduced delivery costs, thereby fostering the rapid expansion of the SEA e-commerce market and further increasing e-commerce penetration. This model enables the Company and its e-commerce platform customers to achieve synergistic growth, which not only significantly enhances the competitiveness of e-commerce platforms, but also allows the Company to continually gain market share and maintain and expand its leading position in SEA.

We continue to expand our leading edge. Some smaller-scale express delivery service providers have been consistently losing market share amid price competition in service quality, capacity, and pricing. With their declining market share, these companies face diminishing economies of scale, making cost reductions difficult and progressively weakening their competitiveness. The Company will maintain its competitive strategy to further capture market share and sustain an absolute leading position.

The following table shows top five express delivery operators (by parcel volume) in SEA in 2025:

Rank	Express Delivery Operators	Business Model	Introduction	Country Coverage	Parcel Volume (In billion) in 2025	Market share in 2025	Parcel Volume (In billion) in 2024	Market share in 2024	Year-on-year Change
1	J&T	Regional Sponsor Model	An express delivery service provider, established in 2015	Indonesia, Thailand, Malaysia, Singapore, Vietnam, Cambodia and the Philippines	7.66	34.4%	4.56	28.6%	+5.8%
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	6.22	27.9%	3.92	24.5%	+3.4%
3	Company B	Direct Operation Model	A self-built logistics for an e-commerce platform, which was established in 2012	Indonesia, Thailand, Malaysia, Singapore, Vietnam and the Philippines	1.13	5.1%	1.10	6.9%	-1.8%
4	Company C	Direct Operation Model	An e-commerce express delivery service provider, established in Thailand in 2017	Thailand, Malaysia and the Philippines	1.10	4.9%	1.00	6.2%	-1.3%
5	Company D	Direct Operation Model	A Thai state-owned enterprise providing postal services, established in 1883	Mainly Thailand	0.81	3.7%	0.77	4.8%	-1.1%

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

2. Continuously Increasing Investment to Enhance Capacity and Service Quality, Growing Rapidly Alongside E-commerce Clients

Actively cooperating during the rapid growth period of e-commerce clients to deeply capture the dividends of the e-commerce market. Leveraging the comprehensive logistics network it has established across SEA, together with its highly cost-effective service strengths and strong customer relationships, the Company provides stable and efficient logistics infrastructure supporting the rapid development of the e-commerce industry, thus continuously empowering the high-speed growth of e-commerce customers. The Company consistently operates as a leading and neutral logistics service provider, continuously deepening its strategic cooperation with several e-commerce platforms. In 2025, alongside the increase in e-commerce penetration in SEA, competition among e-commerce platforms regarding buyers, merchants, and market share intensified. Major e-commerce platforms implemented various user subsidies to attract users and stimulate consumption, consequently driving simultaneous rapid growth in both e-commerce clients' sales and the Company's parcel volume.

The Company continues to increase capacity investment in the SEA market to fully meet customers' rapidly growing express delivery demands. The Company persistently intensifies its investments in infrastructure construction, expanding network capacity and enhancing regional coverage breadth. In 2025, the Company added 1,400 self-owned vehicles and 13 sets of automated machines in SEA, further strengthening transportation capacity and sorting efficiency. This ensures high service quality and stability during periods of rapid e-commerce client growth, guaranteeing smooth network operation even during peak seasons. Consequently, the Company wins customer trust through excellent fulfillment capabilities, continuously undertakes more incremental business, and increases market share.

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 particular, (i) in 2025, the Company's average delivery time for parcels in SEA was further reduced by 4.3% as compared to that in 2024, and the lost parcel rate continued to decline as well; (ii) in response to differentiated regional market requirements, the Company has widely deployed cash-on-delivery (COD) services in SEA, effectively addressing payment collection challenges. At the same time, through a systematic training framework and incentive mechanisms, the Company continued to enhance the service quality of its frontline couriers, assisting e-commerce platforms and merchants in increasing their product acceptance rates and strengthening customer relationships, thereby reinforcing the Company's market competitive advantage; (iii) the Company has actively localized its mature customer service practices developed in China while continuously upgrading its information technology architecture. By building an integrated logistics management platform, we have achieved digital integration across pickup, transit, transportation, customer service and other processes, thereby fully enhancing operational efficiency through intelligent upgrades; and (iv) in 2025, the Company further expanded and maintained its customer base. Its high-quality services enhanced its reputation and brand image, and gained widespread recognition from various sectors of society. For example, the Company won the Indonesia Customer Experience Award 2025 jointly awarded by SWA and Business Digest.

3. Improved Operational Efficiency, Further Cost Optimization, Entering a Virtuous Cycle with the Positive Flywheel

Scale effects and empowerment derived from the China experience have resulted in continuous cost reductions, enabling the Company to offer more competitive pricing. The express delivery industry significantly demonstrates economies of scale, with cost reductions dependent on the cost-dilution effects generated by economies of scale. In 2025, the Company's parcel volume in SEA increased by 67.8% year-on-year, with an average daily parcel volume of 21.0 million, which further improved the utilization efficiency of key infrastructure and resources, such as sorting centers, outlets and vehicles, and expanded the scale effect. At the same time, since entering the Chinese market in 2020, the Company has continued to learn from the advanced industry knowledge, technology, and operational management experience of China's express delivery industry and systematically empowered it to SEA to continue to reduce the cost per parcel in SEA. In terms of technology and equipment, the Company optimized line-haul route planning in SEA and increased investment in automated sorting equipment to optimize transportation and sorting costs. In terms of management, the Company actively optimized incentive systems for operational staff such as couriers to improve pickup and delivery efficiency. In 2025, the Company's average cost per parcel in SEA continued to decline from USD0.57 in 2024 to USD0.48 in 2025. For specific optimization of operation, please see "Review of Financial Results – Economic Benefits per Parcel". The Company has achieved the sustainability of refined operation empowered by scale effects and China experience, which will generate further cost-reduction potential.

The Company has collaborated with e-commerce platforms to establish more flexible pricing mechanisms, creating a positive flywheel of "cost optimization – price reduction – business growth – further cost reduction", achieving a dual lead in both cost and market share. In terms of business model, the Company has implemented a tiered volume discount pricing structure designed to attract greater parcel volumes from e-commerce platforms. This approach enhances economies of scale and further reduces its costs, thereby enabling the Company to offer more competitive price to its customers. At the same time, as a leading express delivery company in SEA, cost reductions of the Company also contribute to increasing e-commerce penetration in SEA and lower local social logistics costs, ultimately benefiting the entire e-commerce ecosystem including local e-commerce platforms, merchants and consumers.

4. Continuously expanding Non-Platform Parcels

The Company actively expands its non-e-commerce platform customer base and continuously develops diversified business scenarios. Non-platform parcels serve as a vital supplement to the Company's network. The Company's existing customers include seller customers on social media, online business of chain stores, branded customers and individual parcels. In 2025, the Company successfully expanded its non-platform customer base. The Company aims to provide high-quality and cost-effective express delivery services to all customers, and grow together with them, thus promoting the prosperity of various industries in the local market and fostering mutually beneficial and sustainable growth.

5. Maintaining a Healthy Level of Profitability

With successful business development and operation leverage, the Company continued to show an attractive combination of growth and profitability in SEA in 2025. The Company's adjusted EBIT in SEA was USD537.5 million in 2025, representing an increase of 77.5% as compared to USD302.7 million in 2024. The adjusted EBIT margin amounted to 11.9%, representing a year-on-year increase of 2.5 percentage points. In 2025, the adjusted EBITDA reached USD705.5 million, representing a year-on-year increase of 54.8%. The Company is an independent e-commerce enabler, providing cost-effective express delivery services to all e-commerce platforms and continuously expanding its non-e-commerce platform customers, with a continuous and rapid increase in parcel volume and market share. The Company steadily reduced cost per parcel by continuing to expand its existing economies of scale, as well as by empowering SEA with its express delivery experience in China. At the same time, the Company offers competitive prices to e-commerce platforms in order to capture more parcel volume and share. The dynamic balance between price and cost has enabled the Company to maintain a healthy and sustainable level of profitability in SEA.

(III) China

1. Continuously Consolidating Industry Position

Since entering the Chinese market in March 2020, the Company has continuously improved its express delivery network and enhanced service quality amid a complex and evolving market and competitive landscape, thereby achieving high-quality growth and maintaining a stable industry position. In 2025, the Company handled 22.07 billion parcels in China, representing a year-on-year increase of 11.4%. In terms of parcel volume processed, the Company accounted for 11.1% of the market share in China, compared to its market share of 11.3% in 2024, calculated on a comparable basis. According to Frost & Sullivan, the Company ranks No. 5 among express delivery operators in China, improving by one position from sixth place in 2024.

Under the anti-involution policy framework advocated by the State Post Bureau, the industry competition became more rational in the second half of 2025. The Company believes that following the intense price competition in the first half of 2025, the implementation of the anti-involution policy has contributed to the healthy development of the industry. As competition based on value, characterized by cost reduction, service enhancement and efficiency improvement, replaced price competition, corporate competition has shifted toward service quality, network stability and end-to-end cost optimization, which is conducive to the sustainable development of the industry. The Company will proactively respond to industry policy advocacy, dynamically adjust its regional strategies in response to evolving industry policies and competitive landscape, pursue high-quality development, and continuously consolidate its market position.

The following table shows top five express delivery operators (by parcel volume) in China in 2025:

Rank	Express Delivery Operators	Business Model	Introduction	Parcel Volume (In billion) in 2025	Market share in 2025	Parcel Volume (In billion) in 2024	Market share in 2024	Year-on-year Change
1	Company E	Network Partner Model	Established in 2002	38.52	19.4%	34.05	19.4%	0%
2	Company F	Network Partner Model	Established in 2000	31.14	15.7%	26.57	15.2%	+0.5%
3	Company G	Network Partner Model	Established in 1993	26.14	13.1%	22.73	13.0%	+0.1%
4	Company H	Network Partner Model	Established in 1999	25.60	12.9%	23.78	13.6%	-0.7%
5	J&T	Regional Sponsor Model (supported by Network Partner Model)	Established in 2019	22.07	11.1%	19.80	11.3%	-0.2%

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

2. Continuously Improving Business Structure and Optimizing Service Quality

As China's express delivery industry maintained operations at a high scale, the Company has expanded its diversified customer base. According to the data of the State Post Bureau, in 2025, the parcel volume of China's express delivery industry reached 198.95 billion parcels, representing a year-on-year increase of 13.6% on a comparable basis, demonstrating continued resilience in market growth. Against this backdrop, the Company continued to refine its business structure and further deepened its cooperation with e-commerce merchants across all platforms. Targeted solutions were developed for customers, industry types and products with relatively weak coverage. The Company promoted the growth of reverse logistics parcels and individual parcels through the development of service stations operated by the Company and a variety of marketing activities, thereby increasing parcel volume while improving its customer structure.

Continuously improving service quality, developing targeted solutions, and enhancing customer acquisition capabilities. The Company is committed to continuously improving service quality, enhancing network efficiency and stability, shortening the average delivery time for parcels, and increasing the proportion of same-day and next-day deliveries. The Company focused on the mutual development of business on multiple e-commerce platforms, and diversified its customer base through establishing a dedicated working group to develop branded customers. In addition, the Company continues to enrich its product offerings and provide value-added services in response to customer needs. For instance, the Company has expanded its cloud warehouse services, enabling greater coordination between warehousing and distribution, extending the service value chain, optimizing warehousing and distribution fulfillment timeliness, and improving customer loyalty.

3. Deepening Rural Coverage of the Express Delivery Network and Launching Consolidated Shipping Business in Hong Kong to Explore Structural Growth Points

Continuously strengthening express delivery network construction in rural areas to support rural express delivery development. Since entering the Chinese market in 2020, the Company continued to expand the breadth and depth of service coverage. Starting in 2025, the Company has assisted e-commerce platforms in developing rural delivery services, which currently have been formally launched in 12 provinces, with the number of newly covered villages continuing to increase. As of 31 December 2025, the Company's coverage rate of express delivery to villages continued to increase, ranking among the top in the industry, thus continuously improving the e-commerce shopping and express delivery experience of rural consumers. At the same time, the Company solved delivery difficulties of agricultural products in rural areas through a variety of projects to assist farmers to facilitate agricultural products to go out of the rural areas.

The Company continues to expand structural growth points in China, meeting the growing demand for cross-border e-commerce in Hong Kong. Following the launch of the Company's Hong Kong project in 2025, the Company rapidly established its network by leveraging its global localization experience and strong execution capabilities. Relying on its efficient express delivery network in mainland China, the Company directly extends its cargo consolidation, transit and sorting capabilities in the Greater Bay Area to Hong Kong. At the same time, the Company continues to expand last-mile facilities, including self-pickup points and self-pickup lockers, thereby deeply empowering platform customers and achieving mutual growth. In addition, drawing upon its mature terminal networks overseas, the Company has capitalized on Hong Kong's status as a free trade port to undertake international logistics services.

4. Continuing the Optimization of Operations in Each Process and Maintaining Profit Resilience Amid Changing Market

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 USD0.30 in 2024 to USD0.28 in 2025, achieving continuous cost reduction. Please see "Review of Financial Results – Economic Benefits per Parcel" for specific optimization of operations.

In 2025, the adjusted EBITDA of China's business was USD363.3 million, compared to USD427.3 million in 2024, with an adjusted EBITDA margin of 5.4% in 2025. At the same time, the adjusted EBIT for 2025 was USD93.9 million, compared with USD147.2 million in 2024. In the first half of 2025, the intense industry competition put pressure on the Company's revenue per parcel. However, with the implementation of the anti-involution policy, the Company's revenue per parcel in the second half of 2025 remained relatively stable compared with the second half of 2024. At the same time, the Company continued to optimize costs, offsetting the downward revenue pressure through cost reductions to maintain profit resilience:

The express delivery revenue per parcel slightly decreased. The Company's revenue per parcel in 2025 was USD0.30, representing a decrease compared to USD0.32 in 2024. In the first half of 2025, intense competition in the express delivery industry led to a continued price decline in the industry. However, due to the full response to the anti-involution policy across multiple provinces nationwide in the second half of 2025, the industry competition became more rational. In line with the changes in policies and industry competition, the Company dynamically adjusted prices across different regions to maintain its competitiveness. Amid a complex and evolving industry competition, the Company insists on doing what is difficult but right, and continues to optimize its parcel volume mix across various e-commerce platforms and constantly enhance its product category structure. Leveraging its increasingly enhanced marketing capabilities and cost-effective attraction of more high-quality and branded customers, the Company further expanded reverse logistics parcels and individual parcels, thereby mitigating the impact of industry competition on revenue per parcel.

The express delivery cost per parcel continued to reduce. The Company's cost reduction effect was significant, with cost per parcel decreasing to USD0.28 in 2025 from USD0.30 in 2024, mainly due to the scale effect arising from the growth of the Company's business volume and the continuous refinement of operation and management in each operation process. The significant increase in the number of automated equipment deployed by the Company in 2025 compared to the end of 2024 achieved the expected cost optimization magnitude. The Company continues to benchmark against the most efficient peer companies in the industry, keeps learning advanced management experience and technology to quickly address the inadequacies in operational optimization of a young company while enhancing overall network efficiency and robustness. The continuous decline in the Company's cost per parcel has reflected the strong execution capability of the Company, and the Company is confident that cost per parcel will continue to decrease to the industry's best level.

5. Introduction of Key Projects

Branded Customers: The Company continued to promote a special program for the development of branded customers, with the core objectives of strengthening brand influence, enhancing market recognition, and optimizing the overall customer structure. In 2025, the Company further deepened its engagement with branded customers, leveraging its capabilities in delivering high-standard, customized service solutions alongside the effective execution of multi-dimensional marketing initiatives. Strategic collaborations with leading brands across various industries, including Mercury, Blue Moon, Yili, Mengniu, Camel, Be & Cheery, ERKE and Wuliangye, continued to deepen, resulting in growth in both the number of branded customers and parcel volumes.

Investment of automated equipment in outlets: With the continuous surge in express delivery volume across the entire network, the Company is vigorously promoting the widespread application of automated equipment in outlets, aiming to comprehensively enhance the operational efficiency of outlets while effectively reducing the comprehensive operational costs for both the Company and franchisees. To accelerate the automation upgrade process, the Company has launched a series of support measures, including special subsidy policies and organizing professional teams to provide equipment planning and customized solutions for outlets. Currently, the proportion of express parcels processed through automated equipment at terminal outlets has achieved significant growth, with a significant increase in the number of automated equipment deployed at outlets compared to the end of 2024, marking phased achievements in the outlets' intelligent upgrade.

Unmanned Vehicles: The Company continues to promote the in-depth construction of an intelligent logistics ecosystem. Through a combination of centralized procurement, subsidies and other supportive measures, the Company encourages network partners to expand the deployment of unmanned vehicles in terminal delivery scenarios across key cities. In 2025, the Company's unmanned vehicle network has covered multiple provinces and cities nationwide. In the future, the Company will continue to scale up the deployment of unmanned vehicles to facilitate the intelligent upgrade of terminal delivery. The application of unmanned vehicles will continuously drive the Company to form a positive cycle in service quality improvement, operational efficiency enhancement and comprehensive cost control, providing customers with comprehensive and intelligent modern logistics solutions. As of 31 December 2025, the Company has deployed more than 1,000 unmanned vehicles across the entire network, with the overall scale still in a phase of rapid expansion.

Cloud Warehouse Services: To effectively meet the diverse needs of customers, the Company has expanded its cloud warehouse services. Leveraging our robust global logistics resources and comprehensive business ecosystem, the Company is committed to providing integrated warehousing and distribution services for global e-commerce platforms, brand owners, and small to medium-sized merchants. The continued expansion of the cloud warehouse business effectively extends the service chain, optimizes the efficiency of warehousing and distribution fulfillment, enhances customer stickiness, and generates meaningful synergies with the Company's core express delivery business. As of the end of December 2025, the Company has established operations in 12 countries worldwide, with a total of 202 warehouses covering over 770,000 square meters, including 173 warehouses covering 610,000 square meters in China.

Guangzhou Sorting Center: To optimize the sorting and transit efficiency in the Greater Bay Area, a key region for express delivery and logistics, and considering the locational advantages of air-rail intermodal transport and road networks, the Company constructed a sorting center in Huadu, Guangzhou, which officially commenced operations in the fourth quarter of 2025. The Guangzhou Sorting Center covers a total area of 392 mu, with a floor area of 320,000 square meters and a daily parcel handling capacity exceeding 15 million. It is currently the Company's largest self-built logistics hub globally. The Guangzhou Sorting Center is equipped with industry-leading automated equipment and intelligent management systems. Through three-dimensional layout, space utilization is significantly improved, and sorting efficiency per unit area increased by 87%. During peak seasons, the system can intelligently switch sorting strategies within 10 minutes based on real-time data, enhancing overall operational efficiency by approximately 30%.

(IV) New Markets

1. Benefiting from the Rapid Expansion of E-commerce Clients, Resulting in Accelerated Parcel Volume Growth

In 2025, the Company handled 403.9 million parcels in the New Markets, representing a year-on-year increase of 43.6%, which marks accelerated growth compared with the 22.1% year-on-year growth rate in 2024, and its market share increased from 6.1% in 2024 to 7.5%.

Capturing the growth opportunities of the e-commerce and express delivery industry, continuously improving the pickup and delivery capabilities of express delivery network, and enhancing network coverage. The e-commerce industry in New Markets remains in an early stage of development. With the gradual entry of cross-border e-commerce platforms and the expansion of their local user bases, these markets are undergoing a critical transformation, accompanied by increasing demand for express delivery services. The Company continued to intensify its investments in infrastructure construction, with a view to building a comprehensive express delivery network with robust parcel collection and delivery capabilities. By transferring its express delivery operation experience from China and SEA to New Markets, the Company has effectively captured the dividends of the rapid growth of e-commerce and express delivery industries, thus achieving rapid growth in parcel volume. As of 31 December 2025, the Company's network coverage across major local cities in New Markets reached 99%, essentially achieving full coverage.

Continuously developing and deepening cooperative relationships with cross-border clients, seizing opportunities during periods when e-commerce clients enter and rapidly expand in new markets. Cross-border e-commerce platforms maintain robust development momentum globally. The New Markets, characterized by high economic development levels, significant consumption potential, and currently low e-commerce penetration, have become hotspots for cross-border e-commerce development. The Company has established close cooperative relationships in the New Markets with international cross-border e-commerce and live-streaming e-commerce platforms such as SHEIN, Temu, TikTok, Shopee, Aliexpress, Kwai, and Trendyol. Through its comprehensive network coverage and high-quality services, the Company assists these cross-border e-commerce platforms in solving logistics and delivery challenges. The Company is poised to replicate the successful cooperation models developed with e-commerce platform clients in China and SEA within the New Markets.

The Company values cooperation with local e-commerce platforms and expands its local e-commerce platform customer base. Collaborating with local e-commerce platform clients enables the Company to enhance its coverage of local merchants and consumers, thereby deepening its understanding of the local e-commerce and express delivery ecosystem. This understanding allows for targeted network optimization, improving the health and stability of the Company's local network. Alongside the continuous growth of the Company's parcel volume and the accumulation of positive service reputation in the New Markets, its comprehensive competitiveness has gradually gained recognition from reputable local e-commerce clients. For example, the Company's cooperation with Mercado Libre, the largest e-commerce platform in Latin America, in Mexico and Brazil in 2025, fully demonstrates its robust local network operational capabilities and service standards.

2. Continuously investing in infrastructure development to enhance network stability and efficiency

As of 31 December 2025, the Company operated 44 sorting centers, 300 line-haul vehicles and a large number of branch line vehicles, and approximately 2,000 outlets in the New Markets. In 2025, the Company continued to invest in infrastructure development in the New Markets and optimized its outlet network based on the business conditions of individual countries. The Company reduced 300 outlets in the New Markets to enhance network stability and efficiency. The Company increased investment in automated equipment at transfer centers to improve network capacity and operational efficiency, and deployed 9 sets of automated sorting lines in 2025.

3. Achieving First Full-Year Adjusted EBIT Turnaround from Loss to Profit

In 2025, the adjusted EBITDA of New Markets business was USD48.5 million, compared to an adjusted EBITDA loss of USD43.0 million in 2024, with an adjusted EBITDA margin of 5.6% in 2025, representing a year-on-year increase of 13.0 percentage points as compared to that last year, indicating a significant improvement in profitability. At the same time, the adjusted EBIT for 2025 was USD3.8 million, while the adjusted EBIT recorded a loss of USD76.5 million for 2024. The adjusted EBIT of New Markets business achieved a turnaround from loss to profit, mainly due to the increase in revenue per parcel and the decrease in cost per parcel. In 2025, the parcel volume mix across different countries and e-commerce platform partners in New Markets was still changing, and the Company continued to optimize its business structure. By leveraging its highly cost-effective service offering, the Company attracted more high-quality customers, thereby supporting pricing stability. At the same time, the optimization of cost per parcel was driven by economies of scale arising from increased parcel volumes and ongoing improvements across various operational processes.

III. CORE COMPETITIVENESS OF THE COMPANY

1. An Independent and Open Global E-commerce Enabler

Leveraging its extensive logistics network, stable and reliable service system, advanced express delivery operational expertise accumulated in the Chinese market, refined cost management capabilities, and in-depth insights into local markets, the Company continues to deliver price-competitive logistics services across its target markets while fostering the vigorous development of the e-commerce market in the regions where it operates. Currently, the Company has established in-depth cooperation with leading e-commerce platforms such as Shopee, Lazada, Pinduoduo, Taobao, Tmall, SHEIN, Mercado Libre and Temu, while also expanding collaborative partnerships with social e-commerce and short-video live-streaming platforms such as TikTok, Kwai, Kuaishou and rednote. In its collaboration with e-commerce ecosystem partners, the Company has always maintained a neutral and open cooperative stance and actively built diversified strategic partnerships with a wide range of platforms.

The Company believes that the global e-commerce market will continue to expand, and the demand for e-commerce express delivery services is expected to remain robust over the long term. Leveraging their ability to integrate parcels across all platforms and the continuous expansion of parcel channels beyond e-commerce platforms, third-party express delivery providers are better positioned to achieve sustained growth in business scale, thereby building more significant technological barriers and cost advantages. The Company's global network enables it to more effectively serve the rapidly growing e-commerce markets by connecting merchants and consumers across different regions, allowing it to continuously benefit from the long-term expansion of the e-commerce delivery market.

2. A Proven and Effective Global Expansion Model

Since its inception in Indonesia in 2015, the Company has rapidly established networks across 13 countries, developing a global expansion methodology centered on the core principle of "China experience export + deep local adaptation + close e-commerce ecosystem collaboration". At the operational management capability level, the Company integrates refined cost control capabilities and advanced express delivery operational experience forged under intense competition in the Chinese market, systematically transferring and replicating them to SEA and emerging markets. Upon entering a new market, the Company flexibly formulates development strategies based on local infrastructure conditions and consumption habits, continuously investing in and optimizing the local network to improve operational efficiency. Regarding e-commerce ecosystem collaboration, the Company has established deep cooperation with multiple leading e-commerce platforms in China, SEA, and new markets like Latin America. The Company and its platform clients share strategic alignment, mutual trust in capabilities, and a solid cooperation foundation, enabling the smooth continuation of cooperation into newer markets.

3. Efficient Regional Sponsor Model

The Company will choose more efficient localized operation models, taking into account the local market conditions. In SEA and China, the Company mainly operates on a regional sponsor model, under which, the national headquarters assumes the functions of overall leadership and strategic management, while key operational functions of the network, including sorting centers, line-haul transportation and pickup & delivery process, are operated by regional sponsors. Drawing upon long-standing and deeply rooted partnerships with regional sponsors, as well as extensive practical experience in successfully expanding operations across multiple markets, the Company has developed systematic and well-structured capabilities in the centralized management of regional sponsors and network partners. Based on long-term collaborative relationships, regional sponsors and the Company work together to develop local markets and share the fruits of business growth.

The regional sponsor model enables the Company to facilitate efficient and refined network management. Regional sponsors are able to fully leverage their local market knowledge and operational experience in their assigned regions to independently and efficiently make business expansion decisions, thereby minimizing unnecessary management barriers. Through close collaboration with regional sponsors, the Company can rapidly expand its network coverage by utilizing their local resources and local experience, enabling efficient access to new markets. Benefiting from regional sponsors' accurate understanding of local market conditions and their ability to adapt strategies flexibly, the Company is able to consistently deliver high-quality services to its customers. In addition, regional sponsors can assist the Company in supervising and standardizing the management of network partners, thereby regulating outlets in accordance with unified service standards and effectively ensuring the stability and consistency of service quality across the entire network. This regional sponsor operating model has significantly enhanced the Company's overall operating efficiency and has effectively consolidated its market position in both SEA and China.

4. Providing Superior Quality Services to Meet Customer Needs

The Company is committed to providing high-quality logistics services to markets around the world. The Company works closely with regional sponsors and network partners to build an efficient and stable service ecosystem. In terms of capacity assurance, the Company continuously optimizes network density and resource allocation to ensure reasonable transportation and distribution capabilities in both peak and off-peak seasons. At the operational level, by continuously streamlining operational processes and improving full-chain efficiency, it enhances the efficiency and accuracy of picking-up, transit, transportation and dispatching across all business segments. This improves dispatching timeliness and fulfillment precision, delivering a stable, reliable, and high-quality logistics experience for consumers and clients through standardized service procedures.

Providing differentiated and customized services and innovating upon its service standards based on local market demands. The ability to rapidly extend service coverage to 13 countries and regions within a short period is primarily attributed to the Company's capacity to adapt to local market conditions. Upon entering a new market, the Company designs products and service standards to align with distinct local needs by taking into account the prevailing local conditions, such as the macroeconomic environment and infrastructure, based on the requirements of local customers and consumers. For example, in SEA, the Company offers extensive cash-on-delivery services to address the low adoption of online payments in local markets, facilitating broad connections between e-commerce partners and consumers. In Indonesia and Malaysia, the Company provides courier services such as 365-day operations and 24-hour customer support. In China, the Company collaborates with multiple e-commerce platforms to operate consolidated shipping services for remote areas, significantly reducing freight costs and addressing the long-standing challenge of "no free shipping" in such regions, while gradually expanding the coverage of these services. By working with e-commerce platforms to lower courier costs in remote areas, the Company has alleviated the persistent pain points for consumers in Western China, including "no courier service, high courier costs, slow delivery, and difficult access".

The Company continuously monitors and optimizes a series of key business and service quality indicators and improves the indicator system according to the actual situation. The Company continuously monitors a series of key service quality indicators such as average delivery time, lost parcel rate and complaint rate, and is committed to continuously optimizing such indicators. In SEA, the Company continuously improves its service quality indicators through a variety of measures such as reducing the transit times, shortening the parcel transportation routes, increasing the frequency of daily deliveries and monitoring and efficient handling abnormal parcels in real time. In 2025, the Company has won several honors such as the "Corporate Image Award" and the "Delivery Courier Category: Service Quality Award 2025" in Indonesia, was named the "2025 Best Last-Mile Company in the Middle East (2025年度中東年度最佳末派公司)", and was recognized as a "5A-Level Logistics Enterprise (5A級物流企業)" in China. These awards fully reflect strong recognition of the Company's services by local consumers and underscore its comprehensive capabilities and industry recognition in the global express delivery sector.

5. Entrepreneurial and Experienced Management Team and Regional Sponsors

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

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

IV. COMPANY OUTLOOK AND STRATEGY

1. Dual-Drive of E-commerce Express and Non Platform Parcels, Consolidating Leading Position in the SEA Market

In SEA, the Company has been the number one express delivery company in SEA for six consecutive years. Moving forward, the Company will continually provide high-quality services and competitive prices to further increase market share and solidify our leading position. Specific initiatives include: (i) the Company will deepen our cooperation with all e-commerce platforms, further increase our market share on various platforms, and continue to serve as the leading express service provider for core e-commerce platforms, strengthen the stickiness of cooperation and grow together with customers; (ii) the Company continues to develop non e-commerce platform customers such as social media merchants, business parcels, personal parcels to serve as a complementary source, and continues to optimize its customer structure to reduce reliance on any single business scenario; and (iii) the Company continues to systematically empower SEA with its mature express delivery operational experience in China, continuously reducing costs of each operational procedures through process optimization, technology transfer, and management upgrades. Such sustained empowerment of China experience helps the Company consistently maintain its technological, experiential and cost advantages in SEA, thereby securing its leading position in market competition.

2. Enhancing Brand Image and Customer Recognition in the Chinese Market and Optimizing Profitability

In the Chinese market, since establishing its express delivery network in 2020, the Company has steadily risen to rank fifth in the industry. Moving forward, the Company will continue to build on this momentum, steadily advancing to enhance and consolidate its market position by: (i) focusing on reinforcing its network foundation, enhancing service quality, and continuously improving its brand image; meanwhile, it will provide industry-specific and brand-oriented solutions to improve the acquisition and retention of high-quality clients, further elevating brand influence and customer recognition to drive quality growth; (ii) continuously optimizing its operational network, with a focus on controlling cost per parcel, particularly in core areas such as transportation and sorting per parcel, leveraging economies of scale and refined operations to achieve sustained cost optimization.

3. Seizing the Opportunity of Rapid Growth of E-commerce in Latin America and Replicating the Development Trajectory of the SEA market

For the New Markets already covered, since initiating its expansion in 2022, the Company has continuously upgraded its infrastructure to enhance both the range and density of network coverage, to ensure broader regional reach and meet clients' rapidly growing logistics needs. The Company aims to further strengthen its market position in the countries of the New Markets by: (i) seizing the historic opportunity for express delivery growth driven by e-commerce globalization, deepening collaboration with multiple global cross-border e-commerce platforms while actively expanding local clientele; (ii) closely following trends in global e-commerce platforms as they increase investment in semi-custodial and local-to-local business models, continuously enhancing pickup and delivery capabilities, and leveraging comprehensive network coverage to provide solid service support for clients' business model transformations; (iii) continuing to invest in equipment of sorting centers, increasing line-haul vehicles, and optimizing terminal outlet layouts to comprehensively enhance network capacity, aligning with rapidly growing market demand.

4. Maintaining Strategic Initiative and Further Exploring the Expansion into Other Regional Markets

For other new markets not yet covered, before choosing to enter a new market, the Company will conduct comprehensive assessments, considering key factors such as population size, GDP, e-commerce penetration, the development status of e-commerce platforms, and the local business environment. The Company will adopt business models tailored to local conditions and pursue a reasonable return on investment. This ensures that our resources are directed toward the most promising regions. The Company is initiating research into potential opportunities in regions such as other countries in Latin America, Europe, and the North America. According to data from the International Monetary Fund (IMF), in 2025, the nominal GDP of Europe and North America reached USD29.7 trillion and USD34.9 trillion respectively, with nominal GDP per capita standing at USD40,000 and USD67,100 respectively. Featuring high levels of regional economic development and household consumption potential, these regions provide fertile ground for the development of the e-commerce and express delivery industries. Major cross-border e-commerce platforms are gradually expanding their coverage across these regions, creating strong demand for high-quality e-commerce express delivery services.

Through years of intensive practice in China, SEA, and new markets such as Latin America, it has progressively built and refined its local logistics networks and infrastructure, accumulating, distilling, and systematizing a methodology for express delivery operations adapted to local contexts. This has fully validated the execution capability and market competitiveness of its organizational system. Building on this foundation, upon entering newer markets, the Company possesses a strong capacity for replication and transfer. It is expected to closely align with the business expansion pace of its key e-commerce platform clients, achieve scale growth in parcel volume, and progressively optimize overall profitability through enhanced operational efficiency. Meanwhile, the Company's strategic cross-shareholding with SF Holding (002352.SZ/6936.HK) has promoted deeper cooperation between the two parties. By integrating the overseas and cross-border logistics resources and terminal network resources of both sides, the global network coverage capability and service efficiency have been enhanced, which is conducive to the Company's expansion in overseas regional markets.

5. Empowering Overseas Operations with China's Logistics Experience, Driving Continuous Cost Reduction through Refined Management

The Company continues to deepen refined management across all operational processes, strengthening its core competitiveness through enhanced efficiency and cost optimization in pickup, sorting, transportation and delivery. At the same time, the Company systematically transfers its mature and advanced express delivery technologies and operational experience from China to SEA and other emerging markets, helping each region establish technological and experiential advantages and achieve sustained cost reductions: (i) prudently advancing land acquisitions and sorting centers expansions in key transportation hubs, continuously optimizing sorting center layouts and route planning to improve overall network efficiency; (ii) increasing investment in automated equipment, promoting standardization and normalization of operational procedures, leveraging real-time monitoring and data analytics to significantly enhance sorting efficiency and accuracy, reducing manual errors, ensuring precise and rapid delivery of parcels, and driving overall service quality improvements; (iii) steadily increasing the proportion of self-owned vehicles, strengthening the coordination and integration of self-owned vehicles with third-party transportation resources, optimizing line-haul route planning and loading rates, and driving continuous reductions in transportation costs; (iv) dynamically adjusting the density and location of terminal outlets based on regional operational realities, optimizing delivery route designs, enhancing the capacity and operational efficiency of individual outlets, and effectively achieving sustained reductions in terminal pickup and delivery costs.

6. Strengthening Brand Building, Actively Expanding Non-Platform Businesses, and Continuously Improving Profit Quality

In SEA and the New Markets, e-commerce platform customers provide the Company with a substantial parcel volume base, effectively supporting the network's economies of scale and diluting the cost per parcel. On this basis, the Company is concurrently increasing its efforts to develop non-e-commerce platform customers, covering various groups such as social e-commerce sellers, branded customers, and individual customers. These customers typically offer higher revenue per parcel and profits, contributing to the continuous optimization and enhancement of the Company's overall profitability.

In the Chinese market, the Company regards continuously strengthening brand influence and optimizing the customer mix as long-term strategic directions. The Company persistently expands its base of branded customers and small-to-medium-sized customer groups. Such customers exhibit strong loyalty and are more inclined to pay a reasonable premium for high-quality services. The Company transforms its accumulated customer acquisition methodologies into systematic training content, empowering its network partners. Simultaneously, it supports this with diversified incentive mechanisms, working hand-in-hand with partners to improve customer quality and achieve synergistic growth in profitability for all cooperating parties.

V. REVIEW OF FINANCIAL RESULTS

1. Consolidated Income Statement for the Year Ended 31 December 2025 and the Year Ended 31 December 2024

	For the year ended 31 December	
	2025 USD'000	2024 USD'000
Revenue	**12,157,806**	10,259,104
Cost of revenue	**(10,695,131)**	(9,180,889)
Gross profit	**1,462,675**	1,078,215
Selling, general and administrative expenses	**(867,405)**	(826,715)
Research and development expenses	**(62,443)**	(48,889)
Net impairment losses on financial assets	**(26,875)**	(11,266)
Other income	**12,398**	10,227
Other (losses)/gains – net	**(45,837)**	8,971
Operating profit	**472,513**	210,543
Finance income	**45,579**	40,671
Finance costs	**(148,217)**	(126,175)
Finance costs – net	**(102,638)**	(85,504)
Fair value change of financial assets and liabilities at fair value through profit or loss	**(106,197)**	4,463
Share of results of associates	**(254)**	(352)
Profit before income tax	**263,424**	129,150
Income tax expense	**(38,090)**	(15,446)
Profit for the year	**225,334**	113,704
Non-IFRS measure:		
Adjusted net profit	**425,387**	200,333
Adjusted EBIT	**566,115**	301,283
Adjusted EBITDA	**1,049,058**	778,279

2. Segment Information (Non-IFRS Measure)

The geographic segment information for the year ended 31 December 2025 and the year ended 31 December 2024 is presented below:

	For the year ended 31 December 2025					
	SEA USD'000	**China USD'000**	**New markets USD'000**	**Cross-border USD'000**	**Unallocated USD'000**	**Total USD'000**
Segment revenue	**4,501,804**	**6,709,703**	**870,222**	**76,077**	**–**	**12,157,806**
Segment cost	**(3,640,660)**	**(6,263,140)**	**(721,852)**	**(69,479)**	**–**	**(10,695,131)**
Segment gross profit	**861,144**	**446,563**	**148,370**	**6,598**	**–**	**1,462,675**
Adjusted EBITDA	**705,523**	**363,301**	**48,491**	**4,477**	**(72,734)**	**1,049,058**
Adjusted EBIT	**537,511**	**93,855**	**3,777**	**3,929**	**(72,957)**	**566,115**

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

	For the six months ended 31 December 2025					
	SEA USD'000	China USD'000	New Markets USD'000	Cross-border USD'000	Unallocated USD'000	Total USD'000
Segment revenue	**2,531,449**	**3,573,183**	**507,848**	**46,594**	**–**	**6,659,074**
Segment cost	**(2,021,277)**	**(3,266,239)**	**(403,015)**	**(44,472)**	**–**	**(5,735,003)**
Segment gross profit	**510,172**	**306,944**	**104,833**	**2,122**	**–**	**924,071**
Adjusted EBITDA	**392,727**	**208,249**	**46,922**	**1,599**	**(36,020)**	**613,477**
Adjusted EBIT	**302,944**	**80,908**	**21,343**	**1,387**	**(36,083)**	**370,499**

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

3 Revenue

3.1 Revenue by nature:

	For the year ended 31 December			
	2025 USD'000	**Percentage %**	2024 USD'000	Percentage %
Express delivery services	**11,811,258**	**97.1**	9,980,319	97.3
Others	**346,548**	**2.9**	278,785	2.7
Total	**12,157,806**	**100.0**	10,259,104	100.0

Revenue increased by 18.5% from USD10,259.1 million in 2024 to USD12,157.8 million in 2025, primarily due to the rapid development of e-commerce, a diversified customer structure, and continuous improvements in service quality. Revenue from express delivery services grew rapidly, with related revenue increasing by 18.3% from USD9,980.3 million in 2024 to USD11,811.3 million in 2025. This was mainly due to the increase in our total parcel volume in SEA, China and New Markets from 24.65 billion in 2024 to 30.13 billion in 2025, representing a year-on-year increase of 22.2%. Other revenue primarily includes cross-border transportation, sales of accessories and leasing income, etc.

3.2 Revenue by geographic segment:

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

	For the year ended 31 December			
	2025 USD'000	**Percentage %**	2024 USD'000	Percentage %
SEA	**4,501,804**	**37.0**	3,220,892	31.4
China	**6,709,703**	**55.2**	6,388,135	62.3
New Markets	**870,222**	**7.2**	575,550	5.6
Cross-border	**76,077**	**0.6**	74,527	0.7
Total	**12,157,806**	**100.0**	10,259,104	100.0

SEA: Our revenue increased by 39.8% from USD3,220.9 million in 2024 to USD4,501.8 million in 2025, primarily due to our parcel volume in SEA increasing by 67.8% from 4,563.2 million in 2024 to 7,658.8 million in 2025, with a market share of 34.4%. 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 price-competitive services, and our success in seizing opportunities presented by the rapid growth of the e-commerce market and the rise of social e-commerce.

China: Our revenue increased by 5.0% from USD6,388.1 million in 2024 to USD6,709.7 million in 2025, primarily due to the rapid increase of our parcel volume in China. Due to intense competition in the express delivery industry in the first half of 2025, the Company implemented dynamic price adjustments across different regions to maintain competitiveness. Under the guidance of "anti-involution" policies in the second half of 2025, price competition has eased down. Our parcel volume in China increased by 11.4% from 19,801.2 million in 2024 to 22,066.0 million in 2025, and our market share accounted for 11.1%. The increase in our parcel volume was driven by (i) deepening our cooperation with existing e-commerce platforms and expanding our cooperation with other e-commerce platforms to diversify the sources of packages; and (ii) improved service quality and enhanced brand image that facilitated the client sourcing abilities of ours and our network partners.

New Markets: Our revenue increased by 51.2% from USD575.6 million in 2024 to USD870.2 million in 2025, mainly due to the rapid growth of our parcel volume in New Markets. Our parcel volume in New Markets increased by 43.6% from 281.2 million in 2024 to 403.9 million in 2025, and our market share increased from 6.1% in 2024 to 7.5% in 2025. 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 service quality by leveraging on our increasing network capacity.

Cross-border: Our revenue increased by 2.1% from USD74.5 million in 2024 to USD76.1 million in 2025. The cross-border business primarily focuses on port-to-port line-haul transportation, providing customers with global freight services through sea, land, and air.

4. Economic Benefits Per Parcel

SEA:

	For the year ended 31 December			
	2025 USD	**Percentage %**	2024 USD	Percentage %
Revenue per parcel	**0.59**	**100.0**	0.71	100.0
Cost per parcel	**0.48**	**81.4**	0.57	80.3
Including: Pickup and delivery cost	**0.32**	**54.2**	0.36	50.7
Transportation cost	**0.10**	**16.9**	0.15	21.1
Sorting cost	**0.04**	**6.8**	0.05	7.1
Other cost	**0.02**	**3.4**	0.01	1.4

Revenue per parcel: Revenue per parcel in SEA was USD0.59 in 2025, compared to USD0.71 in 2024. The decrease in revenue per parcel was primarily due to our strategy to share the benefits of continuous cost reduction with our customers through strategic price adjustments, in order to maintain our competitive edge in the intensely competitive SEA market, further increase parcel volume, expand market share, and solidify our leading position.

Cost per parcel: The overall cost per parcel in SEA decreased from USD0.57 in 2024 to USD0.48 in 2025, primarily due to: (i) a 67.8% year-on-year increase in our parcel volume in 2025, which significantly enhanced the utilization efficiency of our network infrastructure and further expanded economies of scale; and (ii) the systematic empowerment of our SEA operations with advanced experience and technology systems from China's express delivery operations, coupled with continuous operational optimization across various segments.

Pickup and delivery: As of 31 December 2025, the Company had approximately 10,800 outlets in SEA and managed approximately 1,400 network partners. The Company adjusted the density and location of its outlets based on local operations to enhance the operational efficiency of each outlet. The Company focused on continuously optimizing its management systems and structures to improve staff efficiency at outlets. Through a rationalized compensation structure, such as adopting a volume-related pay model, it incentivized couriers to be proactive in pickup and delivery, working together to provide customers with high-quality services. The Company's pickup and delivery cost per parcel decreased from USD0.36 in 2024 to USD0.32 in 2025.

Transportation: As of 31 December 2025, the Company operated approximately 5,800 line-haul vehicles in SEA, of which approximately 3,100 were self-owned, representing an increase of 1,400 self-owned vehicles compared to 31 December 2024. The Company integrated resources from its self-operated fleet and third-party carriers to reduce transportation costs while ensuring vehicle availability during peak seasons. The Company combined its China experience with local business conditions for operational optimization, helping to optimize line-haul route planning, increase vehicle utilization and loading rates, and continuously reduce transportation costs. Simultaneously, as parcel volume continues to grow, the Company has strengthened its control over the vehicle type mix within its transport capacity, with a focus on increasing the utilization of large-capacity vehicles. The proportion of vehicles measuring 9.6 meters and above has risen year-on-year. In addition, the Company has improved vehicle load factors, thereby reducing overall transportation costs. The Company's transportation cost per parcel decreased from USD0.15 in 2024 to USD0.10 in 2025.

Sorting: As of 31 December 2025, the Company operated 121 sorting centers in SEA. The Company proactively renovated and upgraded sorting centers as needed, investing in automated sorting machines at key sorting centers to enhance sorting efficiency and driving operational performance through technological innovation. As of 31 December 2025, the Company had 64 sets of automated sorting machines in SEA, an increase of 13 sets compared to 31 December 2024. The Company's self-operated equipment subsidiary operates globally, exporting China's advanced express delivery equipment and equipment systems to SEA. Simultaneously, the Company will steadily increase the proportion of self-owned employees, continuously train sorting personnel in conjunction with the use of automated equipment, strengthen the stability and competence of the core operations team to enhance sorting productivity per capita and reduce labor cost per parcel. The Company's sorting cost per parcel decreased from USD0.05 in 2024 to USD0.04 in 2025.

China:

	For the year ended 31 December			
	2025 USD	**Percentage %**	2024 USD	Percentage %
Revenue per parcel	**0.30**	**100.0**	0.32	100.0
Cost per parcel	**0.28**	**93.3**	0.30	93.8
Including: Pickup and delivery cost	**0.18**	**60.0**	0.19	59.4
Transportation cost	**0.05**	**16.7**	0.06	18.8
Sorting cost	**0.04**	**13.3**	0.05	15.6
Other cost	**0.01**	**3.3**	0.00	0.0

Revenue per parcel: Revenue per parcel in China was USD0.30 in 2025, compared to USD0.32 in 2024. In 2025, the Chinese market faced complex changes involving industry "anti-involution" policy regulations and the competitive landscape. The Company timely adjusted its competitive strategy, dynamically adjusting prices across different regions to maintain competitiveness. Concurrently, through cost-effective services, the Company continuously optimized its customer mix by developing high-quality customers such as branded customers, reverse logistics parcels, and individual parcels, providing support for pricing.

Cost per parcel: China's overall cost per parcel decreased from USD0.30 in 2024 to USD0.28 in 2025. In 2025, the Company continued its refined management and operational optimization across all segments in China, learning from the most advanced industry practices and implementing them, leading to a continuous decline in cost per parcel.

Pickup and delivery: As of 31 December 2025, the Company had approximately 5,200 network partners and operated 6,500 outlets in China, representing a decrease compared to 31 December 2024. The Company continued to consolidate and replace network partners and outlets, promoted investment in automated equipment at outlets, and optimized terminal capabilities to strengthen the healthy operation of individual network partners and outlets, enhancing the capacity and stability of the overall express delivery network. The Company's pickup and delivery cost per parcel was USD0.18 in 2025, compared to USD0.19 in 2024.

Transportation: As of 31 December 2025, the Company operated over 7,200 line-haul vehicles in China, of which more than 5,300 were self-owned, representing an increase of over 400 self-owned line-haul vehicles compared to 31 December 2024. The Company continuously increased investment in its self-owned line-haul vehicles, flexibly adjusted the scheduling of self-owned vehicles and third-party carriers based on different routes to enhance vehicle management efficiency. The Company increased its investment in self-developed technology, optimizing the configuration of different vehicle types through real-time monitoring of parcel volume structure and route shipment status. The transportation cost per parcel was USD0.05 in 2025, compared to USD0.06 in 2024.

Sorting: As of 31 December 2025, the Company operated 81 sorting centers in China, primarily through leasing. The Company's self-built sorting center in Guangzhou commenced operations in the fourth quarter of 2025. In 2025, the Company invested in an additional 112 sets of automated sorting lines in China, significantly increasing the automation rate, accelerating the deployment of automated equipment for terminal sorting at sorting centers and greatly enhancing cargo sorting efficiency while reducing reliance on manual labor. Concurrently, by systematically enhancing the management level of sorting centers, strengthening delivery quality, and optimizing the structure of self-owned personnel in core positions, the Company comprehensively reinforced its operational foundation, driving a dual improvement in network efficiency and service quality. Sorting cost per parcel was USD0.04 in 2025, compared to USD0.05 in 2024.

New Markets:

	For the year ended 31 December			
	2025 USD	**Percentage %**	2024 USD	Percentage %
Revenue per parcel	**2.15**	**100.0**	2.05	100.0
Cost per parcel	**1.79**	**83.3**	1.94	94.6
Including: Pickup and delivery cost	**1.26**	**58.6**	1.20	58.5
Transportation cost	**0.24**	**11.2**	0.31	15.1
Sorting cost	**0.26**	**12.1**	0.33	16.1
Other cost	**0.03**	**1.4**	0.10	4.9

Revenue per parcel: Revenue per parcel in New Markets was USD2.15 in 2025, compared to USD2.05 in 2024, primarily due to changes in the structure of parcel volumes across different countries and e-commerce platforms in the New Markets, as well as the continued increase in the number of high-quality, non-platform customers.

Cost per parcel: Cost per parcel in New Markets was USD1.79 in 2025, compared to USD1.94 in 2024. Apart from the impact of changes in parcel volume structure, the Company maintains a highly optimistic outlook on the future development of the New Markets. Consequently, it continuously enhances infrastructure development in New Markets, adding 9 sets of automated sorting machines in 2025 to prepare for customers' growing capacity needs.

5. Cost of Revenue and Expenses:

5.1 Costs and expenses by nature

	For the year ended 31 December	
	2025 USD'000	2024 USD'000
Fulfillment costs	**5,842,281**	5,069,992
Line-haul costs	**2,167,133**	1,841,330
Employee benefit expenses	**1,750,909**	1,385,283
Other labour costs	**752,034**	647,684
Depreciation and amortization	**482,943**	476,996
Short-term leases and service costs	**179,352**	194,693
Materials	**124,723**	115,892
Impairment of property, plant and equipment	**30,576**	–
Advertising and marketing expenses	**11,922**	13,810
Auditors' remuneration	**2,170**	2,650
Others	**280,936**	308,163
Total	**11,624,979**	10,056,493

Our total cost of revenue and expenses increased by 15.6% from USD10,056.5 million in 2024 to USD11,625.0 million in 2025, mainly due to our fulfillment costs and line-haul costs increased by USD1,098.1 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 15.2% from USD5,070.0 million in 2024 to USD5,842.3 million in 2025. Our fulfillment costs accounted for 49.4% and 48.1% of our total revenue in 2024 and 2025, respectively.

Employee benefit expenses: Our employee benefit expenses increased by 26.4% from USD1,385.3 million in 2024 to USD1,750.9 million in 2025. Our employee benefit expenses accounted for 13.5% and 14.4% of our total revenue in 2024 and 2025, respectively. The increase in employee costs was mainly due to the growth in the number of employees driven by rising business volume, coupled with the average wages raise.

Other labor costs: With the increase in our parcel volume, our other labor costs increased by 16.1% from USD647.7 million in 2024 to USD752.0 million in 2025. Other labor costs accounted for 6.3% and 6.2% of our revenue in 2024 and 2025, respectively.

5.2 Cost by geographic segment

	For the year ended 31 December			
	2025 USD'000	**Percentage %**	2024 USD'000	Percentage %
SEA	**3,640,660**	**34.0**	2,587,661	28.2
China	**6,263,140**	**58.7**	5,965,746	65.0
New Markets	**721,852**	**6.7**	545,886	5.9
Cross-border	**69,479**	**0.6**	81,596	0.9
Total	**10,695,131**	**100.0**	9,180,889	100.0

SEA: Total cost in SEA increased by approximately 40.7% from USD2,587.7 million in 2024 to USD3,640.7 million in 2025. The increase in cost was primarily attributable to the significant rise in parcel volume, which grew by 67.8% from 4,563.2 million in 2024 to 7,658.8 million parcels in 2025, correspondingly driving up fulfillment costs.

China: Total cost in China increased by approximately 5.0% from USD5,965.7 million in 2024 to USD6,263.1 million in 2025, primarily due to the increase in parcel volume from 19,801.2 million in 2024 to 22,066.0 million in 2025, representing a year-on-year increase of 11.4%, leading to higher express delivery costs for fulfillment, transportation and sorting.

New Markets: Total cost in New Markets increased by approximately 32.2% from USD545.9 million in 2024 to USD721.9 million in 2025. The increase in cost was primarily attributable to the growth in parcel volume from 281.2 million in 2024 to 403.9 million in 2025, representing a year-on-year increase of 43.6%. The increase in costs in New Markets was in line with the expansion of business and higher network coverage.

Cross-border: Total cost in cross-border decreased by approximately 14.8% from USD81.6 million in 2024 to USD69.5 million in 2025.

6. Gross Profit and Gross Profit Margin

	For the year ended 31 December			
	2025 USD'000	**Gross profit margin %**	2024 USD'000	Gross profit margin %
SEA	**861,144**	**19.1**	633,231	19.7
China	**446,563**	**6.7**	422,389	6.6
New Markets	**148,370**	**17.0**	29,664	5.2
Cross-border	**6,598**	**8.7**	(7,069)	(9.5)
Total	**1,462,675**	**12.0**	1,078,215	10.5

The Group's gross profit margin increased from 10.5% in 2024 to 12.0% in 2025.

SEA: gross profit margin in SEA decreased from 19.7% in 2024 to 19.1% in 2025.

China: gross profit margin in China increased from 6.6% in 2024 to 6.7% in 2025.

New Markets: gross profit margin in New Markets increased significantly from 5.2% in 2024 to 17.0% in 2025.

Cross-border: gross profit margin in cross-border increased from a loss of 9.5% in 2024 to a profit of 8.7% in 2025.

7. Selling, General and Administrative Expenses

	For the year ended 31 December	
	2025 USD'000	2024 USD'000
Employee benefit expenses	**658,587**	553,268
Office related expenses	**33,739**	31,356
Professional service fees	**33,572**	39,649
Promotion and marketing expenses	**11,693**	13,701
Depreciation and amortization	**55,213**	61,064
Others	**74,601**	127,677
Total	**867,405**	826,715

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

Selling, general and administrative expenses increased by 4.9% from USD826.7 million in 2024 to USD867.4 million in 2025. This increase was primarily due to employee benefit expenses increased from USD553.3 million in 2024 to USD658.6 million in 2025.

8. Adjusted EBITDA:

	For the year ended 31 December			
	2025 USD'000	**Adjusted EBITDA %**	2024 USD'000	Adjusted EBITDA %
SEA	**705,523**	**15.7**	455,630	14.1
China	**363,301**	**5.4**	427,290	6.7
New Markets	**48,491**	**5.6**	(42,997)	(7.5)
Cross-border	**4,477**	**5.9**	(28,972)	(38.9)
Unallocated	**(72,734)**	**N/A**	(32,672)	N/A
Total	**1,049,058**	**8.6**	778,279	7.6

The Company's overall adjusted EBITDA increased by 34.8% from USD778.3 million in 2024 to USD1,049.1 million in 2025.

SEA: Adjusted EBITDA increased by 54.8% from USD455.6 million in 2024 to USD705.5 million in 2025. The adjusted EBITDA margins for 2024 and 2025 were 14.1% and 15.7%, respectively. With a substantial increase in parcel volume, the Company maintained a healthy and continuously improving level of profitability in the SEA market by continuously expanding economies of scale and replicating successful operational experience.

China: Adjusted EBITDA decreased by 15.0% from USD427.3 million in 2024 to USD363.3 million in 2025. The adjusted EBITDA margin was 6.7% in 2024 and 5.4% in 2025, primarily affected by market competition.

New Markets: The New Markets achieved a strong turnaround from loss to profit in 2025, with adjusted EBITDA reaching USD48.5 million, compared to a loss of USD43.0 million in 2024. The adjusted EBITDA margin significantly improved from a loss of 7.5% in 2024 to a profit of 5.6% in 2025. The rapid growth in parcel volume drove the continuous emergence of economies of scale, leading to a fundamental improvement in profitability.

Cross-border: The cross-border business achieved a turnaround from loss to profit in 2025, with adjusted EBITDA of USD4.5 million, compared to a loss of USD29.0 million in 2024. The adjusted EBITDA margin surged from a loss of 38.9% to a profit of 5.9%.

Unallocated: Unallocated mainly consists of (i) general and administrative expenses, foreign exchange gains and losses and other expenses incurred by group holding companies; (ii) the changes on fair value on the Group's financial assets. Unallocated adjusted EBITDA in 2025 was a loss of USD72.7 million, while the unallocated adjusted EBITDA in 2024 was a loss of USD32.7 million.

9. Finance Costs – Net

	For the year ended 31 December	
	2025 USD'000	2024 USD'000
Interest income from bank deposits	**45,579**	40,671
Interest expenses on lease liabilities	**(30,595)**	(31,330)
Interest expenses on borrowings	**(117,622)**	(94,845)
Total	**(102,638)**	(85,504)

The finance costs – net in 2024 was USD85.5 million, which increased by 20.0% to USD102.6 million in 2025, primarily due to the increase in interest expenses on borrowings.

10. Other Income

	For the year ended 31 December	
	2025 USD'000	2024 USD'000
Subsidy income	**7,287**	4,748
Interest income on loans to third parties	**5,111**	5,479
Total	**12,398**	10,227

Other income primarily consists of subsidy income and interest income on loans to third parties. Subsidy income primarily includes logistics development subsidies and talent subsidies, etc. Other income was USD12.4 million in 2025, compared to USD10.2 million in 2024, with the increase primarily due to the growth in government subsidy.

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 and non-operating items. 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. As at 31 December 2025 approximately 76.0% of the Group's cash and cash equivalents were denominated in these four currencies; the remaining currencies include VND, PHP, THB, BRL, EUR and others.

The Group's cash generated from operating activities in 2025 amounted to USD1,088.0 million, while the cash generated from operating activities in 2024 was USD807.4 million. As of 31 December 2025, the Group had total cash and cash equivalents of USD2,009.5 million and the total borrowings under current liabilities of USD813.7 million. The Group continuously obtains quality financial credit in combination with the better financial environment in the location of the operating entity. As of 31 December 2025, the Group's unutilized financial credit exceed USD800 million, and the Group's available capital is sufficient to maintain the Group's continuous and good operation.

As at 31 December 2025, the Group's gearing ratio (the percentage of total liabilities to total assets) was 67.7% (31 December 2024: 65.4%).

13. Foreign Exchange Risk

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

For the Group's subsidiaries whose functional currency is RMB, if RMB had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024, would have been approximately USD3,683,000 lower/higher and USD4,260,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is IDR, if IDR had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD4,661,000 lower/higher and USD7,708,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is THB, if THB had strengthened/weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD22,910,000 higher/lower and USD22,687,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is VND, if VND had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD8,582,000 higher/lower and USD9,986,000 higher/lower, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is MYR, if MYR had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the year ended 31 December 2025 and 2024 would have been approximately USD7,528,000 higher/lower and USD5,509,000 higher/lower as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is SGD, if SGD had strengthened/weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD1,639,000 higher/lower and USD1,715,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is PHP, if PHP had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD9,320,000 higher/lower and USD5,260,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

14. Capital Expenditure

Our capital expenditures include our investments in property, plant and equipment, investment properties and intangible assets. Our total capital expenditures were USD593.6 million and USD555.3 million in 2025 and 2024 respectively.

15. Capital Commitment

Capital expenditures contracted for as at 31 December 2025 and 31 December 2024 but not yet incurred are as follows:

	As at 31 December	
	2025	2024
	USD'000	USD'000
Buildings	**113,718**	52,469
Right-of-use assets	**4,886**	4,039
Vehicles	**35,315**	24,892
Total	**153,919**	81,400

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 2025.

17. Employee and Remuneration Policy

The Group had 217,241 full-time employees as of 31 December 2025.

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 31 December 2025 we pledged restricted deposits of US$114.1 million, as compared to US$29.5 million as of 31 December 2024. We had also pledged certain equipment and land use rights to secure borrowings, details of which are set out in Note 27 to the consolidated financial statements.

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. As of 31 December 2025, the Group held convertible bonds issued by Yimi Global Limited with fair value of approximately US$479.6 million, which was included in the Group's financial assets at fair value through profit or loss and comprised 5.4% of the Group's total assets. The total cost of the investment was approximately US$515.0 million.

Yimi Global Limited is a limited company incorporated in the Cayman Islands. Yimi 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 addition to existing markets in China, Indonesia, Malaysia, and the Philippines, it has already started its business in Vietnam and Brazil in the first half of 2025, with Thailand, the USA and Mexico on the blueprint.

Save as disclosed above, the Group did not hold any other significant investments as of 31 December 2025.

20. Future Plans for Material Investments and Capital Assets

As of 31 December 2025 the Group did not have plans for material investments or capital assets.

21. Contingent Liabilities

As of 31 December 2025 the Group did not have any material contingent liabilities.

V. Directors and Senior Management

PROFILE OF DIRECTORS

Executive Director

Mr. Jet Jie Li (李傑) ("Mr. Li"), aged 51, joined the Group in June 2015, is our founder, executive Director, Chief Executive Officer and chairman of the Board. Mr. Li is responsible for setting the strategic vision, direction and goals of our Group. Mr. Li has been a Director of Jumping Summit Limited (which is a controlling shareholder of the Company) since January 2022.

Mr. Li founded the J&T brand in Indonesia in June 2015 and has since leveraged on the Group's success to expand globally. Mr. Li used his extensive sales and entrepreneurial experience to drive our Group's rapid growth. Currently, our Group's core operations span 13 countries, including China, Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia, Singapore, Saudi Arabia, UAE, Mexico, Brazil and Egypt.

Prior to founding our Group, Mr. Li spent more than 15 years of his career with OPPO, a Chinese consumer electronics and mobile communications company, where he was responsible for leading its global expansion efforts into Indonesia as well as other Asian markets such as Singapore, Malaysia and Japan. He served as the founder and chief executive officer of OPPO's first overseas exclusive sales agent, PT. Indonesia OPPO Electronics from February 2013 to June 2015. Previously, Mr. Li also served as general manager of Nanjing Baisheng Oppo Communication Equipment Co., Ltd. (南京百勝歐珀通訊設備有限公司) from February 2008 to February 2013, where he was responsible for the distribution of OPPO products in the Jiangsu and Anhui provinces; and as department manager at Jiangsu Baisheng Electronic Co., Ltd (江蘇百勝電子有限公司) from January 1999 to February 2008, where he was responsible for the sales of audiovisual products. In recognition of Mr. Li's significant contribution, the OPPO headquarters established the "Jet Lee" award in honor of Mr. Li to reward top salespeople in the global sales agencies.

Mr. Li obtained his bachelor's degree in marketing from the University of Science and Technology Beijing, the PRC, in 1998.

Non-executive Directors

Ms. Alice Yu-fen Cheng (鄭玉芬) ("Ms. Cheng"), aged 64, joined the Group in May 2020, is our non-executive Director. She is primarily responsible for providing strategic advice to the Board.

Previously, Ms. Cheng held various positions with Acer Inc., a Taiwanese computer manufacturer, culminating in the position of financial controller, from August 1988 to December 2002. From December 2002 to May 2005, Ms. Cheng served as a financial controller of Wistron Corporation, a Taiwanese original design manufacturer of notebook computers and other electronics. From May 2005 to July 2021, Ms. Cheng served as the chief financial officer of Guangdong BBK Electronics Industry Co., Ltd. (廣東步步高電子工業有限公司), a PRC-based manufacturer of audio-visual equipment, telephones and learning machines.

Ms. Cheng has been serving as an independent director of NetEase, Inc. (NASDAQ: NTES; HKEX: 9999) since June 2007 and is currently a member of the Audit Committee, Remuneration Committee, Nomination Committee, and the Chairman of Environmental, Social and Governance Committee.

Ms. Cheng obtained a bachelor's degree in Accounting from the Chinese Culture University in Taiwan in June 1983 and a master's degree in Business Administration in International Management from Thunderbird, the American Graduate School of International Management in December 2003. Ms. Cheng also received her license as a certified public accountant in Taiwan and the mainland of China in August 1993 and December 1994, respectively.

Ms. Qinghua Liao (廖清華) ("Ms. Liao"), aged 55, joined the Group in March 2022, is our non-executive Director. She is primarily responsible for providing strategic advice to the Board.

Prior to joining our Group, Ms. Liao held various positions in Zhongshan Xiaobawang Electronic Industry Co., Ltd. (中山小霸王電子工業有限公司), including development officer and assistant general manager, from April 1994 to July 1995. Ms. Liao then joined Guangdong BBK Electronics Industry Co., Ltd. (廣東步步高電子工業有限公司), where she spent more than 10 years of her career from August 1995 to October 2005, in different roles including the head of the human resources department, head of the adjustment and planning department, general manager, assistant factory director for the electronic gaming branch and head of the total quality management department for the electronic gaming branch, where she oversaw the operations and quality control processes within the company. She then joined BBK Education Electronics Co., Ltd. (步步高教育電子有限公司), where she served as head of the systems management department from November 2005 to July 2015 and chief information officer from July 2015 to March 2020. Ms. Liao has served as the operations manager of Guangdong Xiaotiancai Technology Co., Ltd. (廣東小天才科技有限公司) since March 2020.

Ms. Liao obtained her bachelor's degree in Information Management from Central China Normal University, the PRC in July 1992.

Mr. Yuan Zhang (張源) ("Mr. Zhang"), aged 57, joined the Group in May 2020, is our non-executive Director. He is primarily responsible for providing strategic advice to the Board.

Mr. Zhang served as the general manager of the Nanjing Branch of Zhongshan Xiaobawang Electronic Industry Co., Ltd. (中山市小霸王電子工業有限公司南京分公司) from December 1991 to December 1996. He has served as the founder, chairman and general manager of Jiangsu Baisheng Electronic Co., Ltd (江蘇百勝電子有限公司) since January 1997.

Mr. Zhang obtained a bachelor's degree in electronic engineering where he majored in radio technology, from Shanghai Jiao Tong University, the PRC, in July 1990.

Independent Non-executive Directors

Mr. Erh Fei Liu (劉二飛) ("Mr. Liu"), aged 67, joined the Group on 27 October 2023, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgement to the Board and serving as chairman and members of certain committees of the Board.

Mr. Liu is currently chief executive officer and founding partner of Asia Investment Capital (the manager of Asia Investment Fund). He was previously a co-founder of Cindat Capital Management Limited ("**Cindat**"), a global real estate investment platform. Prior to founding Cindat, Mr. Liu had a successful career as an investment banker. Mr. Liu worked as senior management in various financial institutions such as the head of investment banking for China at Goldman Sachs Group, Inc., the Managing Director of Merrill Lynch (Asia Pacific) Limited and the chairman of China region of Merrill Lynch Group. He was awarded the Asian Banker Skills-based Achievements Award in investment banking in 2006 by The Asian Banker.

Mr. Liu has been an independent non-executive Director of VNET Group, Inc. (formerly known as 21Vianet Group, Inc., NASDAQ: VNET) since May 2015; and Frontage Holdings Corporation (HKEX: 1521) since April 2018. Mr. Erh Fei Liu was an independent non-executive Director of Fortunet e-Commerce Group Limited (now known as Changyou Alliance Group Limited, HKEX: 1039), from March 2015 to April 2017; Jiangxi Copper Company Limited (HKEX: 0358 and SSE: 600362) from July 2016 to October 2022; and Qingling Motors Co. Ltd (HKEX: 1122) from May 2015 to June 2024.

Mr. Liu graduated from Harvard Business School, the United States, in June 1987 with a master's degree in business administration.

Mr. Peng Shen (沈鵬) ("Mr. Shen"), aged 38, joined the Group on 27 October 2023, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgement to the Board and serving as chairman and members of certain committees of the Board.

Mr. Shen is the founder and currently serves as the chairman of board of directors and chief executive officer of Waterdrop Inc. (NYSE: WDH). Prior to founding Waterdrop in 2016, in January 2010, Mr. Shen joined Meituan (HKSE: 03690), a leading e-commerce platform in China, at its early stage. He was also one of the founding team members of Meituan Waimai, which provides food delivery services. Mr. Shen participated in the operations of Meituan Waimai from September 2013 to April 2016, where he was responsible for different matters including internet R&D, formulating operational rules, and establishing and managing the business systems. In honor of his contributions to China's insurtech industry, digital clinical trial solutions business and other fields, as well as the establishment and operation of Waterdrop, Mr. Shen was named to Fortune China's list of the "2020 40 under 40 in China" and World Economic Forum's list of "2022 Young Global Leaders".

Mr. Shen received a master's degree in retail management from NEOMA Business School, France, in October 2013, an EMBA from Tsinghua University School of Economics and Management, PRC, in July 2019 and the degree of Doctor of Hotel and Tourism Management from the Hong Kong Polytechnic University in September 2022.

Mr. Peter Lai Hock Meng (賴學明) ("Mr. Lai"), aged 70, is an independent non-executive Director. Mr. Lai has been appointed as an independent non-executive Director since 18 May 2024.

Mr. Lai is currently a panel member of the Inquiry Committee of the Law Society of Singapore, the chief advisor and chairman of HML Consulting Group Pte Ltd, the independent director and deputy chairman of the investment committee of Char Yong (Dabu) Foundation Limited. Mr. Lai has served as the chairman and independent non-executive director, the chairman of nominating committee and the member of the audit committee and remuneration committee of CASA Holdings Limited (SGX-ST: C04) since March 2022, the independent non-executive director and the member of the audit committee, nominating committee and remuneration committee of DARCO Water Technologies Limited (SGX-ST: BLR) since July 2023, and the independent non-executive director of mm2 Asia Ltd. (SGX-ST: 1B0) since August 2024.

Prior to joining the Group, Mr. Lai had served as the managing director of Morgan Grenfell Asia & Partners Securities, the managing director of SocGen-Grosby Securities, and the regional market manager and vice president of private banking in OCBC Singapore. Mr. Lai had hold positions in the board of directors of several companies listed on securities markets in Singapore, Hong Kong and the United Kingdom, including Delong Holdings Limited (SGX-ST: BQO, delisted from the SGX-ST in September 2019), Success Dragon International Holdings Limited (the Stock Exchange: 1182), PureCircle Ltd (LSE: PURE, delisted from the London Stock Exchange in July 2020), etc.

Mr. Lai obtained a bachelor degree in arts major in economics from University of Cambridge in the United Kingdom in June 1980, and was conferred a master degree from University of Cambridge in the United Kingdom in February 1984. Mr. Lai is a chartered financial analyst with the CFA Institute in the United States of America since September 1992.

PROFILES OF SENIOR MANAGEMENT

Mr. Jet Jie Li, is our founder, executive Director, chairman of the Board and Chief Executive Officer. For details of Mr. Li's biography, please see "Executive Director" above.

Mr. Steven Suzhou Fan (樊蘇洲) ("Mr. Fan"), aged 40, is our Executive President and is responsible for the overall strategic planning, organizational development and overseeing the business operations of our Group.

Mr. Fan joined our Group in June 2015, and served as the regional sponsor in Bandung of West Java, Indonesia from June 2015 to September 2019, where he was responsible for coordinating the express delivery business in that region. Mr. Fan has served as our Executive President since January 2019.

Prior to joining our Group, Mr. Fan was a business supervisor at Nanjing Baisheng Oppo Communication Equipment Co., Ltd. (南京百勝歐珀通訊設備有限公司) from January 2009 to March 2013, where he was responsible for the distribution of OPPO products in the Jiangsu province. He served as general manager of West Java at PT. Indonesia OPPO Electronics from February 2013 to June 2015.

Mr. Fan obtained a bachelor's degree in marketing from Henan Normal University, the PRC, in July 2008.

Mr. Charles Junyi Hou (后軍儀) ("Mr. Hou"), aged 57, is our Vice President. Mr. Hou joined our Group in October 2019 as Vice President and is responsible for the overall strategic planning, general management and execution of the business operations of our Group.

Mr. Hou has extensive experience in the logistics and international and domestic express delivery industries. He spent more than 15 years of his career with DHL – Sinotrans Ltd. ("**DHL Express**"), where he held various roles across multiple business units spanning information technology, gateway operations and ground operations before culminating in the position of Greater China Area Senior Adviser.

Mr. Hou then joined Shunfeng Express (Group) Limited (順豐速運(集團)有限公司), where he served as operations director from October 2010 to October 2013. He then served as senior operations director of YTO Express (Logistics) Co., Ltd (圓通速遞有限公司) from April 2014 to September 2015. Mr. Hou then expanded his career experience as an independent management consultant. He then served as the co-founder and vice president of Shanghai Baisong Internet of Things Technology Co., Ltd. (上海佰頌物聯網科技有限公司) from April 2017 to July 2018. From July 2018 to October 2019, he served as deputy general manager of On Time Promise (承諾達特快) business unit in the YTO Group (圓通蛟龍集團).

Mr. Hou obtained his bachelor's degree in computer science from Shanghai Science and Technology University (currently known as Shanghai University), the PRC, in July 1989. He further obtained a master's degree of business administration from the joint MBA program between Webster University, the United States and Shanghai University of Finance and Economics, in December 2009.

Mr. Dylan Say Keong Tey (鄭世強) ("Mr. Tey"), aged 48, joined our Group in August 2021 as chief financial officer of the Company. He is responsible for overseeing our Group's finance, legal, investments and capital market activities. He has more than 20 years of financial and industry-related experience.

Mr. Tey started his career with Ernst & Young, Malaysia in January 1999 to October 2004, and last held the position of audit manager. He joined PricewaterhouseCoopers ZhongTian LLP ("**PwC China**") in November 2004 as audit manager, and was admitted to partnership in July 2011. From July 2011 to March 2018, Mr. Tey served as an audit partner in PwC China with focusing on the technology industry, while also managing the firm's relationship with a number of venture capital firms, and was a member of its private equity leadership team. He was the chief financial officer of We Doctor Holdings Limited, an online healthcare services company in China, from April 2018 to April 2019. Mr. Tey was the co-chief financial officer and senior vice president of Hello Inc. from May 2019 to August 2021, responsible for its finance and legal functions.

Mr. Tey received his bachelor's degree with a double major in accounting and finance from University of New South Wales, Australia in December 1998. He has been a member of the Chartered Accountants Australia & New Zealand and member of Malaysian Institute of Accountants since June 2002 and July 2002, respectively. Mr. Tey became a Certified Public Accountant in Hong Kong in January 2012 and he was admitted as a Fellow of Chartered Accountants Australia & New Zealand in November 2017.

JOINT COMPANY SECRETARIES

Ms. Quanxi Shang (尚泉汐) ("Ms. Shang"), has been appointed as the joint company secretary of the Company since 19 August 2024.

Ms. Shang joined the Group in October 2021. As of February 2026, she served as the director of legal and compliance of the Company, primarily responsible for overseeing the legal and compliance affairs of the Group. Ms. Shang is currently responsible for the operation and expansion of the Group's overseas business, and will continue to provide legal advice and support for the Group's investment and financing projects, and assisting with the Company's information disclosure.

Before joining the Company, Ms. Shang worked successively as a senior investment manager and a vice president at China Financial Services Holdings Limited (中國金融投資管理有限公司) (a company listed on the Stock Exchange, stock code: 605) from September 2018 to June 2021. From July 2017 to September 2018, she was a Senior Investment Manager at China Shun Ke Long Holdings Limited (中國順客隆控股有限公司) (a company listed on the Stock Exchange, stock code: 974). Between November 2016 and June 2017, Ms. Shang worked as a Corporate Finance Manager at Hong Kong International Capital Management Limited (香港國際資本管理有限公司). Prior to that, she served as Assistant to the Senior Partner at W K TO & CO SOLICITORS (杜偉強律師事務所) from July 2013 to October 2016.

Ms. Shang is a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. In addition, she obtained her double bachelor's degrees in international politics and laws from Nanjing University in 2011 and her master of laws degree in international economic law from The Chinese University of Hong Kong in 2012.

Mr. Ching Kit Cheng (鄭程傑) ("Mr. Cheng"), has been appointed as the joint company secretary of the Company since 19 August 2024.

Mr. Cheng is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specialising in corporate services, and has over 13 years of experience in corporate secretarial field. He is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. In addition, he holds a bachelor of commerce degree in finance from the University of Queensland, Australia and a master of laws degree in Chinese law from the University of Hong Kong.

VI. Directors' Report

The Board is pleased to present this report together with the audited consolidated financial statements of the Group for the Reporting Period.

PRIMARY BUSINESS

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 24 October 2019, and its Shares were listed on the Main Board of the Stock Exchange on 27 October 2023. The Company is the holding company of the Group with businesses conducted through its subsidiaries and Consolidated Affiliated Entities controlled by the Company via the Contractual Arrangements. The Group is a global logistics service provider.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2025 is set out in the section headed "Management Discussion and Analysis" in this annual report. The main risks and uncertainties with which the Group may be faced are set out in the section headed "Directors' Report – main risks and uncertainties" in this annual report.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2025 are set out in the consolidated income statement on page 233 of this annual report.

The Board does not recommend the payment of a final dividend in respect of the year ended 31 December 2025. During the Reporting Period, none of the Shareholders waived or agreed to waive any dividends.

SHARE CAPITAL

Details of the Company's Shares issued during the Reporting Period are set out in Note 24 to the consolidated financial statements in this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group for the year ended 31 December 2025 are set out in Note 14 to the consolidated financial statements in this annual report.

FINANCIAL SUMMARY

A summary of the condensed consolidated statement of comprehensive income, and condensed consolidated balance sheets of the Group is set out in the section headed "Financial Summary" in this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

To the knowledge of the Board, the Group was in all material respects in compliance with the laws and regulations that have a significant impact on the business and operation of the Group during the Reporting Period.

ENVIRONMENTAL POLICIES AND PERFORMANCE

For details of the Company's environmental protection, social responsibility, employee benefit and development, please refer to the section headed "Environmental, Social and Governance Report" in this annual report.

CHARITABLE AND OTHER DONATIONS

During the Reporting Period, the Group made a total donation of approximately US$2.8 million.

PRIMARY RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees

We offer our employees competitive compensation packages and a merit-based work environment that encourages initiative, and as a result, we have generally been able to attract and retain qualified personnel and maintain a stable core management team. In addition, as required by applicable regulations, we participate in various government statutory employee benefit plans.

Customers

For our express delivery services, our customers include our network partners, e-commerce platforms, certain enterprise and individual customers, as well as our unconsolidated regional operating entities. For our cross-border services, our customers also include freight forwarders who place orders on behalf of their end customers. Our direct customers are primarily our network partners, e-commerce platforms, unconsolidated regional operating entities and other enterprise customers and individuals which require customized express delivery services.

Suppliers

Our suppliers primarily include service providers of third-party transportation services, human resources services and express delivery services, including our network partners and unconsolidated regional operating entities.

MAIN RISKS AND UNCERTAINTIES

The following list summarizes certain main risks and uncertainties with which the Group are faced:

- Our business and growth are highly dependent on the development of the e-commerce industry in the markets where we operate. Future developments of the e-commerce industry, to a significant extent, would depend on improvements in transportation and logistics infrastructure, developments of electronic payment system, government policies that govern the e-commerce industry including the social e-commerce sector, and other factors that are beyond our control;

- We face risks and challenges in managing global operations, entering into and expanding across a number of countries, which are caused by distance, cultural differences, underdeveloped infrastructure, industry competition and other factors;

- During the Reporting Period, we generated a majority of our parcels from or through e-commerce platforms. If we are unable to retain our status as a preferred service provider for e-commerce platforms and the merchants on these e-commerce platforms, our business volume may decrease significantly, which could adversely affect our business and results of operations;

- The behaviors of our regional sponsors, unconsolidated regional operating entities, network partners, and their employees and personnel could adversely affect our customer satisfaction, reputation, operations and financial performance;

- Possible impairment losses related to intangible assets, trade receivables, prepayments, other receivables and other assets may adversely affect our financial condition;

- The intense competition we face may adversely affect our operating results and market share;

- Any service disruption experienced by our sorting centers or the pickup and delivery outlets may adversely affect our operations;

- Telecommunications failures, errors encountered during system upgrades or system expansions, computer viruses, hacking or other attempts to disrupt our technology systems may materially and adversely affect our business, reputation, financial condition and results of operations;

- Illegal acts or misconduct by our third-party service providers could materially and adversely affect our reputation, brand image, business and financial condition;

- The impact of seasonal patterns and other events peculiar to the jurisdictions where we operate may cause our results of operations to fluctuate from time to time due to seasonality;

- Certain lease properties may not be renewed upon the expiration of the current term, and if we are unable to relocate the affected operations, our business and operations may be adversely affected;

- Labor unrest may affect general labor market conditions or result in changes to labor laws, which in turn could materially and adversely affect our business, financial condition and results of operations; and

- Changes in the economic, political or social conditions or government policies of the geographic markets in which we operate could have a material adverse effect on our business and operations.

- We operate in the Middle East region, where the geopolitical situation is complex and volatile. This may have an adverse impact on the stability of the Company's logistics channels, transportation routes and cargo delivery, as well as the continuity of business operations in the Middle East.

LISTING ON THE HONG KONG STOCK EXCHANGE

On 27 October 2023, the Company was listed on the Main Board of the Hong Kong Stock Exchange. The Company issued a total of 326,550,400 Class B Shares with par value of US$0.000002 each to Hong Kong and overseas investors at the offer price of HK$12.00 per Share in the Global Offering, comprising 32,655,200 Hong Kong offer shares and 293,895,200 international offer shares. The closing market price on the Listing Date was HK$12.00 per Share. The Overall Coordinator (on behalf of the International Underwriters) did not exercise the Over-Allotment Option during the stabilizing period.

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.

Since the Listing Date and up to the date of this annual report, there has been no change in the intended use of the net proceeds and the expected timetable disclosed in the prospectus.

As of 31 December 2025, 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 2025 (US$ million)	Utilized amount during the Reporting Period (US$ million)	Utilized amount for the year ended 31 December 2025 (US$ million)	Unutilized amount as of 31 December 2025 (US$ million)	Expected timetable of full utilization of the remaining net proceeds
Expanding our logistics networks	30%	136.3	**37.1**	**13.3**	**112.5**	**23.8**	By the end of 2027
Expanding the Company's service scope	30%	136.3	**47.4**	**11.8**	**100.7**	**35.6**	By the end of 2027
Research and development and technology innovations	30%	136.3	**84.0**	**19.1**	**71.4**	**64.9**	By the end of 2027
General corporate purposes and working capital needs	10%	45.4	**12.1**	**1.9**	**35.2**	**10.2**	By the end of 2027
Total	100%	454.3	**180.6**	**46.1**	**319.8**	**134.5**	

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, the Company repurchased a total of 52,622,000 Class B Shares (the "**Repurchased Shares**") on the Stock Exchange at an aggregate consideration of HK$338,513,760.20 (net of expenses) to enhance the shareholder value in the long run. Details of the Repurchased Shares are as follows:

Month of Repurchase	No. of Shares Repurchased	No. of Shares Held as Treasury Shares by the Company after Share Repurchase	The Highest Price Paid per Share (HK$)	The Lowest Price Paid per Share (HK$)	Aggregate Consideration (HK$)
January 2025	1,691,000	1,691,000	6.01	5.65	9,935,100.50
March 2025	13,710,000	13,710,000	6.15	5.53	79,506,999.00
April 2025	14,401,000	14,401,000	6.03	4.69	78,162,015.10
May 2025	10,326,000	10,326,000	6.90	6.12	65,748,575.80
June 2025	5,274,000	5,274,000	6.90	6.69	35,864,661.60
September 2025	870,000	870,000	9.03	8.97	7,834,785.00
October 2025	773,000	773,000	10.11	9.88	7,735,654.60
November 2025	5,577,000	5,577,000	10.01	9.28	53,725,968.60
Total	**52,622,000**	**52,622,000**			**338,513,760.20**

In respect of the Repurchased Shares, the weighted voting rights ("**WVR**") beneficiary of the Company, Mr. Jet Jie Li, has reduced his WVR in the Company proportionately by way of converting his class A ordinary shares ("**Class A Shares**") into Class B Shares on a one-to-one ratio pursuant to Rule 8A.21 of the Listing Rules. Accordingly, there will be no increase in the proportion of shares carrying WVR pursuant to the requirements under Rules 8A.13 and 8A.15 of the Listing Rules. A total of 6,369,192 Class A Shares were converted into Class B Shares on a one-to-one ratio on 15 May 2025 and 30 June 2025.

From 1 January 2025 to 31 December 2025, the number of Class B Shares in issue (excluding treasury shares) was increased by 33,204,805 shares as a result of (i) the repurchase of 52,622,000 Class B Shares during the Reporting Period, (ii) the issue of 70,825,173 Class B Shares under the 2024 Share Incentive Plan on 18 March 2025, (iii) the conversion of 5,382,244 Class A Shares into Class B Shares on 15 May 2025, (iv) the conversion of 986,948 Class A Shares into Class B Shares on 30 June 2025 and (v) the issue of 8,632,440 Class B Shares under the 2024 Share Incentive Plan on 1 September 2025.

During the Reporting Period, 52,622,000 Class B Shares repurchased but not yet cancelled and were held by the Company as treasury shares (as defined in the Listing Rules). As at 31 December 2025, the Company held a total of 79,692,600 treasury shares. They were intended to be used in accordance with the applicable rules and regulations, including but not limited to resale for cash, transfer to satisfy share grants and cancellations under the share scheme of the Company.

On 29 January 2026, the Company has cancelled Class B shares totaling 79,692,600 shares, which were repurchased and held as treasury shares from 30 October 2024 to 25 November 2025. As at the date of this report, the Company repurchased 3,826,000 Class B Shares and hold as treasury shares.

Save as disclosed above, during the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including the sale or transfer of treasury shares (as defined in the Listing Rules)).

DEBENTURE ISSUED

The Group did not issue any debenture during the Reporting Period.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, no equity-linked agreements were entered into or existing during the Reporting Period.

DIRECTORS

During the Reporting Period, the Board comprised:

Executive Director

Mr. Jet Jie Li (Chairman and Chief Executive Officer)

Non-executive Directors

Ms. Alice Yu-fen Cheng
Ms. Qinghua Liao
Mr. Yuan Zhang

Independent Non-executive Directors

Mr. Erh Fei Liu
Mr. Peng Shen
Mr. Peter Lai Hock Meng

Pursuant to Article 119 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term and independent non-executive Directors, shall be subject to retirement by rotation at least once every three years.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with Rule 3.13 of the Listing Rules. According to the guidelines in the Listing Rules, the Company considers that all the independent non-executive Directors are independent.

DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management of the Company are set out in the section headed "Directors and Senior Management" in this annual report.

DIRECTORS' SERVICE CONTRACTS

The executive Director has entered into a service contract with the Company. Under the contract, he or she agrees to serve as the executive Director, and his or her initial term of service shall be three years commencing from the Listing Date to the third annual general meeting of the Company after the Listing Date, whichever is earlier. Either party shall have the right to terminate the contract by giving not less than one month's written notice.

Each of the non-executive Directors and the independent non-executive Directors has entered into an appointment letter with the Company, pursuant to which, his or her initial term of service shall be three years commencing from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever is earlier, unless it is terminated according to the terms and conditions of the appointment letter or by one party giving the other party not less than one month's prior notice in writing.

The above appointments shall be subject to the provisions of the Articles of Association in relation to the retirement and rotation of Directors.

None of the Directors entered into any service contract with the Company or any member of the Group which would not be terminated within one year without payment of compensation other than statutory compensation.

CHANGES IN DIRECTORS' INFORMATION

During the Reporting Period, save as disclosed in this annual report, there are no other changes in the Directors' and senior management's information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

None of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Reporting Period.

MANAGEMENT CONTRACT

During the year ended 31 December 2025, no significant contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

PERMITTED INDEMNITY

According to the Articles of Association and subject to applicable laws and regulations, every Director shall be indemnified and secured harmless out of the Company's assets from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their or his/her office(s).

The provisions relating to permitted indemnity came into effect during the year ended 31 December 2025. The Company has purchased liability insurance to provide appropriate safeguards for the Directors.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, during the Reporting Period, none of the Company or any of its subsidiaries was a party to any arrangement that would enable the Directors or their spouses or children under the age of 18 to acquire benefits by means of acquisition of the shares or debentures of the Company or any other body corporate, and none of the Directors or their spouses or children under the age of 18 was granted any right to subscribe for the share equity or debentures of the Company or any other body corporate, or had exercised any such right.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2025, apart from the business of the Group, none of our Directors have any interest in a business which competes or is likely to compete, directly or indirectly, with our business that is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

References are made to the announcements of the Company dated 9 September 2024, 17 October 2025 and 28 December 2025 in relation to certain loan facilities granted to Winner Star Holdings Limited, a wholly owned subsidiary of the Company, by certain banks and financial institutions.

Pursuant to the facility agreement dated 9 September 2024, the relevant lenders agreed to provide term loan facilities comprising (i) a USD facility of up to US$674,000,000; (ii) a HKD facility of up to HK$1,362,000,000; 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 dated 17 October 2025, the relevant lenders agreed to provide a CNY term loan facility of up to RMB10,000,000,000 for a term of 36 months commencing from the date on which the first loan is to be made. Pursuant to the facility agreement dated 25 December 2025, the relevant lenders agreed to provide CNY term loan facilities comprising (i) a facility of up to RMB2,000,000,000 for a term of 12 months commencing from the date on which the first loan is to be made; and (ii) a facility of up to RMB1,500,000,000 for a term of 36 months commencing from the date on which the first loan is to be made.

Each of the above facility agreements contains specific performance obligations imposed on Mr. Li, the controlling shareholder of the Company. If Mr. Li ceases to, directly or indirectly, exercise or control the single largest percentage of the voting rights that might be exercised at a general meeting of the Company or ceases to have the power to give directions with respect to the operating, management and financial policies of the Company, the relevant facilities will be immediately cancelled, each such facility will immediately cease to be available for further utilisation, and all outstanding loans, accrued interest and all other amounts will become immediately due and payable in accordance with the terms of the relevant facility agreements. As at 31 December 2025 and as at the date of this annual report, Mr. Li beneficially owned 971,390,048 Class A Shares and 7,943,362 Class B Shares, representing approximately 55.12% of the total voting rights of the Company with respect to shareholder resolutions relating to matters other than the reserved matters.

Save as disclosed above, the Directors are not aware of any circumstances which would give rise to a disclosure obligation pursuant to the requirements under Rule 13.21 of the Listing Rules as at 31 December 2025 and as at the date of this annual report.

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 31 December 2025, 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 each class of Shares as of 31 December 2025	Approximate % of the Company's issued share capital as of 31 December 2025
Mr. Jet Jie Li[2]	Interest in a controlled corporation	971,390,048 Class A Shares	**100.00%**	**10.82%**
		7,943,362 Class B Shares	**0.10%**	**0.09%**
Ms. Alice Yu-fen Cheng[3]	Interest in a controlled corporation	40,008,020 Class B Shares	**0.50%**	**0.45%**
Mr. Yuan Zhang[4]	Interest in a controlled corporation	349,702,854 Class B Shares	**4.37%**	**3.90%**

Notes:

(1) All interests stated are long position.

(2) This includes the 971,390,048 Class A Shares and 7,943,362 Class B 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 971,390,048 Class A Shares and 7,943,362 Class B 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 345,583,289 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 345,583,289 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 31 December 2025, so far as are known to any Director or chief executive of the Company, 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 31 December 2025, 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 31 December 2025	Approximate percentage of the Company's issued shares as of 31 December 2025
Jumping Summit Limited[2]	Beneficial owner	971,390,048 Class A Shares	100.00%	10.82%
		7,943,362 Class B Shares	0.10%	0.09%
Exceeding Summit Holding Limited[2]	Interest in controlled corporation	971,390,048 Class A Shares	100.00%	10.82%
		7,943,362 Class B Shares	0.10%	0.09%
Topping Summit Limited[2]	Interest in controlled corporation	971,390,048 Class A Shares	100.00%	10.82%
		7,943,362 Class B Shares	0.10%	0.09%
Vistra Trust (Singapore) Pte. Limited[2]	Trustee	971,390,048 Class A Shares	100.00%	10.82%
		7,943,362 Class B Shares	0.10%	0.09%
Mr. Chen Mingyong[3]	Interest in controlled corporation/ Interest of spouse	700,887,980 Class B Shares	8.75%	7.81%
Ms. Liang Xiaojing[3]	Interest in controlled corporation/ Interest of spouse	700,887,980 Class B Shares	8.75%	7.81%
Tencent Holdings Limited[4]	Interest in controlled corporation	533,278,240 Class B Shares	6.66%	5.94%
Boyu Capital Fund IV, L.P.[5]	Interest in controlled corporation	420,733,018 Class B Shares	5.26%	4.69%
Boyu Capital General Partner IV, Ltd[5]	Interest in controlled corporation	420,733,018 Class B Shares	5.26%	4.69%
Boyu Capital Group Holdings Ltd[5]	Interest in controlled corporation	427,239,218 Class B Shares	5.34%	4.76%
Boyu Group, LLC[5]	Interest in controlled corporation	427,239,218 Class B Shares	5.34%	4.76%
XYXY Holdings Ltd.[5]	Interest in controlled corporation	427,239,218 Class B Shares	5.34%	4.76%
Mr. Tong Xiaomeng[5]	Interest in controlled corporation	427,239,218 Class B Shares	5.34%	4.76%

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 971,390,048 Class A Shares and 7,943,362 Class B 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 64.52% 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 80,957,253 Class B Shares, 280,380,297 Class B Shares and 59,395,468 Class B Shares held by Joyous Tempinis Limited, Jaunty Global Limited, and Jallion Global Limited, respectively. This also includes the 6,506,200 class B shares held by Boyu Capital Opportunities Master Fund. 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. All voting rights of Boyu Capital Opportunities Master Fund are held by Boyu Capital Investment Management Limited which is the wholly-owned subsidiary of Boyu Capital Group Holdings Ltd. Boyu Capital Group Holdings Ltd. is the 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 are deemed to be interested in the total of 420,733,018 Class B Shares held by Jaunty Global Limited, Joyous Tempinis Limited and Jallion Global Limited under the SFO. Boyu Capital Group Holdings Ltd, Boyu Group, LLC, XYXY Holdings Ltd. and Mr. Tong Xiaomeng are deemed to be interested in the total of 427,239,218 Class B Shares held by Jaunty Global Limited, Joyous Tempinis Limited, Jallion Global Limited and Boyu Capital Opportunities Master Fund under the SFO.

Save as disclosed above, as of 31 December 2025, 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.

REMUNERATION POLICY AND DIRECTORS' REMUNERATION

The Company has established a Remuneration Committee in accordance with the CG Code, which shall be responsible for formulating remuneration policies and determining and recommending the remuneration of Directors and senior management. Details of the remuneration of Directors, senior management and five individuals with the highest emoluments during the Reporting Period are set out in Note 37 and Note 38 to the consolidated financial statements.

For the year ended 31 December 2025, (i) no emoluments were paid by the Company to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office; and (ii) none of the Directors waived or agreed to waive any emoluments.

SHARE INCENTIVE PLAN

Pre-IPO Equity 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. All outstanding restricted share units under the Pre-IPO Share Incentive Plan were granted before Listing. No Share has been and 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 25 to the consolidated financial statements of this annual 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 2024 Share Incentive 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.

Summary of the 2024 Share Incentive Scheme

Purpose of the 2024 Share Incentive Scheme

The purpose of the 2024 Share Incentive Scheme includes:

(a) recognize and reward Eligible Participants for their contribution to the Group;

(b) attract and retain best available personnel, and provide them with the opportunity to acquire proprietary interests in the Company; and

(c) encourage Eligible Participants to work towards enhancing the value of the Company and its shares, align the interests of these Eligible Participants with those of the Group and further promote the success of the Group's business.

The 2024 Share Incentive Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensation and/or providing benefits to Eligible Participants.

Participants in the 2024 Share Incentive Scheme

The Eligible Participants who may be selected to become a Grantee of the 2024 Share Incentive Scheme are any individuals or corporate entities (where applicable) being an Employee Participant, a Related Entity Participant or a Service Provider.

The eligibility of any of the Eligible Participants shall be determined by the Board or its delegate(s) from time to time on the basis of the Board's or its delegate(s)' opinion as to the Eligible Participants' contribution to the development and growth of the Group. In assessing whether Awards are to be granted to any Eligible Participants, the Board or its delegate(s) shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Eligible Participants to the Group, the special skills or technical knowledge possessed by such Eligible Participants which is beneficial to the continuing development of the Group, the positive impacts which such Eligible Participant has brought to the Group's business and development and whether granting Award to such Eligible Participant is an appropriate incentive to motivate, retain and attract such Eligible Participants to continue to contribute towards the betterment of the Group.

As at the date of this annual report, the Company has not formulated any concrete plan or intention to grant any Awards to the independent non-executive Directors under the 2024 Share Incentive Scheme. However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of Shareholders and all Board members, including the independent non-executive Directors; (ii) it is common to include independent non-executive Directors as eligible persons of share incentive schemes among public companies; and (iii) independent non-executive Directors may provide crucial contributions to the Group's development and business in providing valuable insight and advice to the Company with their deep industry knowledge and professional background, as well as their vital role in maintaining a sound corporate governance framework and supervising the internal control system within the Group, the Board believes the inclusion of independent non-executive Directors as Employee Participants and the flexibility to grant Awards to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Awards under the 2024 Share Incentive Scheme for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Awards is to be granted to independent non-executive Directors or any of their respective associates would result in the total number of Shares issued and to be issued upon exercise of all the Awards granted and to be granted to such person in the period of 12 months up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue; and (iii) the Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Part 2 of Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of Awards to the independent non-executive Directors.

In assessing the eligibility of Employee Participant(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution the Employee Participant(s) made or is likely to make to the development and growth of the Group.

In assessing the eligibility of Related Entity Participant(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the experience of the Related Entity Participant(s) on the Group's business, the actual degree of involvement in and/or cooperation with the Group, the length of engagement with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the Related Entity Participant(s) gave or is likely to give or make towards the success of the Group in the future.

In assessing the eligibility of Service Provider(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the individual performance of relevant Service Provider(s), the length of business relationship with the Group, the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider(s).

Total Number of Shares Available for Issue under the 2024 Share Incentive Scheme and Percentage of Issued Share (excluding Treasury Shares)

As at 31 December 2025, 715,280,643 class B shares are available for future grants under the scheme mandate limit under the 2024 Share Incentive Scheme, representing approximately 8.03% of the total issued shares of the Company (excluding the Treasury Shares) as at the date of this annual report. As of 31 December 2025, the service provider sublimit under the 2024 Share Incentive Scheme has not been utilized.

Maximum Entitlement of Each Participant in the 2024 Share Incentive Scheme

Where any grant of Awards to an Eligible Participant would result in the Shares issued and to be issued in respect of all Awards granted to such person (excluding any Awards lapsed or clawed back in accordance with the terms of the 2024 Share Incentive Scheme) in the 12-month period up to and including the Grant Date representing in aggregate over 1% of the total number of shares of the Company (including the Class A Shares and Class B Shares) in issue (excluding the Treasury Shares, if any), such grant must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

Any grant of Awards to a Director, chief executive of the Company or Substantial Shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Awards) and shall otherwise be subject to compliance with the requirements of the Listing Rules.

The corporate governance committee of the Board must make a recommendation on any grants of Awards to a Director who is a beneficiary of weighted voting rights under 8A.30(4) of the Listing Rules.

Where any grant of Awards to a Director (other than an independent non-executive Director) or chief executive (or any of their respective associates) would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed or clawed back in accordance with the terms of the 2024 Share Incentive Scheme) to such person in the 12 month period up to and including the Grant Date representing in aggregate over 0.1% of the total number of shares of the Company (including the Class A Shares and Class B Shares) in issue (excluding the Treasury Shares, if any), such further grant of Awards must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.

Where any grant of Awards to an independent non-executive Director or a Substantial Shareholder (or any of their respective associates) would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed or clawed back in accordance with the terms of the 2024 Share Incentive Scheme) to such person in the 12-month period up to and including the Grant Date representing in aggregate over 0.1% of the total number of shares of the Company (including the Class A Shares and Class B Shares (excluding the Treasury Shares, if any)) in issue, such further grant of Awards must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.

Exercise Period for Options Granted and Vesting Period for Options or Awards Granted under the 2024 Share Incentive Scheme

In respect of any particular Option, the period during which the Grantee may exercise such Option will be determined by the Board or its delegate(s) and may commence on a day after the Grant Date and in any event shall end not later than 10 years from the Grant Date but subject to the provisions for early termination set out in the 2024 Share Incentive Scheme.

The Board or its delegate(s) may from time to time while the 2024 Share Incentive Scheme is in force and subject to all applicable laws, determine such vesting period, vesting criteria and conditions or periods for the Award to be vested hereunder, provided however that the vesting period for Awards shall not be less than 12 months, unless the Board or its delegate(s) determines that the Awards granted to Employee Participants may be subject to a vesting period of less than 12 months in the following circumstances:

(a) grants of "make whole" Awards to new employees to replace the awards or options such employees forfeited when leaving their previous employers;

(b) grants to an Eligible Participant whose employment is terminated due to death or Disability or occurrence of any out of control event;

(c) grants of Awards with performance-based vesting conditions in lieu of time-based vesting criteria;

(d) grants of Awards that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;

(e) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; or

(f) grants of Awards with a total vesting and holding period of more than 12 months.

Subject to the provisions of the 2024 Share Incentive Scheme, the Board or its delegate(s) may grant the Awards with a shorter vesting period to the extent set forth in the terms of the Award Letter or otherwise.

Basis for Determining the Exercise Price of the Options Granted or Purchase Price (if any) of the Shares Granted

The Purchase Price, if any, will be set out in the Award Letter and will be determined by the Board or its delegate(s) in its absolute discretion, taking into account the purpose of the 2024 Share Incentive Scheme, the interests of the Company and the individual circumstances of the Eligible Participant, the practices of comparable companies and the effectiveness of the 2024 Share Incentive Scheme in attracting talents and motivating the Award holder to contribute to the long term development of the Group. The Company reserving the discretion to determine the Purchase Price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such Grantee, which is aligned with the purpose of the 2024 Share Incentive Scheme.

There is no amount payable on application or acceptance of option or award, nor the period of payment or notice of payment and the period of repayment of the option loan applied for.

Clawback Arrangement

The Board has the sole and absolute discretion to apply a clawback arrangement to any or all awards granted to grantees pursuant to the terms of the scheme or the award agreement. For further details, please refer to the announcement regarding the grant of awards.

Remaining Life of the 2024 Share Incentive Scheme

The remaining life of the 2024 Share Incentive Scheme is about eight years and six months as of 31 December 2025.

Total Number of Shares Available for Grants under the 2024 Share Incentive Scheme

As at 31 December 2025, 715,280,643 Class B shares are available for grants under the mandate limit under the 2024 Share Incentive Scheme, and 176,243,324 Class B shares are available for grants under the service provider sublimit under the 2024 Share Incentive Scheme.

Set out below are details of the movements of Award grants authorized under the 2024 Share Incentive Scheme during the Reporting Period:

Name/ Type	Grant Date	Vesting Period	Fair Value of Awards as at the date of grant	Number of Awards unvested as of 1 January 2025	Number of Awards granted during the Reporting Period	Number of Awards cancelled during the Reporting Period	Number of Awards lapsed during the Reporting Period	Number of Awards vested during the Reporting Period	Number of Awards unvested as at 31 December 2025	Purchase price	Closing price of the Shares immediately before the grant date	Weighted average closing price of the Shares before the vesting date
Employee	20 August 2024	0-54 months	HK$6.80 per Share	71,485,916	0	0	4,316,288	4,474,030	62,695,598	Nil	HK$7.23 per Share	HK$6.43
Employee	18 March 2025	0-48 months	HK$6.15 per Share	Nil	73,089,720	0	1,674,760	43,719,026	27,695,934	Nil	HK$5.96 per Share	HK$5.96
Employee	1 September 2025	0-48 months	HK$10.09 per Share	Nil	12,843,251	0	0	5,186,681	7,656,570	Nil	HK$10.40 per Share	HK$10.4

Notes:

1. As at 1 January 2025 and 31 December 2025, the number of Awards available for grant under the scheme mandate of the 2024 Share Incentive Scheme was 795,222,566 and 715,280,643 Class B Shares, respectively. As at 1 January 2025 and 31 December 2025, the number of Awards available for grant under the service provider sublimit was 176,243,324.

2. During the Reporting Period, the number of shares that may be issued in respect of the Awards granted under all schemes of the issuer, divided by the weighted average number of issued shares of the relevant class (excluding treasury shares) was Nil.

3. Details of the valuation of the Awards under the 2024 Share Incentive Scheme during the year ended 31 December 2025 are set out in Note 25(ii) of the consolidated financial statements of this annual report. The accounting standards and policies adopted were the International Financial Reporting Standards issued by the International Accounting Standards Board.

4. In respect of certain Grantees whose Awards are subject to a vesting period of less than 12 months, performance based vesting conditions had been imposed on the individual Grantee with respect to such Awards. Such performance targets comprise a mixture of attaining satisfactory key performance indicators (including business performance and financial performance of the Group, management of the relevant division of department to which the Grantee is responsible, and/or individual performance based on the regular performance appraisal conducted by the Group).

CONTINUING CONNECTED TRANSACTIONS

Details of the related party transactions ("**related party transactions**") for the year ended 31 December 2025 are set out in Note 35 to the consolidated financial statements in this annual report. None of such related party transactions constitute connected transactions or continuing connected transactions required to be disclosed in this annual report under Chapter 14A of the Listing Rules.

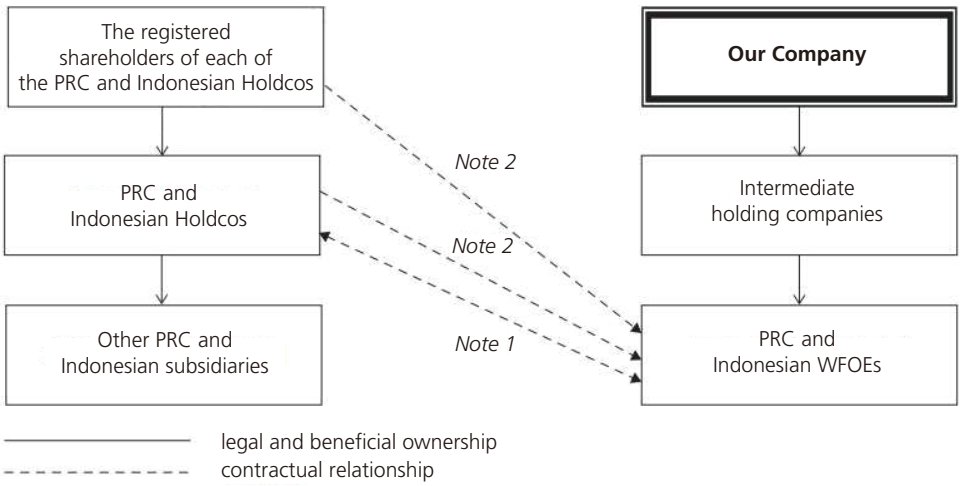
As disclosed in the prospectus, the following transactions of the Group for the year ended 31 December 2025 constitute continuing connected transactions.

CONTRACTUAL ARRANGEMENTS

As disclosed in the prospectus, the PRC and Indonesia have imposed regulatory restrictions on foreign ownership. In order to comply with such laws and regulations, while availing ourselves of international capital markets and maintaining effective control over all of our operations, we control our Consolidated Affiliated Entities through the PRC Contractual Arrangements entered into on 18 January 2023 and the Indonesian Contractual Arrangements entered into on 29 March 2022 (the "**Contractual Arrangements**"). We do not directly own any equity interest in our Consolidated Affiliated Entities. Pursuant to the Contractual Arrangements, we have effective control over the financial and operational policies of our Consolidated Affiliated Entities and are entitled to all the economic benefits derived from the Consolidated Affiliated Entities' operations.

As disclosed above and in the section headed "Contractual Arrangements" in the prospectus, the Contractual Arrangements entered into between the PRC and Indonesia are strictly prepared to minimize potential conflicts with the relevant laws and regulations in the PRC and Indonesia. The Directors believe that it is fair and reasonable for the Company to control the Consolidated Affiliated Entities by Contractual Arrangements and to be entitled to all the economic benefits derived from the Consolidated Affiliated Entities.

The following simplified diagram illustrates the flow of economic benefits from our Consolidated Affiliated Entities to our Company stipulated under the Contractual Arrangements:



Notes:

(1) The PRC WFOE entered into the Exclusive Business Cooperation Agreement, providing technical support, business support and relevant consulting services in exchange for service fees from the PRC Holdco. The Indonesian WFOE entered into Exclusive Technical Service Agreement, providing comprehensive management consulting services to the Indonesian Holdco in exchange for service fees.

(2) The registered shareholders of the PRC Holdco executed the Exclusive Option Agreement in favor of the PRC WFOE for the acquisition of all or part of the equity interests and all or part of the assets in the PRC Holdco; the Shareholder Rights Proxy Agreement in favor of the PRC WFOE for the exercise of all the shareholders' rights in the PRC Holdco; and granted security interests in favor of the PRC WFOE, over the entire equity interests in the PRC Holdco. The Indonesian Individual and Corporate Registered Shareholders executed a number of agreements in favor of the Indonesian WFOE to allow the Indonesian WFOE to consolidate control over the Indonesian Holdco and derive the full economic benefits from the Indonesian Holdco.

As of 31 December 2025, the annual revenue of the PRC Holdco[1], the Indonesian Opco[2] and their respective consolidated subsidiaries controlled under the Contractual Arrangements amounted to US$8,040.1 million, the absolute number of which represents 66.1% of the total revenue for the year of the Group. As of 31 December 2025, the total assets of the PRC Holdco, the Indonesian Opco and their respective consolidated subsidiaries controlled under the Contractual Arrangements amounted to US$9,107.6 million, representing approximately 103.5%[3] of the total assets of the Group.

Notes:

1. as defined below
2. as defined below
3. As VIE entities have internal balances with non-vie entities of the Group and total Group assets have eliminated all these internal numbers, the percentage could be higher than 100%.

Risks Relating to Contractual Arrangements

We consider the following risks to be related to Contractual Arrangements. Details of these risks are set out on pages 74 to 82 of the prospectus.

- Our Contractual Arrangements may not be as effective in providing operational control as direct ownership;
- Any failure by our consolidated affiliated entities in the PRC or Indonesia or their shareholders to perform their obligations under our Contractual Arrangements with them would have a material and adverse effect on our business;
- The interests of the direct or indirect shareholders of our consolidated affiliated entities in the PRC and Indonesia may have actual or potential conflicts with our interests;
- If we exercise the exclusive right to acquire equity ownership of PRC Holdco, the ownership transfer may subject us to certain limitations and substantial costs;
- There are restrictions for us to exercise our rights to transfer the shareholding in the Indonesian Holdco under our Indonesian Contractual Arrangements;
- We may lose the ability to use and enjoy assets held by our PRC or Indonesian consolidated affiliated entities that are critical to the operation of our business if our consolidated affiliated entities declare bankruptcy or become subject to a dissolution or liquidation proceeding;
- Our current corporate structure and business operations in the PRC may be substantially affected by the Foreign Investment Law of the People's Republic of China and the Implementing Regulations of the Foreign Investment Law;
- The Contractual Arrangements we have entered into with our consolidated affiliated entities may be subject to scrutiny by the tax authorities. A finding that we owe additional taxes could negatively affect our financial condition and the value of Shareholder's investment; and
- Certain terms of the PRC Contractual Arrangements may not be enforceable under PRC laws.

To mitigate the risks relating to the Contractual Arrangements, the Board will conduct an annual review on the implementation of and compliance with the Contractual Arrangements and the Group will work closely with the PRC Registered Shareholders, the Indonesia Registered Shareholders and external legal advisers to monitor the regulatory environment and development of PRC and Indonesian laws and regulations to mitigate the risks relating to the Contractual Arrangements.

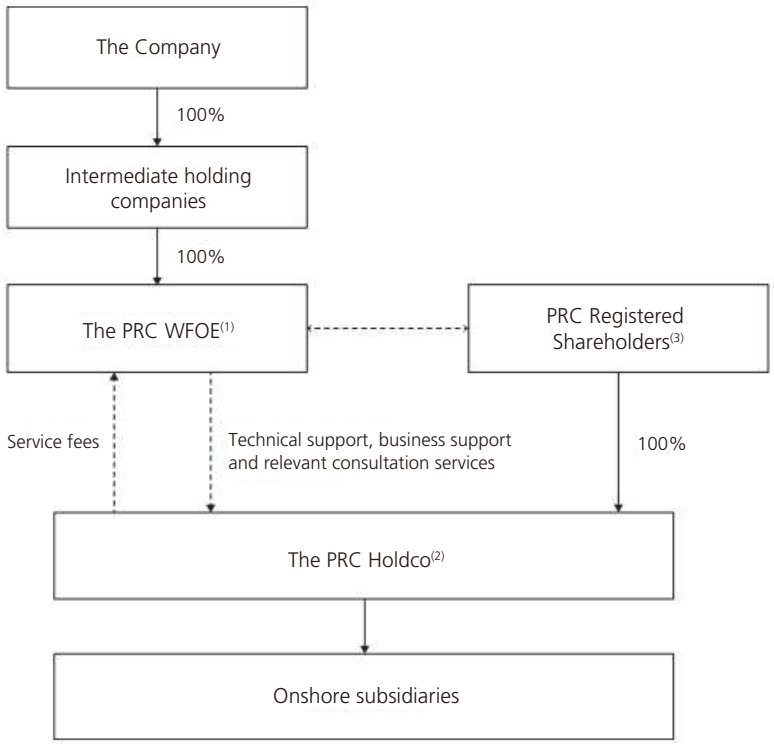
Summary of Major Terms of Contractual Arrangements

A description of the Contractual Arrangements and each of the specific agreements under the Contractual Arrangements implemented during the Reporting Period is set out below.

THE PRC CONTRACTUAL ARRANGEMENTS

Overview

J&T Express China is currently holding a cross-provincial Express Delivery Service Operation Permit. J&T Express China is a wholly-owned subsidiary of Shanghai Yishangshiye, which is a Consolidated Affiliated Entity of the Company. Shanghai Yishangshiye is held by Wu Rongmei (吳蓉眉) as to 99% and Liu Wei (劉偉) as to 1%, respectively. Wu Rongmei (吳蓉眉) is the office director of J&T Express China and the director of J&T Express (Shanghai) Acme Supply Chain Management Co., Ltd. (上海極兔極致供應鏈管理有限公司) and J&T Express China and Liu Wei (劉偉) is the supervisor of J&T Express (Shanghai) Acme Supply Chain Management Co., Ltd. (上海極兔極致供應鏈管理有限公司) and J&T Express China. Both Wu Rongmei (吳蓉眉) and Liu Wei (劉偉) have been the Group's PRC regional senior managers since the Group entered the China market. Considering their rich industry experience, their long time commitment to and in-depth understanding of the Group, the Company considers that they are suitable to be the PRC Registered Shareholders.



Notes:

(1) The PRC WFOE provides technical support, business support and relevant consultation services in exchange for service fees from Shanghai Yishangshiye.

(2) The PRC Holdco refers to Shanghai Yishangshiye, which is owned as to 99% by Wu Rongmei (吳蓉眉) and 1% by Liu Wei (劉偉) (the "**PRC Registered Shareholders**"), respectively.

(3) The PRC Registered Shareholders executed an Exclusive Option Agreement in favor of the PRC WFOE for the acquisition of all or part of the equity interests and all or part of the assets of Shanghai Yishangshiye. The PRC Registered Shareholders executed shareholder rights proxy agreements in favor of the PRC WFOE, for the exercise of all shareholders' rights in Shanghai Yishangshiye. The PRC Registered Shareholders granted security interests in favor of the PRC WFOE, over the entire equity interests in Shanghai Yishangshiye.

(4) "——►" denotes beneficial ownership in the equity interest. The PRC WFOE is an indirect wholly-owned subsidiary of the Company.

(5) "------►" denotes contractual relationship.

(6) "◄----►" denotes the control by the PRC WFOE over the PRC Registered Shareholders and Shanghai Yishangshiye through (i) proxy agreement to exercise all shareholders' rights in Shanghai Yishangshiye; (ii) exclusive options to acquire all or part of the equity interests and assets of Shanghai Yishangshiye; and (iii) equity pledges over the equity interests in Shanghai Yishangshiye.

Circumstances under which we will unwind the PRC Contractual Arrangements

Our Group will unwind and terminate the PRC Contractual Arrangements as soon as practicable in respect of the operation of our supply chain solutions and logistics services business to the extent permissible and we will directly hold the maximum percentage of ownership interests permissible under relevant PRC laws and regulations in the event that PRC regulatory restrictions on foreign ownership of the relevant business cease to exist or allow the relevant business to be held by sino-foreign equity joint ventures or wholly-owned foreign investment entities.

Exclusive Business Cooperation Agreement

Shanghai Yishangshiye entered into the exclusive business cooperation agreement (the "**Exclusive Business Cooperation Agreement**") with the PRC WFOE, pursuant to which, Shanghai Yishangshiye agreed to engage the PRC WFOE as its exclusive provider of the following technical support, business support and relevant consultation services, and to pay service fees to the PRC WFOE:

- the license of relevant software and technologies to Shanghai Yishangshiye which are legitimately owned by the PRC WFOE and required by Shanghai Yishangshiye's businesses;
- the development, maintenance and updates of relevant software required by Shanghai Yishangshiye's businesses;
- the design, installation, daily management, maintenance and updating of computer and network systems, hardware equipment and database;
- the development and testing of new products;
- the technical support and professional trainings for Shanghai Yishangshiye's staff;
- the assistance for Shanghai Yishangshiye in consultations, collections and surveys of technical and market information (other than those market surveys which are prohibited from being conducted by a wholly foreign-owned entity according to PRC laws);
- providing enterprise management consultation for Shanghai Yishangshiye;
- leasing of equipment and assets; and
- other relevant technical services and consultation services as required by Shanghai Yishangshiye from time to time to the extent permitted by PRC laws.

The service fees shall consist the total profit of Shanghai Yishangshiye and its subsidiaries in any given financial year, after the deduction of any accumulated deficit of Shanghai Yishangshiye and its subsidiaries in respect of the preceding financial year(s), operating costs, expenses, taxes and other statutory contributions required in any given financial year. Notwithstanding the foregoing, the PRC WFOE may adjust the scope and amount of service fees in accordance with PRC tax law principles and tax practices, and with reference to the working capital needs of Shanghai Yishangshiye and its subsidiaries, and Shanghai Yishangshiye will accept any such adjustment. The PRC WFOE may adjust the sharing ratio, payment amount, calculation of service fees and payment method with a written notice.

The PRC WFOE and Shanghai Yishangshiye, during the term of the Exclusive Business Cooperation Agreement and where necessary, may enter into further technical service agreement and/or consultation service agreement between Shanghai Yishangshiye and the PRC WFOE or its designated person, which shall provide the specific contents, methods, personnel, and fees for the specific services.

In addition, absent the prior written consent of the PRC WFOE, during the term of the Exclusive Business Cooperation Agreement, with respect to the services subject to the Exclusive Business Cooperation Agreement, Shanghai Yishangshiye shall not accept the same or any similar consultation or services provided by any third party and shall not establish similar cooperation relationships with any third party. The PRC WFOE has the right to appoint any third party to provide services specified under the Exclusive Business Cooperation Agreement.

Shanghai Yishangshiye grants the PRC WFOE an irrevocable and exclusive purchase option right to, at the sole discretion of the PRC WFOE and to the extent permitted by PRC laws, purchase all or any part of assets of Shanghai Yishangshiye and its subsidiaries at the lowest price permitted by PRC laws. To secure Shanghai Yishangshiye's performance of the Exclusive Business Cooperation Agreement, Shanghai Yishangshiye agrees to provide the PRC WFOE a guarantee with its receivables arising from daily operation and all of its assets.

The Exclusive Business Cooperation Agreement also provides that the PRC WFOE has the exclusive proprietary rights and interests in any and all intellectual property rights developed or created by Shanghai Yishangshiye and its subsidiaries during the performance of the Exclusive Business Cooperation Agreement. Shanghai Yishangshiye may register certain intellectual property rights designated by the PRC WFOE under the name of Shanghai Yishangshiye and its subsidiaries as required by businesses of Shanghai Yishangshiye, but Shanghai Yishangshiye shall, and shall procure its subsidiaries to, transfer such intellectual property rights to the PRC WFOE upon request by the PRC WFOE for free or at the lowest price permitted by law. The Exclusive Business Cooperation Agreement shall remain effective unless terminated (a) in accordance with the provisions of the Exclusive Business Cooperation Agreement or mandatory provisions of PRC laws; (b) in writing by the PRC WFOE; (c) renewal of the expired business period of either the PRC WFOE or Shanghai Yishangshiye is declined or rejected by relevant government authorities, at which time the Exclusive Business Cooperation Agreement will terminate upon termination of that business period; or (d) in the event that the PRC WFOE or their subsidiaries are able to conduct the Relevant Businesses directly as a result of being permitted to do so under the then-applicable PRC laws, and the entire equity interests of Shanghai Yishangshiye or all of Shanghai Yishangshiye and its subsidiaries' assets have been transferred to the PRC WFOE or its appointee(s).

Exclusive Option Agreement

The PRC Registered Shareholders entered into the exclusive option agreement (the "**Exclusive Option Agreement**") with Shanghai Yishangshiye and the PRC WFOE. Pursuant to the Exclusive Option Agreement, the PRC WFOE has the exclusive, irrevocable and unconditional right to purchase, or to designate one or more persons/entities to purchase, from the PRC Registered Shareholders all or any part of its equity interests in Shanghai Yishangshiye and from Shanghai Yishangshiye all or any part of the assets of Shanghai Yishangshiye and its subsidiaries at any time in the PRC WFOE's absolute discretion in accordance with the provisions of the Exclusive Option Agreement and to the extent permitted by the PRC laws. The consideration in relation to purchasing shares from the PRC Registered Shareholders of Shanghai Yishangshiye shall be the amount of contributed registered capital made by the PRC Registered Shareholders corresponding to the shares to be purchased, or the lowest price as permitted by the applicable PRC laws, whichever is lower. The consideration in relation to purchasing assets from Shanghai Yishangshiye shall be the lowest price as permitted under the applicable PRC laws. The aforesaid consideration shall be paid within seven (7) days upon transfer.

Each of Shanghai Yishangshiye and the PRC Registered Shareholders has covenanted that, as applicable, among other things:

- without the prior written consent of the PRC WFOE, it shall not in any manner supplement, change or amend the constitutional documents of Shanghai Yishangshiye, increase or decrease its registered capital, or change the structure of its shareholding in other manner;

- it shall maintain Shanghai Yishangshiye's corporate existence in accordance with good financial and business standards and practices, and prudently and effectively operate its business and handle its affairs;

- without the prior written consent of the PRC WFOE, it shall refrain from any action/omission that may adversely affect Shanghai Yishangshiye's assets, businesses or liabilities; without the prior written consent of the PRC WFOE, it shall not at any time following the signing of the Exclusive Option Agreement sell, transfer, pledge or dispose of in any manner any legal or beneficial interest in the assets, business or revenues of Shanghai Yishangshiye, or allow the encumbrance thereon of any security interest;

- without the prior written consent of the PRC WFOE, Shanghai Yishangshiye shall not incur, inherit, guarantee or assume any debt, except for (i) debts incurred in the ordinary course of business other than payables incurred by a loan, and (ii) debts already disclosed to the PRC WFOE and for which written approval has already been obtained from the PRC WFOE;

- Shanghai Yishangshiye shall always operate all of its businesses during the ordinary course of business to maintain its asset value and refrain from any action/omission that may adversely affect Shanghai Yishangshiye's operating status and asset value;

- without the prior written consent of the PRC WFOE, Shanghai Yishangshiye shall not execute any material contracts (for the purpose hereof, a contract with a value above RMB10,000,000), except for contracts executed in the ordinary course of business;

- without the prior written consent of the PRC WFOE, Shanghai Yishangshiye shall not provide any person with any loan or guarantee;

- it shall provide the PRC WFOE with information on Shanghai Yishangshiye's business operations and financial condition at the request of the PRC WFOE;

- without the prior written consent of the PRC WFOE, it shall not cause or permit Shanghai Yishangshiye to merge, consolidate with, acquire or invest in any person;

- it shall immediately notify the PRC WFOE of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to Shanghai Yishangshiye's assets, businesses or revenues;

- to maintain the ownership by Shanghai Yishangshiye of all of its assets, it shall execute all necessary or appropriate documents, take all necessary or appropriate actions and file all necessary or appropriate claims or complaints or raise necessary and appropriate defences against all claims;

- without the prior written consent of the PRC WFOE, Shanghai Yishangshiye shall not in any manner distribute dividends, provided that upon the written request of the PRC WFOE, Shanghai Yishangshiye shall immediately distribute all distributable profits to their shareholders;

- without the prior written consent of the PRC WFOE, Shanghai Yishangshiye shall not proceed with dissolution or liquidation;

- once PRC laws permits foreign invested enterprises to operate the businesses which Shanghai Yishangshiye is engaged in, the PRC Registered Shareholders shall transfer all of its equity interests in Shanghai Yishangshiye to the PRC WFOE or a person appointed by the PRC WFOE, and/or Shanghai Yishangshiye shall transfer all of the assets of Shanghai Yishangshiye and its subsidiaries to the PRC WFOE or a person appointed by the PRC WFOE; and

- to the extent permitted by PRC laws, the PRC WFOE shall have the right to exercise the exclusive option right against the PRC Registered Shareholders or the legitimate successors or representatives of the PRC Registered Shareholders pursuant to the terms and conditions of the Exclusive Option Agreement in the event of death, divorce, incapacity, bankruptcy of the PRC Registered Shareholders or other circumstances which causes his/her inability to exercise his/her rights as a shareholder of Shanghai Yishangshiye.

The aforementioned covenants shall also apply to all the subsidiaries of Shanghai Yishangshiye.

In addition, each of the PRC Registered Shareholders has covenanted that:

- upon a request by the PRC WFOE, it shall consent and appoint the persons appointed by the PRC WFOE to act in the positions of director, general management and other senior management, change such appointment at any time as required by the PRC WFOE, and proactively cooperate to proceed with such appointment and change of appointment, including without limitation, executing necessary documents and making filings with the corresponding administration for market regulation with respect to such appointment or change of appointment;

- to the extent permitted by PRC laws, upon the request by the PRC WFOE, it shall transfer all or any part of its equity interests in Shanghai Yishangshiye to the PRC WFOE or a person appointed by the PRC WFOE immediately and unconditionally at any time, and relinquish the right of first refusal it is entitled to in relation to any equity interests to be transferred by any other existing shareholder of Shanghai Yishangshiye. It shall proactively cooperate to proceed with such equity transfer, including without limitation, executing necessary documents and filing with the corresponding administration for market regulation with respect to such equity transfer; in addition, it shall pay to the PRC WFOE or its designated persons all consideration received in connection such transfer in accordance with Exclusive Option Agreement;

- it will immediately gift any profits or dividends received from Shanghai Yishangshiye in accordance with the written consent by the PRC WFOE to the PRC WFOE or a representative appointed by the PRC WFOE to the extent permitted by the PRC laws;

- it shall strictly abide by the provisions of the Exclusive Option Agreement and other agreements entered into with Shanghai Yishangshiye and the PRC WFOE, perform the obligations under these agreements in a practical manner, and refrain from any action/omission which would affect the validity and enforceability of such agreements; and

- it will gift any liquidation proceeds received from Shanghai Yishangshiye (if any) due to any liquidation of Shanghai Yishangshiye caused by any reason (including bankruptcy) to the PRC WFOE or a representative appointed by the PRC WFOE to the extent permitted by the PRC laws.

The aforementioned covenants shall also apply to all the subsidiaries of Shanghai Yishangshiye.

The Exclusive Option Agreement shall remain effective unless terminated (i) in the event that the entire equity interests held by the PRC Registered Shareholders in Shanghai Yishangshiye or all of Shanghai Yishangshiye and its subsidiaries' assets have been transferred to the PRC WFOE or its appointee(s); or (ii) in writing by the PRC WFOE.

Loan Agreement

The PRC WFOE and the PRC Registered Shareholders have executed a loan agreement (the "**Loan Agreement**"). Pursuant to the Loan Agreement, the PRC WFOE enjoys the right of the creditor against the PRC Registered Shareholders in an aggregate amount of RMB10.00 million (the "**Loans**"), and such loans have been used for contribution to paid-in capital of Shanghai Yishangshiye. Pursuant to the Loan Agreement, the PRC Registered Shareholders can only repay the Loans by the transfer of all their equity interest in Shanghai Yishangshiye or all of the assets of Shanghai Yishangshiye and its subsidiaries to the PRC WFOE or its designated third party upon the exercise by the PRC WFOE of the exclusive option right pursuant to the terms and conditions of the Exclusive Option Agreement, and the PRC Registered Shareholders shall pay all of the proceeds from transfer of such equity interests or assets (to the extent permitted under PRC law) to the PRC WFOE for such repayment. In the event that the PRC Registered Shareholders transfer their equity interests or assets to the PRC WFOE or its designated person with a price equivalent to or less than the amount of the principal, the Loans will be deemed as interest free. If the price is higher than the amount of the principal, the excess amount will be paid to the PRC WFOE as the loan interest. The term of the Loans shall terminate when the PRC WFOE exercises the exclusive option right pursuant to the terms and conditions of the Exclusive Option Agreement. The Loans must be repaid immediately under certain circumstances, including, among others, (i) upon the expiration of 30 days after the PRC WFOE sends a written notice requesting repayment of the Loans; (ii) in the event of death, divorce, incapacity, bankruptcy of the PRC Registered Shareholders or other circumstances which causes his/her inability to exercise his/her rights as a shareholder of Shanghai Yishangshiye; (iii) if the PRC Registered Shareholders engage in criminal acts or are involved in criminal activities; or (iv) if a foreign investor is permitted to invest in PRC in form of holding majority or 100% equity interest for principal business currently conducted by Shanghai Yishangshiye and its subsidiaries and branches according to applicable PRC law, relevant PRC authorities begin to approve such business, and the PRC WFOE elects to exercise its exclusive purchase option pursuant to the Exclusive Option Agreement.

Shareholder Rights Proxy Agreement

Each of the PRC Registered Shareholders has executed the shareholder rights proxy agreement (the "**Proxy Agreement**"). Under the Proxy Agreement, the PRC Registered Shareholders irrevocably appointed the PRC WFOE and its designated persons (including but not limited to the directors of the parent company of the PRC WFOE and their successors and the liquidators replacing such directors or successors) as its exclusive agent to exercise on its behalf, any and all rights that it has in respect of its equity interests in Shanghai Yishangshiye, including without limitation: (i) to propose, convene and attend shareholder's meetings of Shanghai Yishangshiye according to its Articles of Association, and to exercise the rights of voting and making decisions on behalf of the PRC Registered Shareholders on all matters required to be resolved by shareholders; (ii) to exercise any shareholder rights it is entitled to as shareholder of Shanghai Yishangshiye according to its Articles of Association, including but not limited to any right to dividends and right to sell, transfer, pledge or dispose of all or any part of the PRC Registered Shareholders' equity interests in Shanghai Yishangshiye; (iii) to transfer the equity interest or approve to transfer the assets of Shanghai Yishangshiye, decrease registered capital of Shanghai Yishangshiye,

accept capital increases to Shanghai Yishangshiye by the PRC WFOE or its designated person, execute relevant equity transfer agreements, asset transfer agreements (if applicable), capital decrease agreements, capital increase agreements, shareholder resolutions, meeting minutes and other relevant documents on behalf of the PRC Registered Shareholders, proceed with necessary approvals, registrations, filings or submissions with governmental authorities and companies registry for the aforesaid matters; (iv) to bring litigation or take other legal actions against the legal representative, director(s), supervisor(s), general manager or other members of senior management of Shanghai Yishangshiye if any conduct of the aforesaid has damaged the interests of the PRC WFOE or its shareholder(s); and (v) to exercise all other shareholders' rights under Shanghai Yishangshiye's Articles of Association and other applicable PRC laws and regulations.

The Proxy Agreement is irrevocable and shall remain effective, and may only be terminated in the event that (i) it is terminated in accordance with mandatory provisions of PRC laws; (ii) in writing by the PRC WFOE; (iii) the business period of any party to the Proxy Agreement expires; or (iv) the PRC Registered Shareholder has transferred all of its equity interests in Shanghai Yishangshiye pursuant to the prior written consent by the PRC WFOE, or has decreased the registered capital of Shanghai Yishangshiye to the extent it does not own any equity interests in Shanghai Yishangshiye, and has completed the relevant government procedures.

The Proxy Agreement also provides that, in order to avoid potential conflicts of interest where the PRC Registered Shareholders, are officers or directors of the Group, any exercise of the rights under the Proxy Agreement shall be in favor of our Company.

Equity Pledge Agreement

The PRC Registered Shareholders have entered into the equity pledge agreement (the "**Equity Pledge Agreement**") with Shanghai Yishangshiye and the PRC WFOE. Pursuant to the Equity Pledge Agreement, the PRC Registered Shareholders agree to pledge all its equity interests in Shanghai Yishangshiye, including any interest or dividend paid for the shares, to the PRC WFOE as a security interest to guarantee the performance of contractual obligations under the relevant PRC Contractual Arrangements.

The equity pledges under the Equity Pledge Agreement comes into effect upon completion of registration with the relevant administration for market regulation and shall remain valid until after all the contractual obligations of the PRC Registered Shareholders and Shanghai Yishangshiye under the relevant PRC Contractual Arrangements have been fully performed. Pursuant to the Equity Pledge Agreement, the PRC Registered Shareholders and Shanghai Yishangshiye agree that, without prior written consent from the PRC WFOE, the PRC Registered Shareholders shall not transfer the pledged equity interests or create or allow any third party to create any encumbrance on the pledged equity interests.

Upon the occurrence and during the continuance of an event of default (as defined in the Equity Pledge Agreement), the PRC WFOE shall have the right to exercise all such rights as a secured party under the Equity Pledge Agreement and any applicable PRC laws, including without limitations, being paid in priority with the equity interests based on the monetary valuation that such equity interests are converted into or from the proceeds from auction or sale of the equity interest upon written notice to the PRC Registered Shareholders.

The registrations of the Equity Pledge Agreement in relation to PRC Registered Shareholders had been completed in January 2023.

Spouse Undertakings

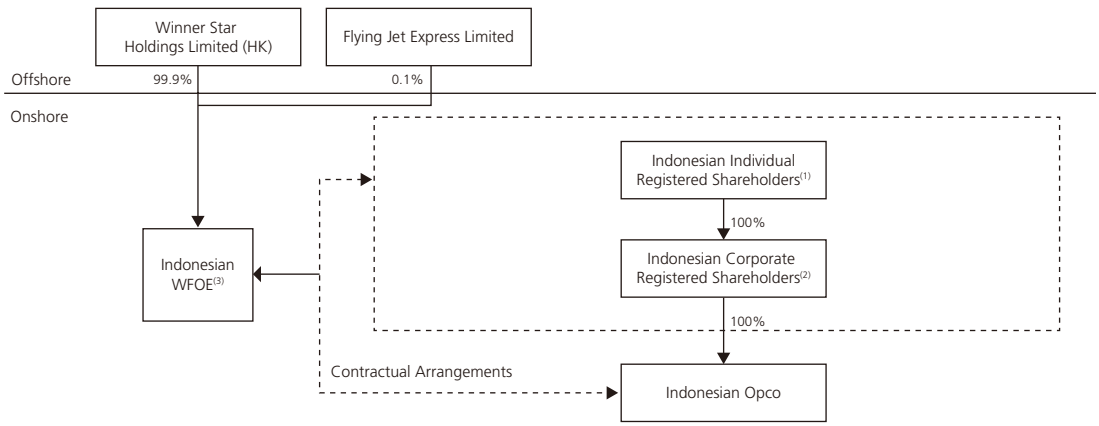
The spouse of each of the relevant PRC Registered Shareholders, where applicable, has signed undertakings to the effect that (i) he/she has no right to or control over such interests of the respective PRC Registered Shareholder and will not have any claim on such interests, or exert influence on the day-to-day management or voting matters of Shanghai Yishangshiye; (ii) confirms that the respective spouse may further amend or terminate the PRC Contractual Arrangements without the need for authorization or consent by him/her; (iii) the respective spouse's interests in Shanghai Yishangshiye (together with any interests therein) do not fall within the scope of communal property; and (iv) if he/she is transferred any shares of Shanghai Yishangshiye for any reason, he/she will be bound by the PRC Contractual Arrangements and will observe obligations contained in such agreements, and will sign all necessary documents and to take all necessary actions to ensure the PRC Contractual Arrangements are properly preformed.

INDONESIAN CONTRACTUAL ARRANGEMENTS

Overview

Due to the restrictions on foreign ownership for companies engaged in Postal Services, we currently hold 100% of our equity interests in the Indonesian Opco through PT Cakrawala Lintas Benua and PT Sukses Indo Investama (collectively, the "**Indonesian Corporate Registered Shareholders**"). To consolidate control over and derive the economic benefits from the Indonesian Opco to our Group, we have entered into the following contractual arrangements with the Indonesian Individual and Indonesian Corporate Registered Shareholders.

The following diagram illustrates the structure of the Indonesian Contractual Arrangements:



Notes:

(1) The Indonesian Opco refers to PT Global Jet Express, which is wholly-owned by the Indonesian Corporate Registered Shareholders, which are in turn wholly-owned by our affiliates, Mr. Effendy and Mr. Robin Lo (the "**Indonesian Individual Registered Shareholders**"), namely as to 50% by Mr. Effendy and 50% by Mr. Robin Lo. Mr. Robin Lo is the chief executive officer of PT Global Jet Express and Mr. Effendy is the assistant to chief executive officer of PT Global Jet Express. Both Robin Lo and Effendy have been the Group's Indonesia regional senior managers since the Group entered the Indonesia market. Considering their deep understanding of the Indonesia market, their long-term commitment to and in-depth understanding of the Group, the Company considers that they are suitable to be the Indonesian Individual Registered Shareholders.

(2) The Indonesian Corporate Registered Shareholders executed a number of agreements in favor of the Indonesian WFOE to allow the Indonesian WFOE to consolidate control over the Indonesian Opco and derive the full economic benefits from the Indonesian Opco.

(3) The Indonesian WFOE refers to PT Cahaya Global Berjaya, an indirect wholly-owned subsidiary of the Company. It provides technical support, business support and relevant consulting services in exchange for service fees from the Indonesian Opco.

Under the Law No. 38 of 2009 regarding Post, as amended by the Job Creation Law (the "**Indonesian Postal Law**") and the Law No. 25 of 2007 on Investments as partially amended by the Job Creation Law (the "**Investment Law**"), if these conditions are met, foreign ownership in an Indonesian joint venture with a courier business classified under Indonesia Standard Industrial Classification (Klasikasi Baku Lapangan Usaha Indonesia) ("**KBLI**") 53201 may be held up to 49% direct foreign shares. Other than KBLI 53201 (Courier business) which is subject to foreign ownership restrictions under the Indonesian Postal Law and Investment Law, the Indonesian Opco also rents its vacant properties that are still within the lease period and reserved for future office use to other third parties, which is business activity under KBLI 68111 (Privately Owned or Rented Real Estates), a business activity currently not subject to Indonesian foreign investment restrictions. The revenue contribution of the KBLI 68111 business maintained at less than 5% as at date of this annual report.

We will continue to monitor the status and developments of relevant Indonesian laws, rules and regulations. If there are any regulatory or policy changes that would allow the Group to restructure or terminate the Indonesian Contractual Arrangements to directly hold equity interest in the Indonesian Opco, we will adjust the shareholding structure or terminate the Indonesian Contractual Arrangements in accordance with applicable laws and regulations.

Loan Agreement

Pursuant to a loan agreement entered into between the Indonesian WFOE and the Indonesian Opco on 29 March 2022 (the "**Loan Agreement**"), the Indonesian WFOE extended a loan in the principal amount of Rp. 3,000,000,000.00 (three billion Indonesian Rupiah) to the Indonesian Opco (the "**Loan**"). The Loan Agreement has a term of ten years and will be renewed automatically at the end of such terms for another ten years unless the lender delivers a written notice of termination. The Loan bears an interest of 9.00% per annum and was secured by the Guarantee Agreement, Share Pledge Agreements, the Power of Attorneys and the Exclusive Call Option Agreements (collectively, the "**Security Documents**").

The Loan can only be repaid or settled by Indonesian Opco by transferring or selling the shares registered under the name of the Indonesian Individual Registered Shareholders and the Indonesian Corporate Registered Shareholders to the Indonesian WFOE or a party designated by the Indonesian WFOE.

If an event of default occurs under the Loan Agreements (including the Indonesian Opco fails to perform or otherwise violates the Loan Agreement or the Security Documents, the Pledgors (as defined below) fail to be the registered shareholders of the Indonesian Opco or the Indonesian Corporate Registered Shareholders, occurrence of an event of default under the Exclusive Technical Service Agreement, or the Indonesian Opco or any parties to the Securities Documents is declared bankrupt or insolvent), the Indonesian WFOE may (i) declare the Loan to be immediately due and payable; and (ii) immediately enforce all of its rights under the Loan Agreements and the Security Documents (to the extent permitting the Indonesian WFOE to (a) transfer the shares of Indonesian Opco to any qualified party, (b) deal with the assets of Indonesian Opco, and (c) manage the business and right to revenue of Indonesian Opco).

Guarantee Agreement

Pursuant to the guarantee agreements entered by (i) the Indonesian Corporate Registered Shareholders and the Indonesia WFOE, and (ii) the Indonesian Individual Registered Shareholders and the Indonesian WFOE, both on 29 March 2022 (the "**Guarantee Agreements**"), the Indonesian Individual Registered Shareholders and Indonesian Corporate Registered Shareholders (together, the "**Pledgors**") unconditionally and irrevocably guaranteed to the Indonesian WFOE the payment obligation by Indonesian Opco under the Loan Agreement and the Exclusive Technical Service Agreement. The Guarantee Agreements remain effective until the earlier of (i) the full repayment of amounts outstanding (including the Loans, any outstanding service fees and any outstanding amounts from time to time) under the Loan Agreement and the Exclusive Technical Service Agreement or (ii) the exercise of the call option rights pursuant to the Exclusive Call Option Agreements.

In the event of defaults under the Loan Agreement or the Exclusive Technical Service Agreement, the Indonesian WFOE shall be entitled to seek the Indonesian Individual Registered Shareholders and Indonesian Corporate Registered Shareholders to perform their obligations under the Security Documents. For more details, see "Exclusive Call Option Agreement" below.

Exclusive Call Option Agreement

Pursuant to the call option agreements entered into between the Indonesian WFOE, the Indonesian Individual Registered Shareholders and the Indonesian Corporate Registered Shareholders on 29 March 2022 (the "**Exclusive Call Option Agreement**"), the Indonesian WFOE has the exclusive right to (i) require the Indonesian Corporate Registered Shareholders to transfer all shares in Indonesian Opco, (ii) require the Indonesian Individual Registered Shareholders to transfer all shares in the Indonesian Corporate Registered Shareholders, or (iii) require the Indonesian Corporate Registered Shareholders to transfer all assets in Indonesian Opco, in each case to the Indonesian WFOE or a third party designated by the Indonesian WFOE (as the case may be and in accordance with Indonesian Laws). The transfer price will be equal to the amount of par value of such transferred shares or such price set forth in an equity transfer agreement to be executed among relevant parties, as applicable. The Exclusive Call Option Agreements remain effective until the full payment of Indonesian Opco's obligations under the Loan Agreement. The Indonesian Individual Registered Shareholders and the Indonesian Corporate Registered Shareholders agree to return to the Indonesian WFOE (or the entity designated by the Indonesian WFOE) any consideration they receive in the event that any of the options under the Exclusive Call Option Agreements is exercised.

To the extent permitted by Indonesian laws, the Indonesian WFOE shall have the right to exercise the exclusive option right against the Indonesian Individual and Indonesian Corporate Registered Shareholders or the legitimate successors or representatives of the Indonesian Individual and Indonesian Corporate Registered Shareholders pursuant to the terms and conditions of the Exclusive Call Option Agreement in the event of death, incapacity, bankruptcy of the Indonesian Individual and Indonesian Corporate Registered Shareholders or other circumstances which causes his inability to exercise his rights as a shareholder of the Indonesian Opco.

Share Pledge Agreements

Pursuant to the share pledge agreements entered into between the Indonesian WFOE, the Indonesian Individual Registered Shareholders and the Indonesian Corporate Registered Shareholders on 29 March 2022 (the "**Share Pledge Agreements**"), the Share Pledge Agreements have the following terms:

- the Indonesian Individual Registered Shareholders pledged all of the shares in Indonesian Corporate Registered Shareholders to the Indonesian WFOE, and

- the Indonesian Corporate Registered Shareholders pledged all the shares in the Indonesian Opco to the Indonesian WFOE,

to guarantee the performance of obligations by the Indonesian Individual Registered Shareholders and Indonesian Corporate Registered Shareholders under the Guarantee Agreements, as well as the performance of obligations by Indonesian Opco under the Loan Agreement.

Pursuant to the Share Pledge Agreements, Pledgors are required deliver to Indonesian WFOE all share certificates and other evidence of ownership in relation to the shares in Indonesian Individual Registered Shareholders and Indonesian Opco. Each of the Pledgors undertook that during the term of the Share Pledge Agreements, they shall not, among others, sell, dispose of, assign, transfer, pledge or encumber the pledged shares, or allow any other pledge or encumbrance to be created with respect to the pledged shares.

The Share Pledge Agreements remain effective until the full payment of Indonesian Opco's obligations under the Loan Agreement.

Exclusive Technical Service Agreement

Pursuant to the exclusive technical service agreement entered into between the Indonesian WFOE and the Indonesian Opco on 29 March 2022 (the "**Exclusive Technical Service Agreement**"), in exchange for service fees, the Indonesian Opco agreed to engage the Indonesian WFOE as its exclusive provider to provide advice, guidance on business operations and other organizational and management issues, and pay the service fees, such as (i) strategic and organizational planning; (ii) decisions related to finance; (iii) marketing objectives and policies; (iv) human resource planning, practices and policies; (v) planning scheduling and controlling production, advisory assistance, guidance and operation of various management functions; (vi) design of accounting methods and procedures, cost accounting programs, budget monitoring procedures; and (vii) advice and assistance for business and community services.

Under the Exclusive Technical Service Agreement, the service fee payable to the Indonesian WFOE will be equal to the consolidated net profits of the Indonesian Opco and its subsidiaries (revenue deducted by turnover taxes, total expenses and retained profits), subject to adjustments at the Indonesian WFOE's discretion.

Without the Indonesian WFOE's prior written consent, during the term of the Exclusive Technical Service Agreement, the Indonesian Opco will not, directly or indirectly, accept services pertaining to the Exclusive Technical Service Agreement provided by any third party.

Unless terminated in accordance with the provisions of the Exclusive Technical Service Agreement, the Exclusive Technical Service Agreement shall remain effective perpetually. Pursuant to the Exclusive Technical Service Agreement, all invention, modification, creation, or design created or developed by the Indonesian WFOE during its performance of the Exclusive Technical Service Agreement, and all related copyrights, trademarks, patents and all other intellectual property rights shall be owned by the Indonesian WFOE. Where such ownership is precluded due to the laws of the Republic of Indonesia, Indonesian Opco shall sign any documents and take, or cause to be taken, any other action necessary, to effect the complete and irrevocable assignment of the said ownership rights to the Indonesian WFOE.

Power of Attorney

Pursuant to the powers of attorney to vote and powers of attorney to sell by and among the Indonesian WFOE, the Indonesian Corporate Registered Shareholders and Indonesian Opco executed on 29 March 2022, each Indonesian Corporate Registered Shareholder irrevocably appointed the Indonesian WFOE as its attorney to do and perform, among others, the following actions:

- to exercise all applicable shareholders' voting and related rights with respect to such shareholder's equity interest, including to exercise the voting rights on behalf of the Indonesian Corporate Registered Shareholders,

- to sign meeting minutes and other relevant documents on behalf of the Indonesian Registered Shareholders, and

- to proceed with necessary approvals, registrations, filings or submissions with governmental authorities.

The power of attorney will be irrevocable and remain continuously effective and valid until the full payment of Indonesian Opco's obligations under the Loan Agreement.

Spousal Consent and Undertakings

The spouse of each of the relevant Indonesian Individual Registered Shareholders, where applicable, has signed undertakings to the effect that she (i) consents to her spouse entering into the Indonesian Contractual Arrangements; (ii) acknowledges that the Indonesian Contractual Arrangements entered into by her spouse will also be binding against her; (iii) has no right to or control over any interests in the Indonesian Corporate Registered Shareholders and will not have any claim on such interests; and (iv) will sign all necessary documents and take all necessary actions to ensure the Indonesian Contractual Arrangements are properly performed.

THE PROVISIONS THAT THE CONTRACTUAL ARRANGEMENTS ARE SUBJECT TO OTHER THAN FOREIGN OWNERSHIP RESTRICTIONS

All Contractual Arrangements are subject to the restrictions set out on pages 292 to 295 of the prospectus. During the period from the Listing Date to 31 December 2025, there was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted, and none of the Contractual Arrangements had been unwound as the regulatory restrictions that led to their adoptions were not lifted during the period from the Listing Date to 31 December 2025.

LISTING RULES IMPLICATIONS AND WAIVERS FROM THE STOCK EXCHANGE

For the purpose of Chapter 14A of the Listing Rules, our Consolidated Affiliated Entities will be treated as our Company's subsidiaries, but at the same time, the directors, chief executives or substantial shareholders of the Consolidated Affiliated Entities and its associates will be treated as connected persons of our Company as applicable under the Listing Rules (excluding for this purpose, the Consolidated Affiliated Entities themselves). Therefore, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under the Listing Rules.

Our Directors (including independent non-executive Directors) are of the view that the Contractual Arrangements and the transactions contemplated thereunder are fundamental to our Group's legal structure and business, that such transactions have been and will be entered into in the ordinary and usual course of business of our Group, are on normal commercial terms and are fair and reasonable and in the interests of our Company and the Shareholders as a whole, and it is normal business practice for the Contractual Arrangements to be of a term greater than three years. Accordingly, notwithstanding that the transactions contemplated under the Contractual Arrangements technically constitute continuing connected transactions under Chapter 14A of the Listing Rules, the Directors consider that, given that our Group is placed in a special situation in relation to the connected transactions rules under the Contractual Arrangements, it would be unduly burdensome and impracticable, and would add unnecessary administrative costs to our Company if such transactions are subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules.

In respect of the Contractual Arrangements, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements under Rule 14A.105 of the Listing Rules, (ii) the requirement to set a term of three years or less under Rule 14A.52 of the Listing Rules, and (iii) the requirement of setting annual caps for the transaction under the Contractual Arrangements under Rule 14A.53 of the Listing Rules, for so long as our Class B Shares are listed on the Stock Exchange, subject, however, to the following conditions:

(a) No change without independent non-executive Directors' approval;

(b) No change without independent Shareholders' approval;

(c) The Contractual Arrangements shall continue to enable our Group to receive the economic benefits derived by the Consolidated Affiliated Entities;

(d) The Contractual Arrangements may be renewed and/or reproduced on substantially the same terms and conditions as the existing contractual arrangements upon expiry; and

(e) We will disclose details relating to the Contractual Arrangements on an on-going basis.

CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that (i) the transactions carried out during the year ended 31 December 2025 were entered into in accordance with the relevant provisions of the Contractual Arrangements; (ii) during the year ended 31 December 2025, no dividends or other distributions have been made by our Consolidated Affiliated Entities to their holders of equity which are not otherwise subsequently assigned or transferred to our Group; (iii) as to the Group, any new contracts entered into, renewed or reproduced between the Group and the Consolidated Affiliated Entities during the year ended 31 December 2025 are fair and reasonable or advantageous to our Shareholders, and in the interests of the Company and Shareholders as a whole.

CONFIRMATION FROM THE COMPANY'S INDEPENDENT AUDITOR

Pursuant to Rule 14A.56 of the Listing Rules, the Board received a letter from the auditor confirming that:

(a) no disclosed continuing connected transactions have been identified that have not been approved by the Board of the Company;

(b) no material aspects of the transactions were found to have been carried out in a manner not in accordance with the relevant agreements governing their transactions; and

(c) no circumstances have been identified where dividends or other distributions have been paid by Consolidated Affiliated Entities to their holders of equity which have not been subsequently transferred or assigned to the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Companies Act, which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

TAX RELIEF

The Directors are not aware of any tax relief or exemption available to the Shareholders of the Company by reason of their holding of the Company's securities.

AUDITOR

The Group's consolidated financial statements for the year ended 31 December 2025 have been audited by PricewaterhouseCoopers. PricewaterhouseCoopers has served as auditor of the Company for 3 consecutive years and PricewaterhouseCoopers will retire at the forthcoming annual general meeting of the Company. A resolution for re-appointment of the independent auditor of the Company will be proposed at the 2025 annual general meeting.

There has been no change in auditor of the Company in the last three years.

PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, the Company has maintained sufficient public float as required under the Listing Rules as at date of this annual report.

DISTRIBUTABLE RESERVES

As of the end of the Reporting Period, the Company has no distributable reserves.

MAJOR CUSTOMERS AND SUPPLIERS

In 2025, the Group's five largest customers contributed to 41.3% of the Group's total revenue, the Group's largest customer contributed to 30.6% of the revenue from the sale of goods or the provision of services. The Group's five largest suppliers accounted for 6.5% of the Group's total purchases.

For the year ended 31 December 2025, none of the Directors, their respective associates or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued Shares) has any interest in the Group's five largest customers.

MATERIAL LITIGATIONS

During the Reporting Period, the Company was not involved in any material litigations or arbitrations.

WEIGHTED VOTING RIGHTS

The Company has adopted the WVR Structure. Under this structure, the Company's share capital 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 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 31 December 2025, the WVR Beneficiary is Mr. Jet Jie Li. Mr. Jet Jie Li beneficially owns 971,390,048 Class A Shares and 7,943,362 Class B Shares, representing approximately 55.12% 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 31 December 2025, upon conversion of all the outstanding Class A Shares to Class B Shares, the Company will issue 971,390,048 Class B Shares, representing approximately 12.25% of the total number of outstanding Class B Shares or 10.91% 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.

SUBSEQUENT EVENTS

On 15 January 2026, the Company and S.F. Holding entered into the share subscription agreement (the "**Share Subscription Agreement**"), pursuant to which (i) the Company has conditionally agreed to subscribe for, and S.F. Holding has conditionally agreed to issue, 225,877,669 H Shares of S.F. Holding at the subscription price of HK$36.74 per H Share of S.F. Holding; and (ii) the Company has conditionally agreed to issue, and S.F. Holding has conditionally agreed to subscribe for, 821,657,973 Class B Shares at the issue price of HK$10.10 per Class B Share, in each case subject to the terms and conditions set out in the Share Subscription Agreement (collectively, the "**Proposed Transactions**"). The completion of the Proposed Transactions is conditional upon the satisfaction of the conditions as set out in the Share Subscription Agreement. For further details, please refer to the Company's announcement dated 15 January 2026 and the circular dated 27 March 2026.

On 5 February 2026, Bolt Innovation Limited (the "**Bond Issuer**"), a wholly owned subsidiary of the Company, completed the issuance of convertible bonds in an aggregate principal amount of HK$4,650 million with the guarantee provided by the Company (the "**2026 Convertible Bonds**"). The 2026 Convertible Bonds have been offered and sold by the managers to not less than six (6) independent placees (who are independent individual, corporate and/or institutional investors). The net proceeds will be used to further develop the Group's overseas business and technology advancement, optimize the Group's capital structure including share repurchase, and for general corporate purposes. For further details, please refer to the Company's announcements dated 23 January 2026 and 5 February 2026.

Save as disclosed above, no material events have occurred after 31 December 2025 and up to the date of this annual report which would have an effect on the Group.

REVIEW AND APPROVAL OF ANNUAL REPORT

The Audit Committee of the Company comprises one non-executive Director, Ms. Alice Yu-fen Cheng, and two independent non-executive Directors, Mr. Peter Lai Hock Meng (the chairman) and Mr. Erh Fei Liu. The Audit Committee of the Company has reviewed the consolidated financial statements and annual report of the Company for the year ended 31 December 2025. The consolidated financial statements and annual report of the Group for the year ended 31 December 2025 were approved and authorized for issuance by the Board of Directors on 30 March 2026.

On behalf of the Board
Jet Jie Li
Chairman and Chief Executive Officer
Hong Kong, 30 March 2026

VII. Corporate Governance Report

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 December 2025.

CORPORATE CULTURE

The Group integrates its corporate culture into its daily operations and adopts the values of "benfen, sharing and responsibility" to guide the conduct and behavior of its employees. The Board is committed to ensuring that the Group's long-term strategies are aligned with the mission and vision of the corporate culture to ensure satisfactory and sustainable returns to Shareholders, the delivery of high-quality services to the customers and maintain high standards of ethics.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to promote the long-term development of the Company and safeguard the interests of the shareholders. To this end, the Company has adopted the Corporate Governance Code and, save for the deviation from code provision C.2.1 in Part 2 of the Corporate Governance Code as disclosed in the section headed "Chairman and Chief Executive Officer" below, the Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules during the Reporting Period. The Board also continually evaluates and improves the Company's corporate governance methods by reviewing and updating our policies and procedures regularly to constantly improve management quality and efficiency, so as to respond to the changing market and regulatory environment.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has formulated and adopted its internal code of conduct ("**Code of Conduct**") for the trading of securities by its Directors and members of senior management of the Company on terms that are no less exacting than the required standard set out in the Model Code.

Having made a specific enquiry to all Directors and members of senior management, all Directors and members of senior management have confirmed that they have complied with the required standard set out in the Model Code and the Code of Conduct of the Company during the Reporting Period. The Company continues and will continue to ensure compliance with the corresponding provisions set out in the Model Code and the Code of Conduct of the Company.

BOARD OF DIRECTORS

Board Composition

During the Reporting Period and up to the date of this annual report, the Board comprised:

Executive Director

Mr. Jet Jie Li (Chairman and Chief Executive Officer)

Non-executive Directors

Ms. Alice Yu-fen Cheng
Ms. Qinghua Liao
Mr. Yuan Zhang

Independent Non-executive Directors

Mr. Erh Fei Liu
Mr. Peng Shen
Mr. Peter Lai Hock Meng

The biographical information of the Directors is set out in the section headed "Directors and Senior Management" of this annual report.

None of the members of the Board and senior management have financial, business, family or other material/relevant relationships with one another.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

According to code provision C.2.1 of Part 2 of the CG Code, the roles of the chairman of the Board and the chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman of the Board and the chief executive officer should be clearly established and set out in writing. The Company does not separate the roles of the chairman of the Board and the Chief Executive Officer, and Mr. Jet Jie Li currently takes up both roles. Given that Mr. Jet Jie Li is the founder of the Group and has extensive experience in the Group's business operation and management, the Board believes that Mr. Jet Jie Li serves as the chairman of the Board and the Chief Executive Officer is conducive to consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. Such structure will enable the Company to make and implement decisions promptly and efficiently. The Board believes that the arrangement will not impair the balance of power and authority. In addition, all major decisions are also made in consultation with members of the Board (including the relevant Board committees and the three independent non-executive Directors). From time to time, the Board will reassess the division of the roles of the chairman from that of the Chief Executive Officer, and may recommend separating the two roles into different individuals in the future, taking into account the circumstances of the Group as a whole.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Reporting Period, the Board has been in compliance with the requirements of Rule 3.10(1) and (2) and Rule 3.10A of the Listing Rules, i.e. the Board shall appoint at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise. The independent non-executive Directors bring independent opinions on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct, and make contributions with their skills, expertise and various backgrounds and qualifications.

The Company has received an annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent during the Reporting Period.

TERM OF SERVICE OF NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors and the independent non-executive Directors has entered into an appointment letter with the Company, pursuant to which, his or her initial term of service shall be three years commencing from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever is earlier. Such appointments shall be subject to the provisions of the Articles of Association in relation to the retirement and rotation of Directors.

Pursuant to the provisions of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one third, shall retire from office by rotation provided that every Director, including those appointed for a specific term and the independent non-executive Directors, shall be subject to retirement by rotation at least once every three years.

RESPONSIBILITIES OF THE BOARD AND THE MANAGEMENT

The Board and the management of the Company shall assume their respective responsibilities and work together to maintain and enhance the corporate governance standard of the Company.

The Board shall undertake the ultimate responsibility for corporate governance. It shall be responsible for setting the strategic direction of the Company, supervising the management's execution effectiveness, ensuring compliance with relevant laws and regulations and the Listing Rules by the Company, and monitoring the Company's risk management and internal control system.

The Board may from time to time entrust to and confer senior management all or any of the powers of the Board that it may think fit. Senior management shall be responsible for the overall strategic planning, and overseeing and implementing the business operations of the Group.

The Company has maintained appropriate liability insurance for the Directors and senior management of the Company in respect of the performance of their duties.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

In accordance with Principle C.1 in Part 2 of the CG Code, all Directors shall engage in continuous professional development to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received formal and comprehensive induction on the first occasion of his/her appointment to ensure an appropriate understanding of the business and operations of the Company and full awareness of the Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate professional development to learn and refresh their knowledge and skills. The Company will provide written materials on relevant topics for Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expense.

The continuous professional training that has been received by the Directors during the Reporting Period is recorded as follows:

Name of Director	Participation in Continuing Professional Training[1]
Mr. Jet Jie Li	✓
Ms. Alice Yu-fen Cheng	✓
Ms. Qinghua Liao	✓
Mr. Yuan Zhang	✓
Mr. Erh Fei Liu	✓
Mr. Peng Shen	✓
Mr. Peter Lai Hock Meng	✓

Note:

1. Attended training/seminar/conference arranged by the Company or other external parties or read materials related to (including) Directors' duties and responsibilities, corporate governance and provisions of the Listing Rules.

BOARD ACTIVITY

During the Reporting Period, the Company held five Board meetings, three Audit Committee meetings, two Remuneration Committee meetings, two Nomination Committee meetings and two Corporate Governance Committee meetings. The attendance of each director at Board and Committee meetings of the Company, whether in person or by means of electronic communication, is detailed in the table below:

	Number of Attendance/Number of Meetings				
Name of Director	Board	Audit Committee	Remuneration Committee	Nomination Committee	Corporate Governance Committee
Mr. Jet Jie Li	5/5	–	2/2	2/2	–
Ms. Alice Yu-fen Cheng	5/5	3/3	–	–	–
Ms. Qinghua Liao[(Note)]	5/5	–	–	N/A	–
Mr. Yuan Zhang	5/5	–	–	–	–
Mr. Erh Fei Liu	5/5	3/3	2/2	2/2	2/2
Mr. Peng Shen	5/5	–	2/2	2/2	2/2
Mr. Peter Lai Hock Meng[(Note)]	5/5	3/3	–	N/A	2/2

Note: Ms. Qinghua Liao and Mr. Peter Lai Hock Meng have been appointed as members of the Nomination Committee with effect from 16 December 2025.

At the Board meetings held during the Reporting Period, the Board discussed a wide range of matters, including the Company's financial and operational performances, approved interim and annual results of the Company, business prospects and other significant matters.

In addition to the aforementioned meetings, the chairman of the Board held one meeting with the independent non-executive Directors during the Reporting Period.

On 18 June 2025, the Company held its annual general meeting to consider and approve (i) the proposed review, consideration and adoption of the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2024, together with the reports of the Board and the auditors; (ii) the proposed re-election of Ms. Qinghua Liao as a non-executive director, and Mr. Erh Fei Liu and Mr. Peng Shen as independent non-executive Directors; (iii) the proposed authorisation of the Board to determine the remuneration of the directors of the Company; (iv) the proposed re-appointment of PricewaterhouseCoopers as the auditor and the authorization of the Board to fix their remuneration; (v) the proposed grant to the directors of a general mandate to repurchase Class B shares of the Company (up to 10% of the total number of issued shares (excluding treasury shares) as at the date of passing the resolution); (vi) the proposed grant to the directors of a general mandate to allot, issue and deal with new Class B shares (up to 20% of the total number of issued shares (excluding treasury shares) as at the date of passing the resolution); (vii) the proposed extension of the said allotment mandate by an additional number of shares equal to the total number of shares repurchased by the Company. All proposed resolutions to the annual general meeting were taken by poll, and the poll results were set out in the Company's announcement dated 18 June 2025. The chairman of the Board, other members of the Board and senior management attended the annual general meeting and engaged in discussions with shareholders.

BOARD COMMITTEES

According to the CG Code, as well as the relevant laws and regulations, the Company has established four Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Corporate Governance Committee. All Board committees of the Company are established with specific written terms of reference.

AUDIT COMMITTEE

The Company has established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. During the Reporting Period, the Audit Committee consists of one non-executive Director, namely, Ms. Alice Yu-fen Cheng, and two independent non-executive Directors, namely, Mr. Peter Lai Hock Meng and Mr. Erh Fei Liu. Mr. Peter Lai Hock Meng is the chairman of the Audit Committee and has appropriate accounting and related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The main duties of the Audit Committee include but are not limited to:

- making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor, and solving any questions of its resignation or dismissal;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- monitoring the integrity of the Company's financial statements, annual reports, accounts, interim reports and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained in them;
- reviewing the Company's financial controls, risk management and internal control systems;
- reviewing the Company and its subsidiaries' financial and accounting policies and practices; and
- reviewing and monitoring the Company's environmental, social and governance policies and practices to ensure compliance with legal and regulatory requirements.

According to code provision D.3.3(e)(i) in the Part 2 of the CG Code, the Audit Committee must meet with the Company's auditor at least twice a year. During the Reporting Period, the Audit Committee held three meetings and held two meetings with the external auditors in the absence of executive Directors to review the Company's financial reports and accounts.

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the CG Code. During the Reporting Period, the Remuneration Committee consists of one executive Director, namely, Mr. Jet Jie Li, and two independent non-executive Directors, namely, Mr. Erh Fei Liu and Mr. Peng Shen. Mr. Erh Fei Liu is the chairman of the Remuneration Committee.

The main duties of the Remuneration Committee include but are not limited to:

- making recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration;
- making recommendations to the Board on the remuneration packages of individual executive Directors and senior management;

- making recommendations to the Board on the remuneration of non-executive Directors; and

- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules, including any grants of options or awards to Directors and senior management.

During the Reporting Period, the Remuneration Committee held two meetings to review the policy and structure for Directors' and senior management's remuneration, as well as to review the grant of awards pursuant to the 2024 Share Incentive Scheme, and to make recommendations to the Board on the above matters. The Remuneration Committee considered that the grant of awards to employee participants under the 2024 Share Incentive Scheme was appropriate and in line with the purpose of the scheme.

POLICY ON DIRECTORS' REMUNERATIONS

The Company has adopted a policy on Directors' remuneration. The remunerations of our Directors are paid in the form of salaries, allowances, benefits in kind, pension scheme contributions and share-based compensation. Remuneration is recommended and determined on the basis of the qualifications and responsibilities of each Director and the performance of the Group. Details of the remunerations of Directors for the year ended 31 December 2025 are set out in Note 37 to the consolidated financial statements.

For the year ended 31 December 2025, the remuneration of the members of the Company's senior management (excluding the members of the senior management who are also executive Directors) by the level of remuneration is set out in Note 38 to the consolidated financial statements.

NOMINATION COMMITTEE

The Company has established a Nomination Committee in compliance with the CG Code and Rule 3.27A and Rule 8A.27 of the Listing Rules. During the Reporting Period, the Nomination Committee consists of one executive Director, namely, Mr. Jet Jie Li, one non-executive Director, namely, Ms. Qinghua Liao and three independent non-executive Directors, namely, Mr. Erh Fei Liu, Mr. Peng Shen and Mr. Peter Lai Hock Meng. Mr. Erh Fei Liu is the chairman of the Nomination Committee.

The main duties of the Nomination Committee include but are not limited to:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, to assist the Board in preparing a board skills matrix, and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- to develop the criteria for identifying and assessing the qualification of and evaluating candidates for directorship;

- to identify individuals who are suitably qualified to become a member of the Board and to select or make recommendations to the Board on the selection of individuals nominated for directorships;

- to assess the independence of independent non-executive Directors;

- to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairperson of the Board and the chief executive of the Company;

- to review the implementation and effectiveness of the Board Diversity Policy and the measurable objectives that the Board has adopted for implementing the relevant policy, and monitor the progress on achieving the objectives on annual basis and disclose the policy or a summary of the policy in the corporate governance report;

- to review the implementation and effectiveness of the Workforce Diversity Policy regularly, and monitor the progress on achieving the measurable objectives (where applicable) adopted for senior management and the workforce (excluding senior management) on annual basis;

- to support the Company's regular evaluation of the Board's performance;

- to review and assess each Director's individual commitment and contribution to the Board as well as the Director's ability to discharge his or her responsibilities effectively; and

• to consider such other matters as the Board may from time to time determine.

During the Reporting Period, the Company held two meetings of Nomination Committee to review the structure, size and composition of the Board, the diversity policy of Board members and the independence of the independent non-executive Directors, to make nominations of independent non-executive Directors to the Board, and to make recommendations to the Board on the re-election of Directors at the annual general meeting.

Board Diversity Policy

The Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Pursuant to the board diversity policy, in reviewing and assessing suitable candidates to serve as a Director of the Company, the Nomination Committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry experience. Pursuant to the board diversity policy, in deciding the Board's composition, Board diversity shall be considered from the above-mentioned aspects. All appointments of the Board will be based on meritocracy, where the Company focuses on evaluating what skills, experience, and diverse viewpoints and perspectives that candidates can bring to the Board, and how they can make contributions to the Board. The final decision will be based on the strengths of candidates and the contributions they can make to the Board. The Company confirms that as of the end of the Reporting Period, the Board includes professionals with different professional backgrounds such as marketing, electronic engineering, finance, accounting and management, genders and ages, among whom female Directors account for 28.6% of the total number of Directors. The composition of the Board conforms to the provisions of the Listing Rules on Board diversity (including gender diversity) and the diversity policy formulated by the Company. The Company pays attention to the importance and benefits of gender diversity of Board members, and the Board diversity policy of the Company can ensure that the Board will have alternate potential successors to maintain the existing gender diversity of the Board.

The Nomination Committee has evaluated the implementation of the Board diversity policy during the Reporting Period to ensure its continuous effectiveness. Our Board currently consists of seven Directors, including two female Directors. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company. We will also ensure that there is gender diversity when recruiting staff at mid to senior level, as well as engage more resources in training more female staff with the aim of providing a pipeline of female senior management and potential successors to our Board going forward.

Workforce diversity

As of 31 December 2025, the Group had 217,241 full-time employees (including senior management), of whom 78.49% were male employees and 21.51% were female employees. In order to promote gender diversity of employees, the Company plans to provide a full range of training, including but not limited to business operations, management, accounting and finance, and legal compliance, to employees who we believe have the appropriate experience, skills and knowledge in operations and business.

Director Nomination Policy

The Company has adopted a director nomination policy in compliance with the CG Code, which sets out the procedures and process for the nomination and appointment of directors of the Company. The Nomination Committee may refer to certain selection criteria, including but not limited to integrity, professional qualifications and skills, time commitment and diversity in all respects, in terms of appointing suitable proposed candidates and potential contribution to the Board.

If the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting shall set out the reasons for the election of such individual and the relevant information of the candidate shall be disclosed in accordance with the Listing Rules, the Articles of Association and/or the applicable laws and regulations.

If a shareholder (other than the individual to be proposed) is duly qualified to attend and vote at a general meeting convened wishes to propose a person other than a retiring Director for election as a Director at any general meeting, he/she shall send a notice in writing to the Company's head office or registered office. The notice shall set out the shareholder's intention to propose such person for election as a Director and the contact details and biographical details (including the directorships in other listed companies held by him/her in the last three (3) years and his/her other major appointments and professional qualifications) of the proposed candidate as required under Rule 13.51(2) of the Listing Rules. In addition, the notice shall be signed by such shareholder and the person to be proposed to indicate that such person wishes to offer himself/herself for election and consent to the disclosure of his/her personal data.

The minimum length of the period during which such notices are given shall be at least seven days and the period for the lodgement of such notices shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

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. During the Reporting Period, 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 main duties of the Corporate Governance Committee include but are not limited to:

- developing, reviewing and assessing the adequacy of the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management of the Company;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report;
- reviewing and monitoring whether the Company is operated and managed for the benefit of all its shareholders;
- confirming, on an annual basis, that the WVR beneficiaries have been members of the Board throughout the year and that no matters under Rule 8A.17 of the Listing Rules have occurred during the relevant financial year;
- confirming, on an annual basis, whether or not the WVR beneficiaries have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules throughout the year;
- reviewing and monitoring the management of conflicts of interests and make a recommendation to the Board on any matter where there is a potential conflict of interest between the Company, a subsidiary of the Company and/or Shareholders of the Company (considered as a group) on one hand and any WVR beneficiaries on the other; and
- seeking to ensure effective and on-going communication between the Company and its Shareholders.

During the Reporting Period, the Company held two meetings of the Corporate Governance Committee and a summary of major matters reviewed is set out below:

- to review and monitor the training and continuing professional development of Directors and senior management;

- to review the implementation and effectiveness of the shareholder communication policy;
- the WVR Beneficiary has complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules during the Reporting Period;
- the WVR Beneficiary has been the member of the Board and that no matters under Rule 8A.17 of the Listing Rules have occurred from the Listing Date and up to the date of such meeting;
- to review the process for managing conflicts of interest and all risks associated with the Company's different voting rights structure; and
- to review the annual ESG Report and make recommendations to the Board for approval.

The Corporate Governance Committee has confirmed to the Board that, for the year ended 31 December 2025, the WVR Beneficiary of the Company has served as the member of the Board. The Corporate Governance Committee has reviewed the process for managing conflicts of interest and all risks associated with the Company's WVR Structure, including reviewing the management of conflicts of interests and making a recommendation to the Board on any matter where there is a potential conflict of interest between the Company, a subsidiary of the Company and/or Shareholders of the Company (considered as a group) on one hand and WVR Beneficiary on the other, and reviewing all risks related to the Company's WVR Structure, including connected transactions between the Company and/or a subsidiary of the Company on one hand and any WVR Beneficiary on the other and making a recommendation to the Board on any such transaction.

CORPORATE GOVERNANCE MEASURES TO AVOID POTENTIAL CONFLICTS OF INTEREST

As stated in the prospectus, the Company has adopted certain measures to ensure good corporate governance standards and to avoid potential conflicts of interest between the Group and the controlling shareholders of the Company (i.e. Mr. Jet Jie Li, Jumping Summit Limited, Topping Summit Limited and Exceeding Summit Holding Limited). Accordingly, the independent non-executive Directors have conducted an annual review on whether there are any conflicts of interests between the Group and the above controlling shareholders, and confirmed that they are not aware that there are any conflicts of interests between the Group and the above controlling shareholders.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the functions set out in the code provision A.2.1 in Part 2 of the CG Code.

During the Reporting Period, the Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

BOARD INDEPENDENCE POLICY

The Board has established the following measures to ensure that the Board has access to independent advice and recommendations: (i) the Chairman will hold at least a meeting with the independent non-executive Directors in a year without other Directors' attendance; (ii) the size and structure of the Board is reviewed annually to ensure that a sufficient number of independent non-executive Directors with appropriate skills are appointed for the Board; and (iii) independent non-executive Directors should participate in the meetings of Board committees, including the Audit Committee, the Nomination Committee and the Remuneration Committee, to provide independent advice, recommendations and judgments on major issues relating to the Company's strategies, policies and financial performance. During the Reporting Period, the Board reviewed the implementation of the above measures and considered them appropriate and effective.

DIRECTORS' RESPONSIBILITIES FOR CONSOLIDATED FINANCIAL STATEMENTS

Directors confirm their responsibilities for preparing financial statements.

The Directors are not aware of any material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern.

The Auditor is responsible for auditing the financial statements of the Company and expressing opinions. The independent auditor's report for the Reporting Period is set out in the section headed "Independent Auditor's Report" of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

Effective risk management and internal control systems are important to achieving business objectives and safeguarding shareholders' interests and the Company's assets. Therefore, the Company is committed to establishing a comprehensive risk management framework and an internal control system to identify, evaluate and manage various risks that may affect the Company's operations and performance. The Group's core business departments are the first line of defense in the risk management and internal control system. Internal functional departments, including internal control department, risk control department, audit department and supervision department, enhance the depth and breadth of risk assessment through research, interviews and expert consultation. The Audit Committee regularly receives reports from the risk control and audit team, the legal compliance team and the external auditors, etc., reviews the risk management and internal control system, and discusses and manages the significant risks faced by the Company with the senior management.

The Board is responsible for maintaining the Group's risk management and internal control systems, and the Board adjusts the management strategies based on changes in the business environment and feedback from internal audits. The Audit Committee reviews the effectiveness of the system on behalf of the Board annually. The Group's risk management and internal control systems are designed to manage the risk of failure to achieve business objectives, but the risk cannot be completely eliminated. The systems also provide reasonable, credible, but not absolute assurance of no material misstatement or loss.

The Board has reviewed the effectiveness of the Group's risk management and internal control systems. Based on the confirmation received from the Audit Committee of the Board on the effectiveness of the systems of risk management and internal control, the Board considers that for the year ended 31 December 2025, the systems are effective and adequate and such audit has covered the financial, operational, environmental, social and governance and compliance aspects of the Group. The Board did not identify any material concerns in the audit. The Company has not implemented any significant changes to its risk management and internal control systems during the Reporting Period.

In order to ensure that the Company is able to effectively identify, evaluate, monitor and respond to various risks, and guarantee the safety of the Company's assets and the effectiveness of the Company's operations, the major work carried out by the Company in respect of risk management and internal control during the Reporting Period are summarized below:

- Leveraging computerized big data analysis and visualization technology, the Company identifies various types of issues on business processes, continuously locates and analyzes various types of risk indicators and realizes visualization, thereby providing decision-making data or realizing automatic early warnings for business or other risk management lines of defense.

- In order to comply with the requirements of the Securities and Futures Ordinance on the identification, handling and disclosure of insider information, the Company has formulated a securities trading management system to give prior approval for the procurement or sale of the Company's securities by the Company's Directors and certain members of the management, and regularly posts notices on relevant Directors' and employees' lock-up periods and trading restrictions, being aimed at preventing the possible mishandling of insider information in the Company.

- A comprehensive integrity policy has been established, which specifies the Company's position on anti-bribery and anti-corruption and the code of conduct for employees. The Company provide integrity and compliance training for all new employees, and for existing employees on a regular basis, with an aim to deepen employees' understanding of the integrity policy and the ways to identify and respond to potential misconduct in their practical work. In addition, the Company has established a transparent monitoring and reporting mechanism to encourage employees to report suspected misconduct.

AUDITOR'S REMUNERATION

The remuneration paid or payable to the Company's external auditor in respect of audit services and non-audit services for the year ended 31 December 2025 amounted to US$1.6 million and US$0.5 million respectively. Audit services provided by the auditors mainly comprise annual financial statements audit and interim review services, and non-audit services mainly comprise professional services on tax advisory provided by the auditors.

JOINT COMPANY SECRETARIES

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. Mr. Cheng's primary contact person in the Company is Ms. Shang.

Ms. Shang and Mr. Cheng received no less than 15 hours of relevant professional training for the year ended 31 December 2025 in accordance with Rule 3.29 of the Listing Rules respectively.

CONSTITUTIONAL DOCUMENTS

The Memorandum and Articles of Association of the Company were adopted through a resolution passed on 11 October 2023, with effect from the Listing Date and are available on the websites of the Company and the Stock Exchange. There are no changes in the constitutional documents of the Company during the Reporting Period.

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting and Putting Forward Proposals at General Meetings by the Shareholders

Pursuant to Article 74 of the Articles of Association, one or more Shareholder(s) holding in aggregate not less than one tenth of the voting rights (on a one vote per share basis) in the issued share capital of the Company may also make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such meeting shall be held within two months after the shareholders deposit the relevant requisition(s) to the Board or the secretary in writing. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner.

For the avoidance of doubt, Shareholders must send the duly signed written requisition to the Company's principal place of business in Hong Kong and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

At any general meeting, a resolution put to the vote of the meeting shall be decided by poll. Any Shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him.

SHAREHOLDERS' ENQUIRIES

Shareholders may send written enquiries or requests to the Company for the attention of the Board. The contact address is 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.

Shareholders may direct their enquiries about their shareholdings to the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or by email to 1519-ecom@vistra.com. The Company ensures that the Hong Kong Branch Share Registrar maintains up-to-date data about the shares at all times to enable it to respond effectively to Shareholders' enquiries.

POLICIES RELATING TO SHAREHOLDERS

Shareholder Communication Policy

To ensure that effective communication is maintained with Shareholders and to guarantee Shareholders' right to know, the Company's website, www.jtexpress.com, contains a specific section headed "Investor Relations". We will answer the written enquiries from the Company's Shareholders as soon as possible.

The Company endeavours to maintain an on-going dialogue with Shareholders. Relevant information will be available to Shareholders through the Company's financial reports, announcements, annual general meetings and other general meetings, and all disclosures submitted to the Stock Exchange. The Directors (or their representatives, as the case may be) will make every reasonable effort to attend the annual general meetings and respond to Shareholders' enquiries.

During the Reporting Period, the Company reviewed the implementation and effectiveness of the Shareholder communication policy. After reviewing the different channels to communicate with Shareholders, the Company has confirmed that the Shareholder communication policy is effective.

DIVIDEND POLICY

Pursuant to Section M of Part 1 of the CG Code, the Company has adopted a dividend policy on the payment of dividends. In accordance with the provisions of the Companies Act and the Articles of Association, the Company may declare dividends in any currency in a general meeting, but no dividends shall exceed the amount recommended by the Board. Unless and to the extent that the rights attached to any Shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any Shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid.

VIII. Environmental, Social and Governance Report

About the Report

Report Overview

This is the third Environmental, Social and Governance (ESG) Report released by J&T Express Global Limited (hereinafter referred to as "J&T", "J&T Express", the "Company", the "Group" or "we", Stock Code: 01519.HK), aiming to comprehensively and objectively disclose the Company's management approaches, practical measures and performance in the field of sustainable development, and to respond to the concerns and expectations of stakeholders.

Reporting Scope

Reporting Period: January 1, 2025 to December 31, 2025 (unless otherwise specified)

Reporting Scope: J&T Express Global Limited and its subsidiaries within the scope of consolidated financial statements, covering companies operating in 13 countries[1] including China, Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia, Singapore, Saudi Arabia, the UAE, Mexico, Brazil and Egypt.

[1] Note: Excluding other countries or regions where the Company extends business after 2025.

Reporting Standards and Basis

This Report has been prepared primarily in accordance with the following standards and guidelines:

- Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (effective from January 1, 2025)

Meanwhile, the following international standards and guidelines were referenced during the preparation process:

- Global Reporting Initiative (GRI) Standards for Sustainability Reporting
- Task Force on Climate-related Financial Disclosures (TCFD) Recommendations
- International Sustainability Standards Board (ISSB) IFRS S2 Climate-related Disclosures
- United Nations Sustainable Development Goals (SDGs)

Reporting Principles

Materiality	Identifying and disclosing ESG topics that have material impact on the Company's business and stakeholders through stakeholder engagement and materiality assessment.
Quantitative	Presenting ESG performance using quantitative indicators where feasible, with explanations of measurement methods and assumptions.
Balance	Objectively presenting the Company's achievements and challenges in the ESG field, avoiding selective disclosure.
Consistency	Unless otherwise specified, adopting consistent disclosure methods with previous years to facilitate comparative analysis by stakeholders.

Data Sources and Report Access

The financial data in this Report is sourced from audited annual reports. The currency unit is US Dollar unless otherwise specified. In case of any discrepancies between the financial data in this Report and the Company's annual financial reports, the annual financial reports shall prevail.

This Report has been reviewed and approved by the Board of Directors, which assumes full responsibility for the truthfulness, accuracy and completeness of its contents.

This Report is published in three languages: Simplified Chinese, Traditional Chinese and English. In case of any inconsistency among different versions, the Simplified Chinese version shall prevail. The electronic version of this Report is available for download on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's official website (www.jtexpress.com).

Contact Information

If you have any comments or suggestions on the Company’s environmental, social and governance disclosures and performance, please contact us through the following means.

Address of headquarters: 1777 Hualong Road, Huaxinzhen, Qingpu District, Shanghai, China

E-mail: esg@jtexpress.com



Overview of J&T Express

About the Company

J&T Express is a global integrated logistics service operator, with a leading position in the express delivery business in Southeast Asia and China, the largest and fastest-growing markets in the world. Founded in 2015, J&T Express' network spans thirteen countries, including Indonesia, Vietnam, Malaysia, the Philippines, Thailand, Cambodia, Singapore, China, Saudi Arabia, the UAE, Mexico, Brazil, and Egypt. Adhering to its "customer-oriented and efficiency-based" mission, J&T Express is committed to providing customers with comprehensive logistics solutions through intelligent infrastructure and digital logistics network, as part of its global strategy to connect the world with greater efficiency and bring logistical benefits to all.

J&T Express was listed on the Main Board of The Stock Exchange of Hong Kong Limited in October 2023 (Stock Code: 01519.HK).

Global Business Footprint



Note: The map is for illustrative purposes only and does not reflect or represent any political stance.

Our Core Business

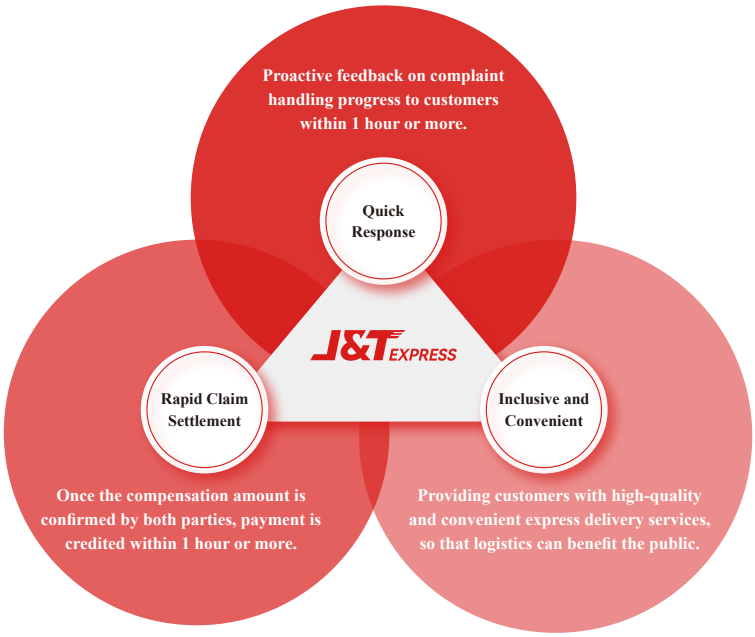
Since our launch, we have established an express delivery network in 13 countries, operating 246 sorting centers, 19,300 outlets and working with 6,600 network partners. Using innovative business operations and technology, we continue to explore new markets, expand service offerings, develop and improve our global network to provide efficient and sustainable logistics solutions to our customers around the world.

246 sorting centers

19,300 outlets

6,600 network partners

As an independent third-party logistics solution provider, J&T Express provides equal and high-quality express delivery services to all platforms, empowering e-commerce merchants worldwide.



ESG-Related Honors and Awards of the Company

Preferred Employer Award – Warehousing & Logistics
FastJobs
Singapore

Top 100 Leading Brands – First Prize
Marketing Magazine and Frontier Research
Indonesia

Indonesia Corporate Sustainability Initiative Award
MIX Marcomm
Indonesia

Excellent Partnership Award
Pag-IBIG Fund
The Philippines

2025 Annual Select of Excellence Award
National Innovation Center (NIC) of Vietnam and VCCorp
Vietnam

Middle East Express Logistics Company of the Year 2025
Logistics Middle east
Middle East

Forbes China Best Digital Intelligence Employers 2025
Forbes China
China

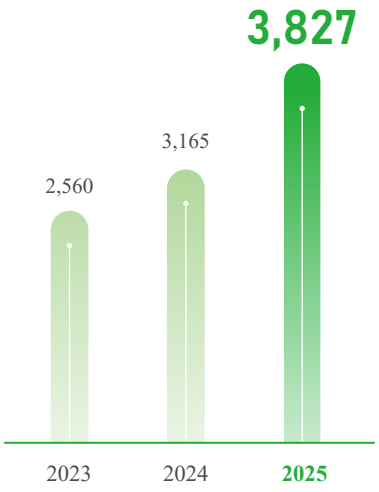
2025 Green Dot China Sustainable Practice Annual Case Study
China Business News (CBN)
China

2025 ESG Performance Highlights

Environmental Performance[1]

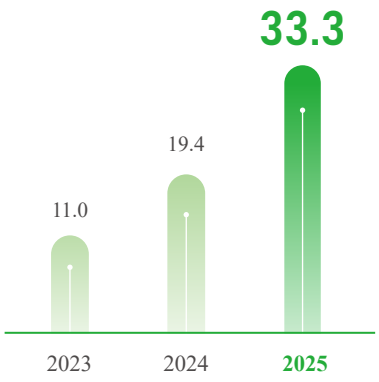
- **Cumulative deployment of reusable transit bags:**

Unit: 10,000 pcs



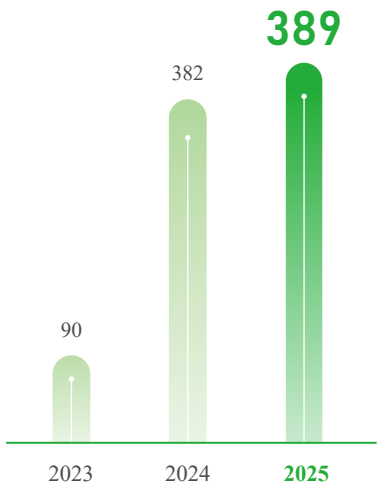
- **Cumulative usage times of reusable transit bags:**

Unit: 100 million times



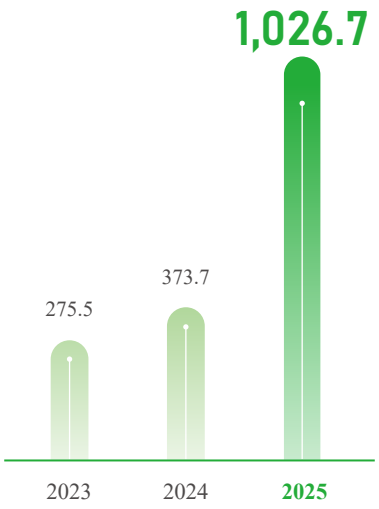
- **Corrugated carton recycled**

Unit: 10,000 pcs

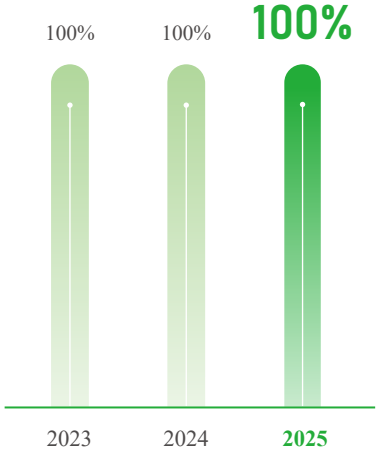


- **Deployment of fully degradable waterproof bags**

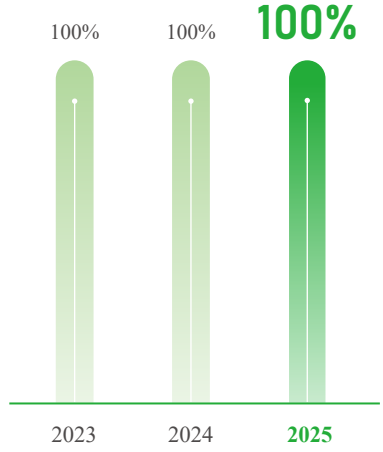
Unit: 10,000 pcs



- **Utilization rate of one-sheet e-waybills**



- **Utilization rate of 45 mm degradable tapes**



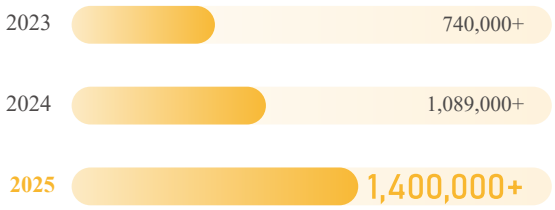
[1] In 2025, the cumulative deployment and usage for reusable transit bags represent global statistics for J&T Express. All other data reflects China-specific statistics for J&T Express only.

[2] In 2025, the customer complaint resolution rate only reflects the statistics for J&T Express in China.

Social Performance[2]

- **Workplace Safety – Number of participants in safety training**

Unit: person-time

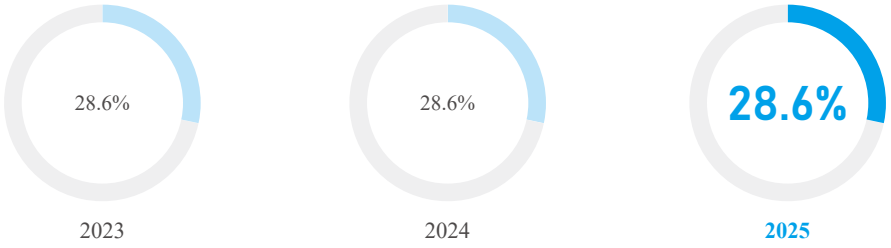


- **Customer Service – resolution rate of customer complaints**

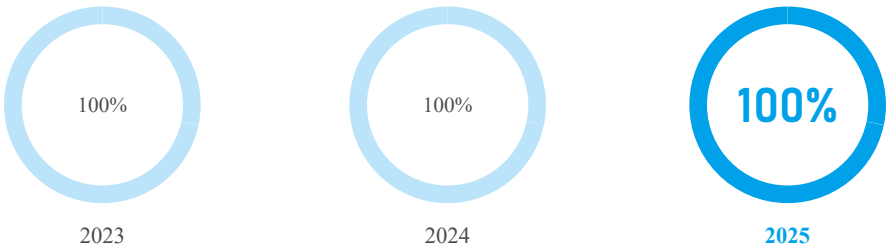


Corporate Governance Performance

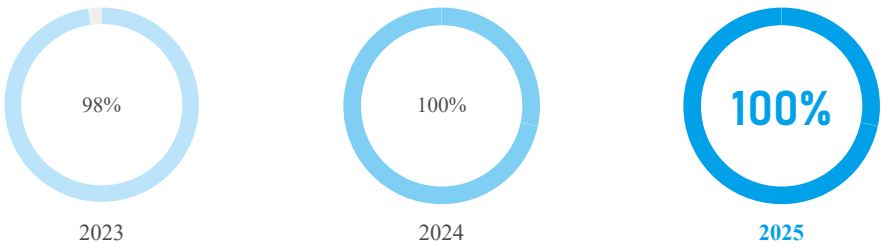
- **Proportion of female directors**



- **Sign-off rate of the Integrity Commitment among new hires at the Group headquarters and China network**



- **Sign-off rate of the Code of Business Partner Conduct among newly inducted suppliers at the Group and China headquarters**



Sustainability Management

Board Statement

The Board of Directors of J&T Express Global Limited (hereinafter referred to as the "Board") assumes full responsibility for the Company's ESG strategies, reporting and related matters, and hereby makes the following statement regarding the contents of this Report:

ESG Management Approach and Strategy

The Board attaches great importance to sustainable development and integrates ESG management concepts into the Company's development strategy and daily operations. Upholding our core vision of “becoming a healthy and enduring enterprise”, we are committed to providing efficient and green logistics solutions for global customers through intelligent infrastructure development and digital logistics networks, achieving harmonious unification of corporate value and social value.

In 2025, the Board continued to monitor global ESG development trends and regulatory policy changes. Considering the Company's actual circumstances, the Board has incorporated ESG matters into its agenda and plans to further improve the formulation and approval processes for annual ESG work plans and objectives in the future.

ESG Risk Management

The Board recognizes the importance of ESG-related risks such as climate change, data security, and supply chain stability. The Company is gradually establishing an ESG risk identification and management mechanism, integrating relevant risks into the Company's overall risk management system.

ESG Target Setting and Progress Review

The Board pays attention to the setting and implementation of the Company's ESG targets. The Company has begun identifying improvement directions in areas such as greenhouse gas emissions, energy, and water resources management, and plans to gradually set quantifiable environmental targets. In the areas of social governance such as employee safety, information security, and anti-corruption, the Company will continue to advance relevant initiatives.

Report Confirmation

The Board has reviewed the contents of this Report and confirms that it covers all material topics required by the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited, and that the information contained herein is true, accurate and complete.

Board of Directors J&T Express Global Limited

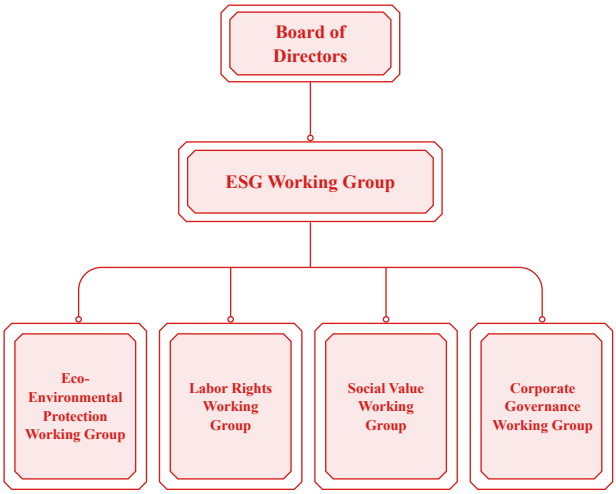
March 30, 2026

ESG Governance Structure

The Company has deeply integrated ESG and sustainability concepts into its corporate DNA. With the vision of "Becoming a Healthy and Sustainable Enterprise", the mission of "Customer-oriented and Efficiency-based", and the core values of "Integrity, Sharing, and Responsibility", we are committed to building a high-caliber ESG management system to provide solid assurance for the Company's long-term development. The Company has established a top-down ESG governance structure of "Board of Directors—ESG Working Group—Specific Task Forces", forming a decision-making and execution mechanism with clear authority and well-defined division of responsibilities. The structure not only strengthens the top-level design of ESG strategy, but also ensures that management directives can efficiently penetrate to the frontline of business operations, achieving whole-staff participation and end-to-end process coverage.

To adapt to its global business layout, the Company continues to advance the international implementation of ESG management. By establishing localized ESG working groups in various countries, we have built a global collaborative response mechanism, strengthened the Group's control over ESG risks in each country, enhanced the coordination and execution of ESG management worldwide, and promoted the overall leap in the Company's ESG performance.

ESG Governance Structure



Level	Organization	Primary Responsibilities
Decision-Making	Board of Directors	The Board of Directors is the highest authority responsible for ESG, with duties including: • Overall control of the Company's ESG strategic direction. • Approval of annual ESG objectives and budgets. • Identification, assessment and control of material ESG-related risks, and ensuring the effectiveness of ESG management and internal control systems. • Review of the Company's annual Environmental, Social and Governance Report.
Management	ESG Working Group	The ESG Working Group, led by the Company's CFO Zheng Shiqiang, is responsible for the overall ESG matters like promoting the implementation of Board decisions and reporting ESG progress and achievements to the Board. Duties include: • Guiding the formulation of ESG management approaches and strategies to ensure they keep pace with the times and comply with relevant laws, regulations and regulatory requirements. • Reviewing the setting of ESG targets, assessing the achievement of ESG targets, and providing recommendations on actions taken to achieve such targets. • Guiding the identification and materiality assessment of ESG risks and opportunities, and providing recommendations on risks or opportunities to the Board. • Leading the preparation of the Company's annual Environmental, Social and Governance Report. • Reporting ESG-related work to the Company's Board of Directors.
Execution	Working Group of Environmental Protection, Labor Rights, Social Value and Corporate Governance	The Environmental Protection, Labor Rights, Social Value and Corporate Governance Working Groups are respectively coordinated by the Director of Operations, Director of Human Resources and Administration, Director of Brand Management and Director of Legal Compliance, with full responsibility for the management and implementation of relevant topics in each domain. Duties of each working group include: • Identifying ESG-related risks and opportunities, and assessing the level of risk and degree of materiality. • Formulating ESG management approaches and strategies for their respective domains, developing clear work plans, and integrating them into actual business operations. • Setting ESG targets, and regularly collecting, compiling and analyzing ESG performance data to clarify progress toward ESG targets. • Preparing materials required for the ESG Report and submitting them to the ESG Working Group for review. • Submitting materials required for the ESG Working Group and Board of Directors to formulate ESG decisions.

Stakeholder Engagement

J&T Express fully emphasizes and values maintaining transparent and open communication with stakeholders in its business development and daily operations. While effectively conveying the Company's strategic development, financial performance and sustainability achievements, we also actively listen to opinions and suggestions, identify feedback and expectations from stakeholders to promote the long-term healthy development of the Company.

The Company's major stakeholders include but are not limited to governments and regulatory authorities, shareholders and investors, customers, suppliers and business partners, employees, community members, as well as industry associations. We regularly communicate and engage with stakeholders through multiple channels, listening to and actively responding to the expectations and requirements of various stakeholder groups. In addition to compliant operations, financial performance, product and service quality and safety, we pay special attention to stakeholder concerns regarding environmental protection, labor rights, and sustainable supply chain construction, to ensure that all management practices and operations fully respond to stakeholder expectations and requirements.

Stakeholder Engagement

Stakeholder	Engagement Channels	Key Concerns
Governments & Regulators	• Panel discussions • Supervisory inspections • Site visits • Routine work reports & exchanges	• Lawful and compliant operations • Alignment with national strategies • Economic development contribution • Maintaining market order
Shareholders & Investors	• Annual General Meeting • Regular Reports and Announcements • Investor Relations Activities	• Efficient corporate governance • Solid economic performance • Timely information disclosure
Customers (Consumers, E-commerce Platforms, Brand Clients, etc.)	• Industry Exhibitions & Trade Shows • Daily Communication and Engagement • Customer Satisfaction Surveys	• High-quality, safe and innovative products • Convenient and efficient services • Information security and privacy protection • Packaging materials management
Regional Operating Partners	• Regional Operating Meetings • Project Cooperation	• High-quality, safe and innovative products • Enhanced customer service levels • Employee rights and benefits • Employee health and safety
Suppliers	• Supplier Review and Assessment • Daily Work Communication • Industry Seminars and Cooperation	• Integrity in cooperation • Communication and empowerment
Employees	• Staff Representative Assembly • Employee Education and Training • Employee Exchange Activities • Internal Communication Platforms • Employee Grievance Channels	• Protection of legitimate labor rights and interests • Equal, diverse and inclusive work environment • Comprehensive compensation and benefits system • Clear training plans and career development paths • Occupational health and safety
Community Members	• Community Volunteer Activities • Charitable Donations	• Community development • Rural revitalization • Public welfare and charitable activities
Industry Associations	• Membership Activities • Industry Conferences	• Active industry participation • Empowering common industry development

ESG Material Topics Assessment

J&T Express strictly follows the standard procedure of "identification and screening—questionnaire survey—assessment and prioritization—report disclosure" for material topics assessment. In accordance with the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited and the GRI Standards for Sustainability Reporting (hereinafter referred to as the "GRI Standards"), combined with J&T Express's development philosophy, strategic direction and core business priorities, with reference to ESG rating-related indicators of external rating agencies and benchmarking against excellent practice reports of peers, we have ultimately identified 20 environmental, social and corporate governance topics that are critical to the Company and our stakeholders. Regarding the prioritization of material topics, the Company systematically assessed and prioritized each material topic based on two core dimensions—materiality to stakeholders and materiality to corporate development—combining stakeholder survey results with opinions from internal and external ESG experts.

The Company follows the four steps below to build a systematic materiality assessment process:

Material Topics Assessment Process

Identification and Screening

Based on the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited and the GRI Standards, combined with external ESG ratings and industry practices, we conduct in-depth interpretation of macro policies and industry hotspots, clarify policy orientation and development opportunities, and screen major material topics.

Questionnaire Survey

We conduct questionnaire surveys among diverse stakeholders to extensively collect opinions and demands from all parties, ensuring comprehensiveness and representativeness in topic identification.

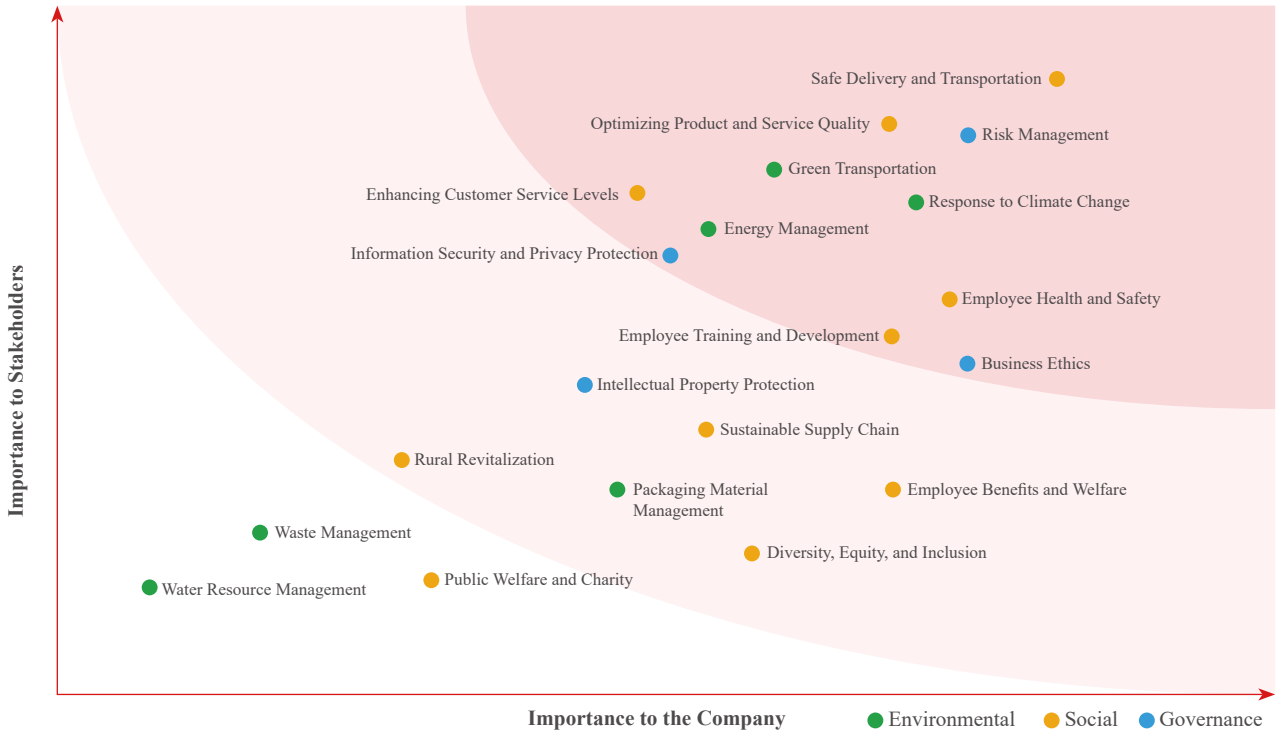
Assessment and Prioritization

Based on stakeholder survey results and combined with expert opinions, we comprehensively assess, analyze and prioritize the degree of materiality of each topic, forming a material topics assessment matrix.

Report Disclosure

According to the topic prioritization results, we focus on disclosing high-materiality topics in the Report, ensuring that the report content truly reflects the Company's core focus areas and actual action effectiveness in the field of sustainable development.

Analysis Matrix of ESG Material Topics



Environment

Green Logistics and Energy Transformation

- Building Intelligent and Green Logistics
- Implementing Environmental Management
- Mitigating and Adapting to Climate Change

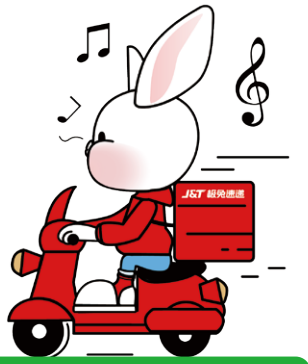
01



SDGs

Building Intelligent and Green Logistics

Digital and intelligent transformation has become critical for enterprises to reshape their core competitiveness and achieve sustainable development. J&T Express embraces positively advanced technologies such as AI, big data, and algorithms. It has established a three-tier digital and intelligent system comprising Base layer, platform layer, and application layer, covering operation networks in 13 countries worldwide. The system enables digital empowerment across the entire process of receipt, sorting, transport and delivery, thus paving a smooth way for efficient and sustainable global operations.



J&T digital intelligence system

Base Layer

Digital infrastructure

Self-developed computing power cloud + 3rd-party cloud services

Empower operations in 13 countries worldwide

Self-developed digital technology platform

Global unified global architecture + height migration capability

Platform Layer

Integrated digital system

Dedicated Technology Center

- Address Parsing Platform
- Big Data Management Platform
- Early Warning and Decision-Making Platform
- AI Large Model Platform

Application Layer

Pick-up and delivery	Sorting	Transportation	Management
Digital tools for outlet operation + Algorithmic Planning of Delivery Strategies and Routes + dynamic map AOI technology	Cargo volume forecast and intelligent production capacity scheduling + central digital management Dashboard + automated equipment management system	Big data algorithm for route optimization + digital platform for resource scheduling + Predictive Alerting and Time Management	Integrated management Dashboard + Whole-link Monitoring, Alerting and Optimization + AI large model application

As data infrastructure, the Base Layer, through intelligent scheduling and optimizing computing resource allocation, provides stable, green, and efficient computing resources for applications, laying a robust foundation for sustainable operations. The Platform Layer features a dual-engine driven by integrated digital systems and specialized technical middle platforms, delivering intelligent technological empowerment to support real-time monitoring, precise tracking, and decision optimization for business operations and ESG metrics. The Application Layer focuses on four core business scenarios, enhancing operational efficiency through the deep integration of intelligent technology and business processes, ultimately driving profit growth, stable operations, and high-quality sustainable development of the Company.

Intelligent Operations

By deploying digital tools, AI algorithms, and dynamic map AOI (Area of Interest) technology, we have achieved whole-link data integration and real-time perception of the cargo trajectories, customer demand, map information, and vehicle operation statuses. Based upon what we have achieved, the Company vigorously promotes automated logistics equipment and AI route planning technology, driving decision-making upgrades with algorithms. This not only expands business growth opportunities but also significantly improved delivery efficiency through precise route optimization and transportation capacity scheduling. Additionally, it dynamically optimized the personnel-to-vehicle ratio, reducing operational costs while establishing an efficient and resilient smart logistics system. This approach has achieved synergistic optimization of the transportation efficiency and economic benefits.

Route Planning

For route planning, the Company has established an intelligent management system covering all transportation links. Through systematically collecting and analyzing key elements such as routing design, network layout, scheduling, and service time standards, it employs advanced algorithmic models to dynamically optimize and adjust transportation routes, thus improving the overall network routing plan continuously.



Case: Reconfiguration of the Line-haul and Subline Networks in East China Region

In 2025, the Company systematically carried out line-haul network optimization in response to the dense urban areas in East China, the overlapping of existing line-hauls, terminal detours, and low loading rates of some vehicles. By utilizing digital tools to deeply analyze key data such as cargo volume, mileage, fuel consumption, and delivery time of each route in the past six months, we have optimized and integrated the three independent sublines that originally ran directly from Hangzhou Center to Nanjing, Wuxi, and Changzhou into a circular drop-and-pull line connecting Hangzhou, Nanjing, Wuxi, and Changzhou, and set up a drop-and-pull point in Nanjing. In the meantime, we used route planning algorithms to accurately calculate the optimal arrival and departure time for each node, achieving precise matching with the operating rhythm.

In terms of operational efficiency: The daily average mileage of vehicles on relevant routes has reduced by

15%

In terms of fuel consumption and cost control: The fixed number of vehicles per route was reduced by

1

In terms of service timeliness: The average in-transit time shortened by

1.5 hours via reducing repeated access between urban areas

The vehicle turnover rate has increased by

20%

An overall fuel cost reduction of approximately

9%

The punctuality rate improved by

5%

In 2025, the Company leveraged an intelligent routing algorithm model to dynamically optimize and intelligently plan transportation routes through big data analytics and AI decision-making engines. By comprehensively considering factors such as delivery time requirements, transportation cost structures, and network capacity constraints, it significantly reduced the number of transfers across the entire delivery process—achieving a 1.36% reduction in the Chinese market, and a 2.04% reduction in Southeast Asia. This not only shortened transfer time and enhanced customer experience but also reduced loading/unloading frequency, minimized cargo damage risks, and notably lowered carbon emission intensity.

Line-haul Transport

During the transportation execution process, the Company has installed real-time vehicle tracking systems for its self-operated vehicles in China, Southeast Asia, the Middle East, and Latin America. By utilizing technologies like GPS positioning, Internet of things sensing, and big data analytics, these systems monitor in-transfer vehicles throughout the journey. Combined with intelligent algorithms, the technology optimizes the transportation routes, speed control, and arrival times in real time to ensure stable and rapid delivery of parcels along the most efficient routes, effectively enhancing the transportation efficiency and rate of contract performance.

Sorting Process

At the parcels sorting stage, the Company carries out the principles of "green, low-carbon, efficient and synergistic" throughout the entire lifecycle management of the sorting center operations. While utilizing automated equipment to enhance energy efficiency and operational precision, it provides comprehensive technical support to the sorting center through digital tools. The Company has achieved precise empowerment in areas such as transportation capacity forecasting, equipment maintenance, personnel scheduling, and time-effect estimation. This not only effectively improves the sorting efficiency but also reduces the energy consumption for single parcel.



Precise Planning before Sorting

By deeply integrating core modules such as network parcel volume forecasting and intelligent transportation capacity planning, the system can support sorting centers in making scientific arrangements in advance for staff scheduling and vehicle deployment based on capacity setup and time-varying parcel volume fluctuations. This has enhanced both per-person sorting efficiency and vehicle loading rates while achieving optimal resource allocation.



Dynamic Control during Sorting

Leveraging an anomaly monitoring system, real-time identification and intelligent decision-making are performed for abnormal conditions during the operation of the sorting center, such as dynamic load allocation requirements, risk warnings, and backlog prevention scenarios. Optimal solutions are generated, and performance instructions are issued to sorting center personnel. Additionally, by deploying machine vision technology, violations during sorting operations are intelligently monitored to ensure operational compliance and parcel safety, effectively reducing human error rates and parcel damage rates.



Post-sorting Data Review

An integrated data dashboard has been established to conduct real-time reviews and multi-dimensional analysis of the accuracy of volume forecasting, equipment efficiency and labor productivity. Through in-depth mining of the historical data and trend assessment, the algorithm model is continuously optimized to drive iterative improvements in management processes and form a closed-loop management mechanism at the sorting center level that integrates "data-decision-execution-optimization".

Meanwhile, based on the proven practices and extensive experience accumulated in the Chinese market, the Company continues to promote the global replication and promotion of intelligent management models, and promotes the comprehensive upgrading of equipment automation, digital management, and intelligent decision-making in Southeast Asia and emerging market sorting centers, transforming China's advanced logistics technology into the core competitiveness of the global network. By the end of 2025, J&T Express has globally deployed 14 self-built core logistics parks, with a total gross floor area of 1.05 million square meters. Among them, Guangzhou Huadu Sorting Center, as the Company's largest intelligent sorting center in the world, with a total floor space of 326,000 square meters, was successfully completed in August 2025 and officially put into operation at the end of October.

J&T Express has globally deployed 14 self-built core logistics parks, with a total gross floor area of

1.05 million square meters

Case: J&T Express Guangzhou Huadu Sorting Center Commences Operation, Creating a Smart Logistics Model

In 2025, J&T Express Guangzhou Sorting Center and Greater Bay Area Industrial Park was put into operation in Huadu, Guangzhou. The center is invested and built by the Company, aiming to create a modern comprehensive logistics industrial park that is "digital, intelligent, and standardized", establish an advanced new logistics service system, deepen integration of express logistics technology and industries, and foster a new ecosystem for the coordinated development of the express logistics sector.

Adopting the philosophy of "smart-driven, technology-enabled", J&T Express Guangzhou Sorting Center is equipped with a double-tier matrix and automated cross belt sorting system to achieve the full process automation of package operation. The system significantly improves space utilization through three-dimensional layout, and increases sorting efficiency per unit area by 87%. During peak seasons, the system can intelligently switch sorting strategies within 10 minutes based on real-time data, enhancing overall operational efficiency by approximately 30%.

Meanwhile, various automation equipment, including NC (Non Conveyable) cross belts, have been applied on a large scale in the industrial park, with an automation coverage rate of about 90%. Nearly 40 kilometers of automated assembly line and nearly 400 telescopic machines work together, achieving an accuracy rate of 99.98% in package sorting. Through the deep collaboration of the Internet of Things, AI visual recognition, and big data algorithms, the system achieves full chain intelligent monitoring and dynamic scheduling, ensuring that the industrial park achieves a sustained operation rate of over 99.5%.



Guangzhou Huadu Sorting Center

Cargo Warehousing

In cargo warehousing, the Company has developed differentiated automation upgrade solutions based on the operational characteristics of different order types, through in-depth mining of historical order data and detailed analysis of real-time order profiles. For bulk orders with a high proportion, we have introduced a high-speed automatic labeling system, which replaces traditional manual work with an integrated process of intelligent recognition, automatic printing, and precise labeling and significantly improves processing speed and accuracy. For large parcels with high operational difficulty, a semi-automatic film wrapping machine is deployed to assist in the film wrapping and fixing process, ensuring packaging quality and reducing manual labor intensity. These targeted intelligence initiatives have boosted overall operational efficiency by over 50%, and the number of orders processed per unit time has significantly increased. The application of automation equipment effectively alleviates the tension from personnel allocation during peak periods, simplifies on-site management processes, and provides customers with more efficient, stable, and high-quality warehousing solutions.

Terminal Pickup and Delivery

In the terminal pickup and delivery process, the Company applies dynamic map AOI technology, supported by an address resolution platform, to intelligently and dynamically aggregate and spatially analyze massive volumes of address data within the region. This enables intelligent optimization of pickup and delivery routes, automatic identification of abnormal addresses, and precise aggregation and analysis of package volume and customers. This enables couriers to complete delivery operations in the optimal order, significantly reducing pickup and delivery time, minimizing repetitive and ineffective travel, and improving the efficiency of final operations and customer service experience. Meanwhile, the Company is accelerating the construction of an unmanned vehicle delivery network, relying on intelligent algorithms to achieve automatic planning of the optimal routes and dynamic response to real-time road conditions, thereby significantly improving the efficiency of terminal delivery and ensuring timely delivery of packages. By the end of 2025, the number of unmanned vehicles put into operation by the Company has exceeded 1,000.



Case: Large Scale Application of Unmanned Vehicles Reshapes the Value Chain of Terminal Delivery

In China, we are gradually building a nationwide intelligent delivery network for unmanned vehicles. This network not only serves as an effective supplement to the existing transportation capacity system, but also systematically restructures the terminal delivery ecosystem from three core dimensions: energy structure, operational efficiency, and service resilience, providing a replicable standardized model for the digital transformation of the logistics industry.

Firstly, the application of electric unmanned vehicles reduces fossil fuel consumption in the terminal delivery process, alleviating the environmental impact caused by traditional fuel vehicles and reducing the carbon emission intensity of logistics operations, further advancing the Company's green and low-carbon transition. In the meantime, by relying upon the long endurance of unmanned vehicles and the advantages of algorithm scheduling, it is possible to break effectively the bottleneck of terminal delivery, and the efficient empowerment of delivery personnel has enabled timely and accurate delivery of every parcel to users. Besides, in extreme weather such as severe cold, heat, rainstorm, and heavy snow, the unmanned vehicle not only effectively reduces the labor intensity of the dispatcher, but also ensures the punctuality and integrity of parcel delivery. The human resources saved as such can be flexibly allocated to other positions in the outlet, and spared as supplements during peak periods to effectively ease the operational tension brought by the surge in orders.

At present, the network has achieved regular operation in multiple provinces and cities across the country, with tangible regional results:

- In Cangzhou, Hebei, it has effectively alleviated the shortage of manpower during peak business hours.
- In Qingdao, Shandong, the terminal delivery time has been advanced by about 2 hours through route optimization.
- In Datong, Shanxi, the logistics efficiency of exporting characteristic agricultural products has been improved.
- In Jiayuguan, Gansu, the travel time for packages in remote areas has been significantly reduced (about 5 hours ahead of schedule).



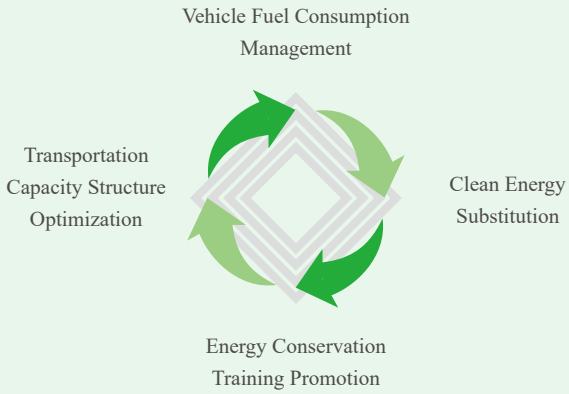
Unmanned vehicles

Low-carbon Transportation

The Company has deeply embedded the “green and low-carbon” concept in the entire transportation chain, systematically advancing the construction of a green and low-carbon transportation system. By applying a four-in-one model of “vehicle fuel consumption management, clean energy substitution, transportation capacity optimization, and energy-saving training promotion”, it has synergistically enhanced the green level of transportation processes, contributing actively to the green and sustainable development of the logistics industry.



Four-in-one Green Transportation Model



Vehicle Fuel Consumption Management

The Company has established a fuel consumption management system that combines headquarter-level coordination and supports with precision fleet control. It has formulated and implemented management documents such as the Route Fuel Consumption Management System, and systematically improved fuel efficiency and reduced overall energy consumption. In terms of vehicle configuration and technological upgrading, the Company scientifically deploys vehicle models according to the transportation characteristics of different business scenarios and transport routes, and continues to promote iterative optimization of vehicle technology, including aerodynamic adjustment of deflectors, precise adaptation of vehicle models and application scenarios, and other technological transformations to improve vehicle fuel economy at the source.

In terms of standard setting and performance-based incentives, the Company has developed a Vehicle Fuel Consumption Reward and Penalty Scheme, which sets differentiated fuel consumption benchmarks based on factors such as vehicle types, route profiles, configuration conditions, and seasonality. A scientific and reasonable energy consumption reward and penalty mechanism has been established, and the responsibility for fuel consumption control has been placed in the upstream processes such as vehicle selection and route planning. Meanwhile, the Company has implemented a monthly data review mechanism to intensively monitor and continuously improve routes with non-optimal vehicle configurations, continuously optimizing fuel management efficiency. Considering the objective differences in terrain, economic environment, climate conditions, and other aspects among different regions, each fleet dynamically adjusts the overall energy consumption benchmark through consultation with the operating department based on actual operating performance to ensure the fairness and rationality of the assessment. The Company carries out precise control by analyzing multi-dimensional indicators such as actual fuel consumption data and driving behavior compliance, and conducts timely cause analysis and targeted rectification for abnormal high fuel consumption cases.

The Company’s vehicle fuel consumption management standards and practices have been gradually rolled out across its operational networks in Southeast Asian countries. By establishing a vehicle fuel consumption benchmarking system, improving reward and penalty mechanisms, and strengthening driving behavior compliance, the Company encourages and guides drivers to reduce energy consumption by adopting eco-friendly driving practices.



Case: Intelligent Monitoring and Behavior Analysis Platform for Malaysian Vehicle Operation

In Malaysia, we have built an intelligent monitoring platform based on GPS positioning technology to achieve all-around, comprehensive monitoring and management of fleet operations. The platform operates on a non-stop 24/7 basis, using multi-sensor data fusion technology to collect and record key driving behavior data such as vehicle position information, engine idle time, instances of rapid acceleration, and instances of hard braking. Based on this, a multi-dimensional driving behavior analysis model is established, which can automatically identify high fuel consumption and high-risk driving modes and generate personalized improvement reports for each driver, presenting their driving behavior characteristics, identification of problematic driving behaviors, and optimization suggestions in detail. Through this closed-loop management mechanism, the platform effectively assists drivers in gradually optimizing their driving habits, reducing fuel consumption and vehicle wear, while significantly improving driving safety and operational efficiency.

Clean Energy Substitution

The Company is accelerating the transformation of transport vehicles towards clean energy adoption and electrification, prioritizing the procurement and use of new energy vehicles, gradually increasing the proportion of new energy transportation capacity in the fleet, and continuously optimizing the energy consumption structure. Meanwhile, the Company has optimized its vehicle procurement plan, improved the supporting infrastructure, and continued to promote the large-scale operation of LNG clean energy vehicles, effectively reducing carbon emissions while ensuring transportation safety and stability. In 2025, the Company deployed 1,697 LNG tractors in China, accounting for 30% of the total tractor fleet.



Number of LNG Vehicles during 2023-2025

In addition, the Company continues to promote the in-depth application of clean energy in the express logistics industry, continuously optimizing the transportation energy structure through diversified energy substitution solutions. For biofuel applications, we have taken the lead in achieving 100% use of B5 biodiesel for vehicle transportation in the Philippines, effectively reducing dependence on traditional fossil fuels. For electrification transformation, we have introduced electric trucks in Singapore, accounting for 6% of the total number of trucks. We have also equipped sorting center parks in China and Singapore with electric forklifts to reduce greenhouse gas emissions from sorting center and warehouse operations. The Company is conducting a systematic feasibility study and test on electric vehicles in the transportation sector, conducting comprehensive evaluations from multiple dimensions such as technical adaptability, economic benefits, and carbon reduction potential, laying a data foundation for their large-scale promotion and application in the future, and helping to achieve the Company's sustainable development goals.

Optimization of Transportation Capacity Structure

The Company focuses on the optimization of transportation capacity structure, and continuously improves logistics transportation efficiency and reduce energy consumption per unit of cargo and carbon emission intensity through systematic measures such as resource integration, technological upgrading, and network optimization. In the field of line-haul transportation, the Company continues to deepen the integration of transportation capacity resources, optimize vehicle loading structure and increase the allocation of high-capacity vehicles models through combined vehicle loading and cargo consolidation operations, effectively improving the single vehicle carrying capacity and route transportation efficiency. In the field of subline transportation, the Company formulates scientific milk-run routing plans based on the geographical distribution and distance characteristics of service outlets, increases vehicle loading rates, and realizes the intensive use of transport resources.

The Company has established a global unified transportation capacity management system to realize the centralized allocation and efficient utilization of international transportation resources.

In the railway sector, we continue to promote the green transportation mode of "highway shift to railway". In 2025, building on the existing Xi'an–Urumqi route established in 2024, we added two new routes: Urumqi–Xi'an and Shenyang–Guangzhou. The annual cargo volume for 2025 reached 10.98 million pieces, an increase of nearly 100% as compared to that in 2024.

In the maritime sector, we promote the large-scale development of LCL (Less than Container Load) business, significantly improving the utilization of container space through the consolidation and loading of multiple shipments.

In the air transportation sector, we vigorously develop charter flights and selected efficient and low-consumption aircraft models for operation. By improving the full load rate of single flights, promoting multi customer consolidation and transportation capacity sharing, and other measures, we reduced effectively empty and repeated transportation.

In 2025, the Company's maritime cargo volume reached 13,000 TEUs (Twenty-Foot Equivalent Unit), and its air cargo volume reached 13,000 tons, among which 60 freight charter flights were completed. Through an intensive operation mode, the Company further improved the energy efficiency of air transportation, thereby reducing the carbon emission intensity per unit of cargo. Through systematic optimization of land-sea-air multimodal transport, the Company has gradually built an efficient and intensive green logistics transportation network.





Case: Exploration of Solutions for Transportation Capacity Consolidation in Brazil

The northern and northeastern regions of Brazil, as strategic long-distance corridors connecting core sorting centers, are under enormous tension from order circulation. There are two sorting centers in this area, and both main line-hauls adopt a complex mode featuring "2 direct hauls +1 mixed transport". We found through end-to-end data analysis analysis that there is a issue of "one-way cargo imbalance" in this flow, that is, the outbound cargo volume is saturated, but the return flow has a shortage of goods, resulting in a high empty-running rate of return vehicles and waste of transportation capacity resources. In response to the above issue, we made two key changes in Brazil through cross departmental collaborative efforts:

Contract model restructuring

Break away from the traditional two-way binding contract mode and promote a "one-way contract +flexible scheduling" mechanism to ensure that operational needs are met and no transportation capacity resources are wasted.

Network routing restructuring

Alter the previous scattered multi-point return mode, realize intensive integration of "multiple routes to one route", and build a high-density circular intermodal network by connecting all sorting centers in the area to maximize the vehicle loading rate.

Through the operation and promotion of optimized strategies, we have significantly reduced the diesel consumption along the route, with an average monthly reduction of more than 100,000 liters of diesel consumption, achieving a dual breakthrough in economic and environmental benefits.



Case: Optimization and Efficiency Improvement of the Transportation Network in the Philippines

In 2025, we have effectively improved transportation efficiency and resource utilization in the Philippines through measures such as loading rate control, consolidation of sorting centers, and route optimization.

For loading rate control, we adopted diversified optimization strategies and management methods for routes with low loading rates, unreasonable vehicle configurations, and insufficient cargo volume to improve vehicle loading rates.

For sorting center integration, we optimized the layout of network nodes, streamlined the sorting process, and improved operational efficiency.

For route optimization, we systematically sorted out the line-haul transportation network and comprehensively optimized and adjusted routes with low operational efficiency and insufficient resource utilization, consolidating and optimizing a total of 25 route service.

Through the above improvements in our management, in 2025 we have reduced the number of cargo transfers in the Philippines by about 5.58% compared to 2024, effectively improving the transportation efficiency and customer experience.

Energy Conservation Training

Focusing on improving personnel skills and capabilities, the Company organizes special training on energy-saving driving techniques for drivers. Through a combination of theoretical explanations and practical exercises, it guides drivers to reduce high energy consumption driving behaviors such as harsh acceleration, harsh deceleration, and prolonged idling, comprehensively enhancing drivers' energy-saving awareness and standardized operating skills, and reducing the fuel consumption of the operating vehicles.



Case: Training for Chinese Self-operated Fleet Drivers

To promote the construction of a green and low-carbon transportation system, we focus on enhancing professional competence and energy-saving awareness of drivers and systematically reducing vehicle fuel consumption and operating costs. To this end, we have established a deep cooperation mechanism with various vehicle brand suppliers and built a three-dimensional training system of "online empowerment +offline practical operation":

Online training	Offline practice
Invite technical experts from suppliers to conduct specialized driving skills training through digital forms such as live streaming and recording. The training covers advanced driving concepts, vehicle performance characteristics, energy-saving driving skills, and standardized operating procedures, helping drivers reduce driving intensity while promoting scientific control of fuel consumption, and reducing unreasonable energy consumption from the source.	The supplier's technical team goes to the front line of the fleet to conduct immersive on-site training and practical demonstrations. Through one-to-one coaching, troubleshooting drills, and energy-saving driving demonstrations, theoretical knowledge is transformed into practical skills, and in-depth communication and precise Q&A with drivers are conducted to ensure effective implementation of energy-saving driving technology.

Through the initiative, we integrate the concept of energy conservation into every detail of driving behavior and promote the development of fleet operation in a more efficient, environmentally friendly and sustainable way.

Localized Operation

Based on the rich practical experience accumulated in the Chinese market, the Company has successfully constructed an operational model featuring local adaptability and refined management. In the process of entering the emerging markets, the Company adopts a strategy of "proven experience transplantation + localized innovation" to systematically replicate and optimize the deployment of such market validated operational system.

In terms of technological application innovation, the Company has carried out in-depth localized algorithm research and development based on the address data characteristics of different countries and languages. Through systematic analysis of address formats, language habits, administrative divisions, and other elements in various regions, the Company has designed targeted intelligent recognition and parsing algorithms, and based on this, constructed a standardized and reusable model system that can quickly adapt to new languages and extend to new regional markets. In terms of improving operational efficiency, the Company fully leverages the scale advantages and synergies of its mature supply chain system, combined with core functions such as real-time monitoring and intelligent scheduling of the digital management platform, to achieve maximal efficiency throughout the entire chain from order processing, warehouse management to distribution execution, significantly enhancing the speed and quality of customer service response.

In 2025, the Company continued to provide localized, full process, and integrated comprehensive logistics service solutions to customers in various regions. While meeting the unique needs of the local market, the company maintained consistency and efficiency in service standards, laying a solid foundation for the deepening of its globalization strategy. For more information on serving local customers, please refer to the "Excellent Service Quality" section.

Implementing Environmental Management

J&T Express has always adhered to the green development concept of environmental protection and resource conservation. It utilizes resources in a scientific and rational manner, emphasizes emission management, promotes packaging recycling, and practices corporate environmental responsibility with concrete actions to continuously contribute to the sustainable development of the industry and the construction of ecological civilization.

Environmental Compliance Management

The Company has always regarded environmental protection as an important cornerstone of its sustainable development, strictly adhering to the environmental protection laws and regulations of the countries and regions where it operates and invests, and continuously improving the compliance awareness and professional management ability of all employees in ecological and environmental protection.

The Company adheres to the environmental management policy of "energy conservation and consumption reduction, and environmental harmony", and has successively formulated and implemented a series of institutional norms and operational guidelines such as the Environmental Factor Identification and Evaluation Management System, Waste Management Measures, Packaging Operation Standards, and Notice on Prohibiting the Use of Non-Degradable Materials on the Whole Network. These measures provide a clear regulatory framework and robust enforcement support for environmental management at the institutional level, ensuring that environmental protection measures are effectively implemented throughout all operational segments.

During the reporting period, the headquarters of the Chinese company and Saudi Arabian company have successfully obtained the

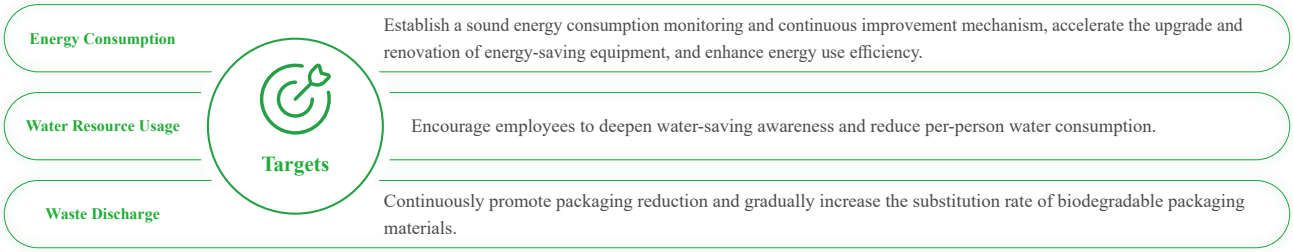
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environmental management system accreditation

At the organizational level, the Company has established a structure led by Group's ESG working group with compamies in each countries setting up a dedicated environmental protection task force. This structure is composed of cross departmental professionals who focus on planning, promoting, and supervising environmental protection, ensuring that environmental management goals are organically integrated with the company's overall strategy and providing solid organizational support for the transformation of green logistics.

During the reporting period, the headquarters of the Chinese company and Saudi Arabian company have successfully obtained the ISO 14001:2015 Environmental Management System Certification. In the future, we will continue to promote the development and implementation of environmental management systems in other operating countries and regions, progressively expanding the global coverage of our environmental management systems and improving the Group's overall environmental management performance.

In addition, the Company has set relevant targets regarding energy consumption, water resource usage, and waste discharge to enhance resource efficiency and reduce environmental footprint, and has implemented corresponding measures to achieve these targets (see the sections "Improve Resource Utilization Efficiency", "Reduce Pollutant Discharge", and "Packaging Recycling" below).



Improving Resource Utilization

Apart from low-carbon transportation measures, the Company attaches great importance to energy resource management in daily operations. By formulating the Energy Loss Management Measures, the Company systematically controls the consumption of various types of energy such as water, electricity, and fuel during the operation of the sorting centers. Besides, the Company actively advocates energy and water conservation in administrative and office processes, integrating green and low-carbon concepts in important aspects of corporate operations.

Energy Consumption Control

The Company continues to promote the upgrading and transformation of LED energy-saving lamps in operation sites such as sorting centers and office spaces, gradually phasing out conventional high-energy lighting equipment, thereby significantly reducing the energy consumption of its lighting systems. In 2025, the Company made large-scale investments in energy-saving logistics equipment in the sorting center, achieving significant results - with a cumulative investment of over 150,000 permanent magnet synchronous electric rollers, more than 400 energy-saving conveyor belts, and over 300 sets of permanent magnet synchronous linear motors. This is expected to save over 3.13 million kWh of electricity consumption annually.

In the meantime, the Company has established a routine energy inspection mechanism, regularly conducting inspections and analyses of energy usage, timely discovering and correcting energy waste phenomena such as equipment idling, and unreasonable energy use, to ensure that all energy-saving measures are implemented effectively.

In 2025, the Company launched programs such as energy conservation, replacement of energy-saving equipment, and optimization of site operation processes globally. The operational throughput per kWh of the company's sorting centers in 13 countries worldwide has increased by 7.54% compared to 2024.



Case: Global Energy Inspection Action

In March 2025, the Company officially launched a Special Energy Management Project for Sorting Center. In China, the monitoring and dispatching center carried out a comprehensive energy inspection, focusing on energy-wasting behaviors, such as early start-up, equipment idling, and idle equipment, and driving improvements in energy management performance through the establishment of a regular oversight mechanism. In 2025, we identified a total of 1,782 suspected energy waste cases in China during inspection, and after verification, 723 were confirmed to have been rectified.

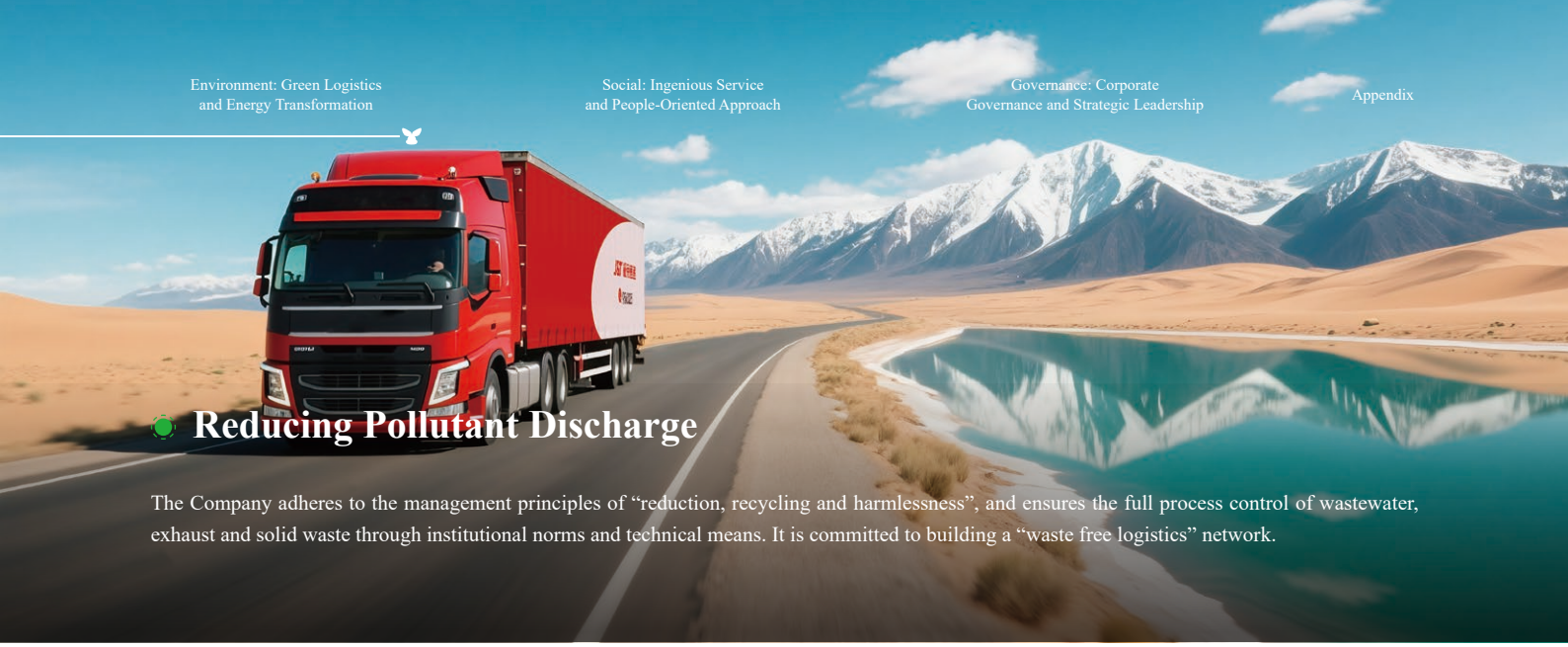
We were simultaneously promoting the energy inspections in Thailand, Indonesia and other countries, conducting daily site inspections, and immediately promoting on-site rectification if energy waste problems were identified. In the future, the Company will continue to deepen the Special Energy Management Project, promote excellent site experience, and strive to achieve comprehensive improvement in energy management level on a larger scale.

Water Resource Conservation

The Company's main business is express logistics services, which do not involve manufacturing or processing activities. Its water consumption is mainly concentrated in daily office and operational support activities. With more than 99% of our water sourced from the public water supply network, the Company faces no significant risk in obtaining water sources. To promote water conservation, the Company posts water-saving slogans in water consuming areas such as restrooms and tea rooms in the office to enhance staff’s water conservation awareness, adopts water-saving faucets and induction type water outlet devices that can regulate the water flow to effectively reduce water waste. Regular pipeline inspections and timely repairs of leaking facilities and other measures are taken to guide and promote water resource conservation across the Company.

Resource Utilization

In terms of office resource management, the Company actively practices green procurement and circular resource use principles. When procuring office supplies, the Company prioritizes environmentally friendly products - environmentally friendly paper such as 100% recycled paper, non-bleached paper, and non-fluorescent paper. The Company also uses writing tools with replaceable cores, and applied metal, paper, biodegradable plastic stationery to reduce the use of non-degradable materials. In the meantime, the Company vigorously advocates paperless office and promotes the use of digital office methods such as electronic documents and online approvals to reduce paper consumption. For necessary paperwork documents, the Company requires employees to adopt double-sided printing to improve paper usage efficiency and reduce waste of office resources.



Reducing Pollutant Discharge

The Company adheres to the management principles of “reduction, recycling and harmlessness”, and ensures the full process control of wastewater, exhaust and solid waste through institutional norms and technical means. It is committed to building a “waste free logistics” network.

Wastewater Management

The wastewater generated during the Company's operations consists primarily of domestic sewage from office areas, with no industrial wastewater discharge. Relying on municipal infrastructure, the Company's domestic sewage is mainly channeled into the municipal wastewater treatment system via the drainage pipeline network, where it undergoes centralized treatment to meet discharge standards before being discharged.

Air Emission Management

The main sources of the Company's air emissions are particulate matter, nitrogen oxides, and sulfur dioxide from diesel combustion by its vehicles during transportation operations. On purchasing and introducing vehicles, the Company strictly adheres to environmental standards, and all purchased vehicles comply with environmental emission standards to ensure that vehicle emissions meet regulatory emission requirements and minimize air pollutant emissions.

For existing diesel vehicles, the Company actively equips eligible trucks with urea-based Selective Catalytic Reduction (SCR) emission control systems and ensures their standardized use on trucks that meet technical standards and operating conditions. This system can significantly reduce harmful emissions such as nitrogen oxides (NOx) in vehicle exhaust and reduce the negative environmental impact of transport operations. In the meantime, we have also taken measures such as optimizing fleet structure and deploying clean-energy vehicles to reduce exhaust emissions at the source (as further detailed in the "Low-Carbon Transportation" section).

Wastes Management

The waste generated during the operation of the Company mainly includes general waste and hazardous waste generated in the office area and sorting centers operations. We implement waste classification and management for different types of waste, ensuring compliant recycling, reuse, and disposal. For general waste, we classify and collect recyclable materials such as paper products, plastic products, and packaging materials, and sell regularly to achieve resource recycling. The remaining non-recyclable portion will be classified and collected before being transported to designated locations for centralized harmless disposal by competent municipal sanitation organizations.

For hazardous waste such as spent engine oil, spent lubricating oil, used paint, rejected light tubes, used dry batteries, waste toner cartridges, etc., the Company strictly complies with relevant regulatory requirements, appoints professional third-party organizations with corresponding disposal qualifications to collect, transport and dispose. We have established comprehensive hazardous waste transfer manifest records to ensure full traceability and monitoring throughout the entire hazardous waste management process.

Besides, in land transportation business, vehicle operation will generate a certain amount of waste tires. Waste tires are not naturally biodegradable, and their prolonged accumulation not only takes up valuable land resources, but also produces a large amount of harmful gases and pollutants during combustion, which has adverse effects on the environment. Therefore, the Company has continued its efforts in tire lifecycle management and improved its scientific management in such aspects. Through technical inspection methods, the Company conducts real-time monitoring and data analysis of tires' daily usage conditions to optimize tire utilization efficiency and extend tire service life. For used tires that meet the retirement standards, the Company appoints competent tire recycling and processing enterprises with professional qualifications to carry out standardized recycling and resource utilization. In 2025, our self-operated fleet in China has recycled a total of 30,356 used tires.

Packaging Recycling

The Company continues to promote the recycling of express packaging products, implementing sustainable management throughout the entire process of packaging material selection, use, and recycling. We give priority to partnering with packaging suppliers certified under the "Green Product Certification" to safeguard the eco-friendly performance of packaging materials at the source.

Pick-up and Delivery Process

In China, we widely adopt eco-friendly packaging products such as fully degradable waterproof bags and degradable tapes to effectively minimize plastic pollution and gradually expand the application of environmentally friendly packaging materials to overseas markets. Meanwhile, the Company is promoting standardized waybill specifications globally, reducing waybill area, and achieving standardization and normalization of operational processes while reducing resource consumption.

Sorting process

The Company vigorously promotes reusable transit bags in its global business network to gradually replace the traditional disposable woven bags. By introducing Radio Frequency Identification (RFID) IoT technology, the Company has achieved the full process tracking and intelligent management of reusable transit bags, combined with scientific allocation strategies, significantly improving the turnover efficiency and service life of reusable transit bags. In 2025, the reusable transit bags project was successfully promoted to Middle Eastern and Latin American countries such as Egypt and Brazil, further expanding the application of green packaging. For reusable transit bags that cannot be reused and have reached end-of-life, the Company selects qualified recycling suppliers through a competitive bidding process to handle their unified collection and recycling. After cleaning, crushing, granulation and other processes, the retired bags are recycled and reused, forming a closed-loop system for packaging materials. In 2025, we deployed approximately 38.27 million reusable transit bags globally, with cumulative usage exceeding 3.3 billion times.

Recycling process

The Company continues to advance the recycling and reuse of packaging materials such as corrugated cartons, fillers, and pallets. We encourages all last-mile delivery outlets to conduct quality screening of intact cartons recovered during the shipping and receiving process, and prioritize their use for secondary packaging. This has extended the service life of cardboard boxes effectively, promoted recycling of packaging materials, and reduced resource wastage and environmental impact. Besides, the Company has set up specialized waste classification and recycling devices at its outlets to classify and collect express packaging waste. Reusable packaging materials are inspected and incorporated into the circular reuse system, while non-reusable packaging waste undergoes centralized and standardized disposal to ensure proper disposal of packaging wastes and maximize resource utilization.



Case: Green Transformation Project for Document Sealing in Indonesia

In 2025, we introduced environmentally friendly paper document seals with waterproof, pressure resistant, and biodegradable properties in Indonesia to replace traditional disposable plastic packaging bags, which can effectively adapt to Indonesia's climate environment and logistics conditions. During performance of the project, we established a unified packaging standard system, achieved economies of scale through centralized procurement, realized stable packaging quality and cost optimization. In 2025, we completed the replacement of over one million traditional plastic packaging, thus achieving coordinated balance between environmental protection, customer service, operational efficiency, and economic benefits, which establishes a responsible brand image for the enterprise.

Mitigating and Adapting to Climate Change

Climate change not only significantly impacts the human living environment and the global socio-economic development, but also reshapes the operating environment and business models of enterprises. Based on applicable compliance disclosure guidelines, J&T Express responds to the climate changes in four aspects: governance, strategy, risk management, indicators and goals. By analyzing and identifying climate change related risks and opportunities, the Company has formulated measures of response based on its own business model to promote the climate resilience of the enterprise in its own operations and value chain.

Governance

J&T Express has incorporated climate change mitigation and adaptation into the core agenda of its ESG management, and has established a climate governance framework comprising the "Board of Directors-ESG Work Group- Ecological Environmental Protection Work Group and Business Departments". It aims to clarify the responsibilities of the Board of Directors and management, forming a top-down management system, and comprehensively promoting the management and implementation of addressing climate change issues.

Governance Architecture for Climate Changes

Level	Organizations	Main Responsibilities
Decision Level	Board of Directors	▶ Exercise the highest-level supervision and guidance over the identification, assessment, and management of climate change-related risks and opportunities for the Company. ▶ Deliberate and approve climate strategic plans, implementation paths, quantitative indicators, and phased goals, and examine and approve relevant special budgets and resource allocation plans. ▶ Incorporate ESG factors, including climate change, into key business decisions such as the formulation of the Company's overall strategic plan, optimization of business models, major capital expenditure decisions, mergers and acquisitions, restructuring, and asset stripping.
Management Level	ESG Work Group	▶ Identify and assess climate related risks and opportunities, and provide recommendations to the board of directors. ▶ Develop specific emission reduction paths, annual action plans and goals. ▶ Coordinate cross departmental resources, promote the performance of climate related management actions, and provide resource and advisory support. ▶ Monitor the achievement of climate related goals.
Implementation Level	Eco-environmental Protection Work Group and related business departments	▶ Implement specific climate action projects and emission reduction measures. ▶ Collect, sum up, and analyze carbon emission data. ▶ Identify and evaluate climate risks at the operational level. ▶ Organize climate related training and capacity building.

Policy

To identify and assess the impacts of climate-related risks and opportunities on J&T Express, the Company has established medium and high climate emission scenarios based on disclosure recommendations from the Stock Exchange of Hong Kong Limited, data models from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), and industry research. The Company has conducted a preliminary analysis of the risks and opportunities brought by climate factors in each scenario, comprehensively evaluated the Company's climate resilience. Based on the analysis results, the Company refined and adjusted its climate change strategies and response measures as needed.

During the reporting period, we conducted climate scenario analysis on assets that have a substantial impact. Drawing on the Fifth and Sixth Assessment Reports of the Intergovernmental Panel on Climate Change (IPCC), we selected Shared Socioeconomic Pathways (SSPs) scenarios and integrated data from Representative Concentration Pathways (RCP) scenarios for analysis. Meanwhile, we defined the short term as within 1 year, the medium term as 1 to 3 years, and the long term as more than 3 years.

Climate Scenario Model

Dimension	SSP2 (Medium emission scenario with partial implementation of policies)	SSP5 (High-emission scenario driven by fossil fuels)
Nature	• Temperature: Compared with the pre-industrial period, the temperature will rise by about 1.7°C in 2040 and about 2.7°C in 2100. • Sea level: The sea level will rise by approximately 0.1 meters by 2040 and about 0.5 meters by 2100. • Extreme weather: The frequency and intensity of extreme weather will increase significantly, and the risk of disasters in some local areas will rise remarkably. • Precipitation: As temperatures rise by 2.0 to 3.0°C, global agricultural and ecosystems will be severely impacted, with the intensity of precipitation increasing by approximately 12.0% to 18.0%.	• Temperature: Compared with the pre-industrial period, the temperature will rise by about 1.9°C in 2040 and about 4.4°C in 2100. • Sea level: The sea level will rise by approximately 0.2 meters by 2040 and about 0.7~1.0 meters by 2100. • Extreme weather: The frequency and intensity of extreme weather will increase highly, and large-scale catastrophic climate events will become normalized. • Precipitation: As temperatures rise by 3.0 to 5.0°C, global agricultural and ecosystems will be severely impacted, with the intensity of precipitation increasing by approximately 20.0% to 40.0%.
Social-economy	• International cooperation exists, but the implementation of climate policies varies among countries, and the process of green transformation is slow and uneven. • The decoupling between economic growth and the environment has not been fully achieved, and the promotion of green technologies is constrained by cost and policy instability. • The level of public services and social welfare has improved, but the development gap between regions remains significant. • The circular economy and resource utilization efficiency are gradually improving, but traditional high carbon industries still occupy a certain proportion.	• International climate cooperation is seriously insufficient, with countries prioritizing economic growth and carbon emission constraint mechanisms being virtually non-existent. • The economy is highly dependent on fossil fuels, energy intensive industries are rapidly expanding, and the driving force for green transformation is severely lacking. • Economic growth is rapid but highly unequal, social conflicts are intensifying, and the vulnerability of low-income groups to climate shocks is particularly prominent. • Resource consumption has reached its peak, environmental carrying capacity is facing extreme challenges, and the problem of ecosystem degradation is becoming increasingly severe.
Performance of climate risks	• The implementation of climate policies is uneven, with both transition risks and physical risks coexisting, with both types of risks at a moderate level. • The impact of extreme weather events on supply chains, logistics, and infrastructure is gradually becoming apparent, and physical risks are more prominent in certain regions. • Policy uncertainty increases the difficulty of corporate carbon asset management and green investment.	• The significant rise in temperature and frequent occurrence of extreme weather events will bring extremely high physical risks, with huge losses to infrastructure and ecosystems. • Climate policies are almost absent, with very low short-term transition risks, but facing systemic impacts of passive transition in the long term. • Climate refugees, food security crises, and regional conflict risks have significantly increased, posing a serious threat to global supply chain and market stability.

Based on the assessment results of climate scenarios, we have updated the list of climate related risks and opportunities to ensure its comprehensiveness and timeliness. At present, the list of risks and opportunities we have identified involves seven physical risks, four transformation risks, and four opportunities. To better prioritize our climate change response actions, we assess the magnitude of impacts posed by various risks and opportunities, identify their impact timeframes and potential financial impacts, and develop and refine targeted response measures accordingly.

Analysis and Response to Major Climate Related Risks

Risk Type	Specific Indications	Impact Analysis	Potential Financial Impact	Impact Cycle	Measures
Physical Risks					
Acute risk	Extreme rainstorms and floods	• Road flooding causing transportation disruption. • Water ingress into storage facilities resulting in parcel damage. • Sorting center shutdown affects time efficiency. • Terminal pick-up and delivery is unreachable.	• Liquidated damages from transport delay. • Increased parcel loss and insurance claim costs. • Increased labor costs for emergency scheduling. • Increased temporary investment in logistics facilities.	Short-term	• Establish a meteorological early warning and monitoring system. • Formulate an emergency plan for rainstorms and floods. • Warehousing facilities have additional flood dikes and water baffles. • Deploy storm water storage tanks and drainage systems. • Establish alternative plans for diversified transportation routes. • Improve warehouse location selection criteria (avoid flood-prone areas). • Additional measures for waterproof packaging of goods.
	Typhoon/ hurricane	• Port and terminal shut-down impact maritime transit. • Significant cancellations in air cargo transport. • Damage to buildings and outdoor equipment. • Regional logistics network paralyzed.	• A surge in capital expenditures for infrastructure and equipment repairs. • Business interruption resulting in revenue loss. • Rising insurance costs.	Short-term	• Strengthen the wind resistant design of buildings. • Outdoor equipment reinforcement and protection. • Establish a typhoon season transportation capacity reserve mechanism. • Develop backup transportation channels. • Purchase climate related property insurance.
	Extreme high temperature	• Increased vehicle breakdowns from high road surface temperatures. • Heatstroke risk for outdoor workers (such as couriers). • High rise of refrigeration load in the operating premises;	• The cost of vehicle maintenance and repair is rising. • Energy consumption costs to increase significantly. • Reduced efficiency of outdoor workers leads to additional potential customer complaints and losses from returns. • Increased expenditure on occupational health protection.	Short-term	• Optimize transportation period. • Vehicles are equipped with additional cooling equipment. • Optimization and upgrading of energy-efficient air conditioning and ventilation systems in operating premises. • Provide heatstroke prevention and cooling protection for employees.

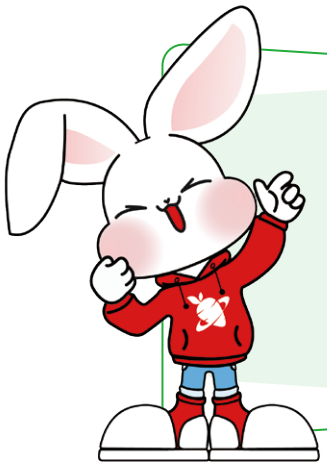
Risk Type	Specific Indications	Impact Analysis	Potential Financial Impact	Impact Cycle	Measures
Acute risk	Extreme low temperature	• Increased vehicle failure rate (battery, braking system). • Road icing leads to transportation delays and an increased risk of accidents. • Equipment at the sorting center may freeze. • Couriers working outdoors face the risk of frostbite. • Some goods (liquid products) may be damaged from freezing.	• Loss from transportation disruption. • The failure rate of vehicles increases in winter. • Sorting equipment is frozen, and goods are damaged by freezing. • Increased cold-proof equipment and anti-slip and anti-freeze materials. • Increased cost for severe weather subsidies and heating.	Short-term	• Winter safe driving training for all staff, and provision of cold-proof equipment. • AI intelligent path planning, centralized distribution to reduce round trips. • Notify customers in advance and update the delivery status in real time.
Chronic risks	Average temperature rise	• Increased demand for annual cooling demand in operating premises. • The stability of power supply in some areas is affected.	• Prolonged rising energy costs. • Increased frequency and cost of infrastructure maintenance.	Medium and long-term	• Promote energy-saving renovation of buildings (thermal insulation, natural ventilation). • Gradually deploy renewable energy. • Continue to carry out climate change risk tracking at operation points.
	Sea level rise	• Flooding risk of coastal ports. • Threats to transit and storage facilities in low-lying areas.	• Impairment and scrapping losses of coastal assets. • The huge replacement cost for facility relocation. • Loss of revenue from business interruption.	Long-term	• Avoid building new facilities in low-lying coastal areas. • Conduct risk assessments on existing coastal facilities. • Consider formulating a long-term asset migration plan.
	Drought	• Increased potential risk of traffic accidents from fugitive dusts on roads and decreased visibility. • Some dirt roads or sections of unpaved roads at the end may have cracks or collapses, affecting the passage of freight transport. • In summer, the temperature of road surfaces rises, causing vehicles to overheat or tires to wear more severely. • Dry air may increase the risk of static electricity, affecting some electronic devices and automated sorting systems.	• Rising cost of water resources. • Increased vehicle maintenance cost. • Fire risks lead to increased insurance rates. • Increased employee health costs.	Long-term	• Implement water-saving plans, recycle water for vehicles and optimize cleaning frequency. • Reserve emergency water supplies and adjust working hours.

Risk Type	Specific Indications	Impact Analysis	Potential Financial Impact	Impact Cycle	Measures
Transition risks					
Policy and regulatory risks	Climate-related regulatory and disclosure requirements are becoming stricter	• Included in the carbon trading market by regulatory authorities. • Increased investment in energy-saving facilities, equipment, and the development of talent teams. • Mandatory disclosure of climate-related information.	• Increased operational and compliance costs. • Increased investment in data systems.	Short and medium term	• Establish a carbon management system and promote the process of carbon neutrality. • Explore the operation mechanism of the carbon trading market and actively participate in policy formulation consultation. • Strengthen internal capacity building and introduce external expert resources.
Market risks	Green product certification and carbon footprint label requirements;	• Customers require transparency in carbon footprints. • Supply Chain Sustainability Review. • Carbon neutral product certification requirements.	• Reduced business volume and declining revenue. • Increased costs of development investment and compliance certification.	Medium and long-term	• Consider developing carbon-neutral logistics product lines and obtain relevant certifications. • Establish carbon footprint calculation and disclosure capabilities. • Promote green brand image.
Technical risks	Low-carbon technology substitution	• Proven technologies for electric vehicles and hydrogen energy vehicles. • Autonomous driving reduces labor costs. • Block chain optimizes transportation efficiency. • Popularized drone/robot delivery.	• Asset depreciation of the existing fuel vehicle fleets. • The sunk costs of technical investments fail to attain the sunk cost expectations. • Damaged market shares.	Medium and long-term	• Develop a technical roadmap and pilot plan. • Establish strategic cooperation with technical suppliers. • Promote technological transformation in phases. • Maintain technical flexibility to avoid lock-in.
Reputation risks	Stakeholder feedback and concerns	• Failure to timely communicate the company's progress in addressing climate change to stakeholders has resulted in negative feedback and damage to goodwill.	• The brand's competitiveness has declined and business deteriorates. • The company's market value has declined. • Changes in financing costs (ESG investment interest rate discounts or default costs).	Long-term	• Communicate the progress of climate change through information disclosure and ESG ratings. • Smooth communication channels for stakeholders and conduct regular dialogues.



Analysis and Response to Major Climate-Related Opportunities

Opportunity Type	Specific Indications	Impact Analysis	Potential Financial Impact	Impact Cycle	Measures
Green logistics products	Green products have a premium space and are highly recognized by the market.	• Premium for Carbon-neutral logistics services. • Carbon footprint visualization value-added service. • Green supply chain solutions.	• Develop high value-added businesses. • Enhanced competitive advantage.	Medium and long-term	• Consider developing carbon-neutral express delivery products. • Consider providing carbon footprint reporting services. • Build green logistics brands.
Application of Renewable Energy	Strengthen applications of rooftop photovoltaic power, distributed wind power, etc.	• Distributed photovoltaic and wind power projects adopt the mode of self-consumption of generated electricity with surplus electricity fed to the grid. • Energy storage systems can peak-shave and valley-fill to enhance energy autonomy. • Reduce carbon emissions and promote the process of carbon neutrality.	• Reduce long-term electricity costs. • Acquire additional benefits (carbon credits, green electricity trading etc.). • Obtain increased potential for government subsidies.	Medium and long-term	• Construct rooftop photovoltaic power stations. • Purchase green power certificates. • Invest in energy storage facilities. • Conclude power purchase agreement.
Low carbon fuel shift	Development and application of clean and low-carbon fuel technologies.	• Application of transitional fuels such as biodiesel and LNG. • Hydrogen fuel cell for long-distance transit. • Potential of e-fuel (electro fuels). • Optimization of multi-energy combinations.	• Improved controllability of initial fuel costs. • Long term electricity cost reduction. • Additional high end customer brand premium. • Reduce carbon emissions compliance costs.	Medium and long-term	• Continue to promote the application and popularization of biodiesel, LNG, and electric vehicles. • Launch hydrogen energy heavy-duty truck pilots. • Track the development of new fuel technologies. • Establish a flexible energy procurement strategy.
Circular economy model	Recycling and reuse of resources such as packaging materials and equipment components.	• Recycle packaging materials to reduce one-time input. • Cascaded utilization of vehicle components such as tires and batteries.	• Optimization of operating costs. • Reduce packaging procurement costs. • Decreased cost of waste disposal.	Medium and long-term	• Continue to promote recyclable packaging solutions. • Cooperate with qualified third parties to explore recycling models.



Based on the identification and assessment of climate-related risks and opportunities, the Company has established the "3R (Reduce-Replace-Resolve)" carbon reduction action framework with green logistics as its strategic core. It aims to advance carbon emission reduction targets through systematic and phased measures and rise proactively to the challenges of climate changes.

Reduce: Digging Deep into Energy Efficiency Potential

Based upon daily operational management measures such as transportation route optimization, promotion of new energy vehicles, and operational equipment upgrades (refer to the Energy Consumption Control section for details), the Company focuses on advancing the engineering transformation and upgrading of infrastructure to achieve deep reductions in energy consumption at the source.

Natural Daylighting Design

In the construction of Huaiyang and Zhengzhou logistics parks, roof lighting panels and large-area high windows were incorporated to utilize natural lighting technology, thereby reducing the energy demand of the lighting system at the source.

Intelligent Lighting System

In 2025, the Company first introduced an intelligent lighting system and completed a large-scale smart upgrade at the Zhengzhou sorting center. This involved replacing 6,000 energy-saving smart fixtures to establish an intelligent and efficient adaptive lighting system:

1) Through stepless dimming function, it automatically reduces illuminance near natural light sources (e.g., doors, windows, lighting panels) while maintaining uniform indoor illuminance, reducing energy consumption and promoting eye health.

2) By using radar sensing modules to track personnel and vehicle movements, it automatically switches to 30% low-power standby mode in unoccupied areas while sustaining basic lighting requirements.

3) For different functional zones (e.g., dense storage areas, sorting operation zones, cargo aisles), the system allows customization of sensitivity and lighting duration via the park management platform, enabling remote zone control that perfectly adapts to the “peak-off peak-quiet” rhythm of warehouse operations.

Replace: Optimizing Energy Structure

The Company actively promotes the transformation of the energy structure by gradually increasing the proportion of renewable and clean energy sources such as solar power and LNG etc., and systematically replacing fossil fuels to further reduce carbon emissions. During the planning phase of logistics parks, the Company reserved the photovoltaic capacity to promote vigorously the distributed photovoltaic generation systems. By the end of 2025, the rooftop photovoltaic systems at the Huaiyang and Zhengzhou sorting centers have been operating stably for over a year, with a total installed capacity of 17.05 MW and an annual photovoltaic power generation of 13,787.04 MWh Additionally, the rooftop photovoltaic project at the Guangzhou Huadu sorting center is being constructed in two phases, with the first phase reaching a total installed capacity of 6 MW and set to operate in January 2026, further expanding the Company's green energy portfolio.

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Resolve: Exploring Negative Carbon Path

To achieve the long-term deep decarbonization target, the Company will actively keep track of cutting-edge technologies and market-based mechanisms and explore offsetting approaches including carbon trading and forestry carbon sinks. By purchasing Verified Emission Reductions (VERs) and other ways, the Company will neutralize unavoidable emissions to help realize the goal of carbon neutrality.

Risk Management

The Company has deeply incorporated climate change related risks and opportunities in its overall operational risk management system, and established a scientific management mechanism covering the entire process of identification, assessment, sorting, and monitoring. By systematically analyzing the potential impact of climate related risks on core business operations, the Company conducts comprehensive assessments from two dimensions: physical risks and transformation risks, continuously optimizes management measures, and explores strategic opportunities brought by climate changes based on its own business characteristics.

In response to operational anomalies from climate risks, the Company has established a special monitoring and analysis system to conduct regularly year-on-year and month-on-month change analysis, and enable early identification and timely response to risks through climate risk warning and monitoring mechanisms. For different types of climate risks such as rainstorm and flood, extreme high temperature, typhoon, ice and snow disasters, the Company has developed a differentiated emergency plan to define the response process and resource allocation plan, and minimize the adverse impact of various extreme weather events on operation continuity.

Meanwhile, the Company makes full use of the meteorological big data and climate trend analysis technologies to accurately predict regional climate risk patterns and systematically identify more climate-stable transportation routes and alternatives. Optimizing transport route planning based on climate resilience assessment not only effectively minimizes the risks of transportation interruption, delay, and cargo damage caused by extreme weather, but also enhances the overall risk resistance and service stability of the logistics network, while providing customers with more reliable logistics support.



Case: Malaysia Is Actively Building Climate-resilient Logistics Parks

In 2025, the Company's first logistics park construction project in Malaysia was launched in all fronts. Given the climatic characteristics of frequent earthquakes, rainstorms typhoons and other natural disasters in Southeast Asia, the project incorporated disaster resilience and environmentally friendly concepts at the core of its planning as early as the architectural design stage, with extreme climate resilience adopted as the primary planning criterion. The project aimed to build an internationally leading climate adaptive logistics infrastructure.

Wind resistant and seismic resistant structure

The entire structure of the building consists of specially reinforced wind resistant columns. Through comprehensive measures such as optimizing structural layout, enhancing strength of key node connections, and use of high-performance building materials, the structural stability and safety of the park buildings under multiple natural disasters such as strong winds and earthquakes have improved significantly. This design not only ensures safety of personnel and assets from a technical perspective, but also reflects the company's social responsibility to employees, partners, and surrounding communities, thus providing a safe and reliable logistics support platform for regional economic development.

Intelligent drainage and flood control

In response to the frequent heavy rainfall climate characteristics in Southeast Asia, the park is provided with a roof gutter drainage system to quickly collect storm water. The elevation of the road surface in the park has been repeatedly verified and determined to be higher than the municipal road outside the site, and a reasonable slope was designed to ensure storm water is quickly drained and no accumulated water on the road surface. In the meantime, water baffles are provided below the canopy to effectively block the infiltration of storm water, providing comprehensive protection for the production and storage areas.

In the meantime, the underground system of the park is provided with interactive facilities consisting of stormwater storage tanks and slurry interceptors to have a multi-level storm water management system. The storm water tank can effectively contain the storm water runoff and reduce the peak flow during the peak rainstorm period to ensure effective drainage of storm water and minimize the risk of waterlogging in the park. The slurry interceptor filters out sediment impurities through pre-sedimentation to control the concentration of suspended solids in the discharged water from the source and protect the local aquatic ecological environment.

Indicators and Targets

The Company has been conducting greenhouse gas accounting for Scope 1, Scope 2, and portions of Scope 3 since 2023, and has set climate management goals based on such accounting: Scope 1: Increase the deployment and use of LNG vehicles, and gradually expand the assessment, pilot testing, and application of vehicles powered by diversified clean energy sources (such as methanol, hydrogen, etc.). Scope 2: Deploy distributed photovoltaic projects within self-owned logistics parks, gradually implement green electricity procurement, and continuously increase the proportion of renewable energy usage. Scope 3: Promote packaging reduction continuously, encourage third-party carriers to strengthen energy management and expand the use of clean energy vehicles. In the future, the Company plans to further build a solid carbon emission data foundation through a systematic and comprehensive full-value-chain greenhouse gas (GHG) inventory, and implement emissions reduction initiatives in stages through technological substitution and management optimization. The Company endeavors to steadily advance its carbon neutrality journey at the operational level and across the full value chain.

J&T Express 2025 Annual Greenhouse Gas Emission

Indicators	Unit	2023	2024	2025
Scope 1 GHG emissions	10kt CO_2e	68.97	96.51	121.65
Scope 2 GHG emissions	10kt CO_2e	30.04	26.62	31.96
Total GHG emissions (Scope 1 + Scope 2)	10kt CO_2e	99.01	123.13	153.60
GHG emission intensity (Scope 1 + Scope 2) (by revenue)	tCO_2e/ USD10,000 revenue	1.12	1.20	1.26
Scope 3 Total GHG emissions	10kt CO_2e	64.89	143.81	156.92
Category 1: Purchased Goods and Services (Express Packaging)	10kt CO_2e	5.68	7.87	12.43
Category 2: Capital Goods	10kt CO_2e	0.23	3.46	50.38
Category 3: Fuel and energy-related activities (not included in Scope 1 and Scope 2)	10kt CO_2e	13.54	16.96	36.30
Category 4: Upstream transportation and distribution (with third parties providing the transportation capacity)	10kt CO_2e	45.08	115.43	54.85
Category 6: Business Travel	10kt CO_2e	0.12	0.09	2.97
Including: Yunyi Transportation				
Total GHG emissions (Scope 1)	10kt CO_2e	54.67	75.46	80.08
GHG emission intensity (Scope 1)	tCO_2e/Million Parcels	57.27	55.07	51.34



Social

Ingenious Service and People-Oriented Approach

- Product Service and Quality
- Empowering Talent Development
- Guarding Health and Safety
- Improving Value Chain Management
- Commitment to Social Well-being

02



SDGs

Product Service and Quality

J&T Express continuously refines and upgrades its service offerings and product portfolio, with customer needs as its core driving force. The Company precisely identifies the diverse needs of customers in dimensions such as timeliness assurance, service quality, and after-sales response, and relies on intelligent infrastructure and digital logistics networks to build a comprehensive logistics service system that covers the whole-link and all scenarios. The Company aims to provide every user with an efficient, stable, and reliable express delivery service experience.

Excellent Service Quality

Efficient Delivery Services

J&T Super

J&T Super is a specialized service tailored for mid-to-high-end e-commerce brands. Leveraging the Company's mature end-to-end delivery network, this premium solution combines dedicated resource allocation with refined service management to meet brand merchants' elevated delivery standards. Compared to standard express products, J&T Super offers exclusive waybills for distinct brand identity, green channel access ensuring priority processing of shipments, a priority transit and last-mile delivery protocol guaranteeing end-to-end on-time delivery assurance, and on-demand delivery and other personalized service options, effectively meeting brand clients' higher expectations for delivery quality.

Standard Express Service-Domestic

The domestic standard express service is J&T Express's core express delivery product serving both e-commerce brands and individual customers. Taking China as an example, J&T Express enables efficient and reliable parcel distribution across the country based on the 100% coverage of provinces and cities and 81 intelligent sorting centers.

Standard Express Service-International

The international standard express service addresses cross-border shipping needs with a focus on timeliness assurance and parcel security, primarily serving time-sensitive cross-border items such as business documents and parcels. By establishing seamless express channels between China and multiple Southeast Asian countries, it provides customers with stable, efficient, and fully traceable international delivery experiences.



Case: J&T Express Delivers Fresh Lychee Across Mountains and Seas

Long-distance transportation of lychees poses significant preservation challenges, with extremely demanding requirements for both timeliness and cold-chain technology. Addressing this pain point, we leverage our J&T Super service in China, with end-to-end timeliness management, to provide robust support for cross-provincial delivery of fresh agricultural products like lychees. Currently, deliveries to 20 provinces can now achieve one-day-earlier delivery after using J&T Super. Taking Maoming, Guangdong as an example, shipments to eastern Guangdong province and neighboring regions including Guangxi, Hunan, Fujian, and Jiangxi all achieve stable next-day delivery. This significantly reduces in-transit time, effectively preserves fruit freshness, and substantially enhances the end-consumer experience.



Case: 100% Same-Day Delivery Across Bangkok on New Phone Launch Day in Thailand

In September 2025, a leading international brand launched its latest smartphone in Thailand, with J&T Express handling the first-batch delivery. Facing the surge in delivery volume accompanying the product release, we mobilized with exceptional service commitment and execution capabilities. With the clear objective set for that day: "delivering every package to customers safely and on time", every team member went all-out to create the best possible unboxing experience for users. J&T Express achieved 100% same-day delivery completion across Bangkok, with all deliveries to remote areas across Thailand completed by the following day. These results fully demonstrate J&T Express's stable and efficient service delivery capabilities under peak-demand scenarios.



Case: J&T Express International Freight Boasts Volume and Efficiency Surge, with Service Capability Fully Upgraded

In 2025, the Group's international freight business achieved remarkable growth. The total volume and air cargo increased 200% and 300% respectively, demonstrating strong upward momentum. In addition, the on-time rate of cross-border fulfillment reached 95.8%, the customer complaint rate dropped to 0.48%, a year-on-year decrease of 40% in 2025. Moreover, the utilization rate of sea freight space is 92%, and that of air freight space is 95%. The average customs clearance time has been shortened to 28 hours, a 25% acceleration compared to the previous year, fully demonstrating the comprehensive service capabilities and continuous growth momentum of international freight business.

Service Quality Assurance

Service Assurance System

J&T Express consistently prioritizes product and service quality, continuously refining and upgrading its service portfolio. Centered on three core pillars which include timeliness assurance, standardized service, and seamless information flow, the Company has established a comprehensive service assurance system that fully addresses diverse customer shipping needs.

Timeliness Assurance

J&T Express has developed robust timeliness management protocols and route operation standards, setting end-to-end delivery targets across the entire logistics chain. Leveraging intelligent online tools, the Company enables precise early warning and real-time monitoring of all routes and operational nodes. Benchmarking against industry timeliness standards, J&T Express continuously tracks and resolves exceptional cases, improving fulfillment rates for next-day and day-after-next-day deliveries to effectively shorten parcel transit times.

Standardized Service

Through the establishment of comprehensive standards covering cargo safety, daily operations, and service procedures, J&T Express standardizes courier behavior and ensures consistent, normalized operations at every node. Additionally, the Company continuously enhances customer needs identification capabilities, guiding local outlets to handle return processes in a standardized manner, thereby elevating the overall pickup and delivery experience.

Seamless Information Flow

J&T Express has established a dedicated information optimization task force. Through technological enhancements, the Company provides real-time logistics tracking and estimated delivery times. Customers benefit from a diversified service suite including multi-channel order placement, self-service label printing, real-time tracking, SMS notifications, and last-mile delivery confirmation with signature verification. All these measures are designed to materially improve customer satisfaction.

Global Business Expansion

Furthermore, J&T Express continues to deepen its global footprint while enhancing localized service capabilities. In 2025, the Company has established an international service network spanning diverse markets across Asia, the Middle East, and Latin America. Upon entering each new market, J&T Express conducts thorough assessments of local macroeconomic conditions, infrastructure readiness, and customer needs, tailoring differentiated product solutions and service standards to regional specifics. The Company consistently takes market-adaptive approach to address logistics challenges in remote and underserved areas.

In Western China

J&T Express actively implements rural consolidated logistics programs, partnering with e-commerce platforms to reduce delivery costs in remote regions. This effectively resolves long-standing pain points for local consumers include no delivery access, high costs, slow transit, and logistical difficulties. Currently, villages have courier access in Xinjiang, achieving near-universal coverage across the region.

In Southeast Asia

The Company persistently overcomes challenges posed by complex natural terrain and underdeveloped infrastructure, extending service to deliver reliable delivery services to more remote communities, not only meeting local customer needs but also stimulating regional e-commerce growth.



Case: J&T Express Delivers Deep into Brazil's Amazon Rainforest

In the Guadalupe community of northern Rio de Janeiro, J&T Express provides stable delivery services to 75,000 residents, serving as a vital channel for locals to access food and daily necessities. In Roraima State, Brazil's northernmost region, we penetrate deep into the Amazon rainforest to conduct deliveries. This area is sparsely populated, characterized by muddy roads, absent address numbering, and weak network signals, widely recognized within the industry as “the most challenging delivery region in Brazil”. Confronting these formidable obstacles, we maintain continuous communication with customers throughout the delivery process, ensuring every parcel is delivered accurately to its recipient During the 2025 BRICS Leaders’ Summit, CCTV (China Central Television) news reporters traveled to Brazil to report on-site, spotlighting how we overcome delivery barriers in rainforest areas and showcasing what we contributed to inclusive logistics, local economic development, and job creation to a global audience through their lens.



Case: J&T Express Launches First Integrated "Ship and Self-Pickup" Service Station on Talim Island, the Philippines

On December 9, 2025, we officially launched our first integrated “Ship and Self-Pickup” service station on Talim Island, Binangonan, Philippines. We set up an outlet provides package collection, self-pickup, and temporary storage services within a one-kilometer radius on the island, addressing the core pain point of long-term reliance on shipping for logistics and the need for residents to leave the island to send parcels. The outlet eliminating the inconvenience of off-island trips. Since the outlet is put into use, delivery success rates have increased 20%, distribution costs have dropped 40%, and the localized operational model has significantly reduced operational complexity while substantially boosting customer satisfaction.

Efficient and Intelligent Sorting

In terms of sorting centers J&T Express leverages an intelligent sorting system to comprehensively improve transfer efficiency and service quality through automated sorting, intelligent dispatching, and real-time big data monitoring. Standardized operating procedures combined with digital node control effectively ensure delivery timeliness and security, significantly reducing the rate of abnormal shipments, and providing customers with a more efficient and reliable end-to-end express delivery experience.

Case: J&T Express Dali Sorting Center Upgrades Overall Sorting Timeliness, with Intelligence Empowering Delivery Efficiency Improvement in Western Yunnan

In China, the Dali Sorting Center in Yunnan Province, with the prime location advantage of the Shanghe Logistics Industrial Park, has continuously upgraded its infrastructure and operational systems and become the core sorting center for western Yunnan, covering Dali, Lijiang, Nujiang, Diqing, Baoshan, Dehong, and Lincang. The sorting center serves 50 first-tier outlets with a daily inbound and outbound volume of approximately 400,000 parcels. To ensure efficient parcel transfer, the sorting center has fully deployed intelligent sorting systems that complete automatic identification and primary sorting, before parcels enter designated sorting lines for fine-grained distribution by outlet area, enabling efficient connection with last-mile delivery. Currently, the high-speed cross-belt sorter processes up to 33,000 shipments per hour, with the entire process from unloading to sorted loading taking merely 10 minutes per parcel, greatly shortening transit time and providing a solid guarantee for the stable, efficient express parcel flow throughout western Yunnan.

the high-speed cross-belt sorter processes up to

33,000

shipments per hour

with the entire process from unloading to sorted loading taking merely

10 minutes per parcel





Dali Sorting Center, Yunnan



Last-Mile Delivery Management

J&T Express consistently adheres to the service philosophy of "perfecting the last mile of every delivery" throughout its end-delivery operations, implementing multiple measures to enhance terminal service quality. The Company strengthens its network foundation through proprietary branded pickup points, continuously optimizes last-mile delivery efficiency and service standards, strictly enforces customer information security protection protocols, and systematically trains frontline staff to elevate service capabilities. Through these concerted efforts, J&T Express extends premium services to every consumer, comprehensively enhancing the end-to-end customer experience.

Optimizing Last-Mile Delivery Efficiency	• Establishing in-storage duration standards and synchronizing parcel outbound status with regional operations and outlets daily. Automated SMS notifications reminding customers to collect parcels promptly, thereby improving last-mile delivery efficiency.
Alert of False Delivery Confirmation	• Real-time system monitoring of last-mile sign-off compliance, proactively identifying anomalous signoffs in advance and actively resolving customer receipt issues to enhance the last-mile delivery experience.
Standardizing Outlet Services	• Promoting operational standards through meetings, training sessions, and APP-based assessments to ensure outlets strictly adhere to established procedures.
Control of False Door-to-Door Delivery	• Utilizing map-based location technology to supervise courier behavior, strictly enforcing immediate sign-off upon delivery to improve service precision.
Reverse Tagging & Special Requirements	• Adding delivery preference options, enabling couriers to mark delivery requirements via the APP for tailored service delivery.
Building Proprietary Brand Service Stations	• Developing end-community complexes "J&T Neighborhood" and "YoYi Station" to provide superior delivery services for local community residents.
Protecting Customer Privacy Information	• Establishing anti-data leakage mechanisms and signing data agreements with branded partnership outlets and lockers to clearly define information handling responsibilities.



Case: J&T Express Drives Last-Mile Delivery Quality Through Convenient Services in Singapore

In Singapore, we collaborate extensively with local retail stores and community partners to continuously build and optimize the pickup and delivery outlet. These outlets are strategically positioned in accessible locations such as community convenience stores and high-traffic areas, allowing customers to flexibly arrange parcel collection and dispatch without relying on door-to-door pickup services, and effectively enhancing the convenience and user experience of last-mile services. The centralized outlet model enables unified parcel collection, replacing the traditional scattered multi-point door-to-door approach. This significantly optimizes delivery route planning and reduces vehicle stops. We also dynamically adjust outlet layouts based on actual usage data and evolving customer needs, ensuring broad service coverage while further improving operational efficiency and sustainability.

Enhanced Customer Experience

J&T Express is committed to delivering premium service experiences to customers and systematically optimizes service processes and quality standards by deepening operational collaboration around customer needs. At the customer communication level, J&T Express has established diverse channels including official websites, customer service hotlines, WeChat official accounts, email, satisfaction follow-ups, and user surveys, broadly collecting and precisely interpreting customer feedback to transform genuine needs into actionable service improvements, driving steady advancement in overall service levels.

Outstanding Customer Service Team

J&T Express has built a comprehensive customer service management system. Taking China as an example, the service team is structured around five core functions: Operational Support, Experience Assurance, Merchant Services, Service Support, and Direct Customer Service, complemented by ten virtual three-tier sub-organizations, enabling efficient resource coordination and refined management. Additionally, the Company has established professional quality control teams that continuously enhance global service team performance through daily exception monitoring, real-time customer issue follow-up, training system optimization, and franchisee staff empowerment initiatives.

Customer Complaint Management

In complaint management, J&T Express has established a standardized, full-chain complaint handling system covering four critical stages: intake, resolution, closure, and prevention, ensuring efficient response to and systematic improvement of customer complaints.

Intake Intelligent Triage for Precise Assignment	Leveraging unified multi-channel entry points and intelligent routing mechanisms, complaints are classified by severity and impact scope. Major complaints are immediately escalated to dedicated teams for priority handling, ensuring precise matching of resources to issues.
Resolution Time-Bound Commitments and Transparent Communication	All operating countries uniformly enforce service timeliness standards of “first response within 1 hour, full resolution within 24 hours”. Throughout the process, customers are proactively updated on progress, with operational teams coordinated to drive substantive problem resolution.
Closure Substantive Resolution to Prevent Procedural Closure	Substantive problem resolution serves as the sole criterion for ticket closure. Upon closure, the system automatically triggers satisfaction follow-up calls. If the customer remains dissatisfied, the ticket is immediately reopened and automatically escalated, structurally eliminating perfunctory closures.
Prevention Root Cause Analysis for Proactive Risk Control	The Company has established real-time early warning systems for under-performing outlets and negative feedback traceability mechanisms. The Company conducts systematic root cause analysis on recurring complaints, with findings converted into training inputs and process optimization initiatives, transforming complaint management from reactive post-incident handling to proactive pre-incident prevention.



Case: J&T Express' One-Hour Response Service Commitment

In response to differentiated market demands, J&T Express has actively implemented the "One-Hour Response Service Commitment" in operating countries worldwide, driving a transformation from reactive response to proactive service management.

In Saudi Arabia

We have established clear internal Service Level Agreements (SLAs) for high-impact cases. Critical complaints are immediately escalated to dedicated teams, with customers contacted by phone within one hour to confirm issues and report progress. A ticket number is simultaneously provided for customer tracking. If timeout risks are identified, customers are proactively informed in advance. Upon resolution, customer satisfaction is confirmed before formally closing the ticket, forming a complete service loop.

In Brazil

Guided by the principles of "Agility and Transparency", we complete the first response to critical calls within one hour with clear follow-up measures, and provide conclusive replies within 24 hours.

In Mexico

Leveraging the internal JMS system for automatic ticket classification, real-time monitoring dashboards, and escalation protocols, we achieve the one-hour response commitment for inquiries and complaints from call centers, instant messaging channels, and ticketing systems. Regional customer service teams monitor and manage franchise network response performance, reducing secondary complaints while enhancing complaint handling transparency for e-commerce platform clients.

In Singapore

All customer inquiries receive acknowledgment replies within one hour, with substantive follow-up or solutions provided within 24 hours. This effectively reduces customer uncertainty during waiting periods, improves communication transparency, and delivers a more consistent and reliable service experience to customers.

In the Philippines, Vietnam, Cambodia, and multiple other countries

We have simultaneously implemented the "One-Hour Acknowledgment, 24-Hour Substantive Resolution" service standard, effectively reducing customer uncertainty and continuously improving service response quality by clarifying timeframes and accountability.

Meanwhile, J&T Express has established a comprehensive customer complaint compensation mechanism, committing to rapid response and timely compensation for delays or damaged parcels caused by its own reasons.

Case: J&T Express Streamlines Claims Processes to Enhance Service Experience

In Indonesia

We have implemented standardized service compensation solutions that customers can obtain partial refunds or service vouchers for delivery delays or damaged parcels without undergoing cumbersome approval processes, shifting the service orientation from problem explanation to proactive service recovery.



24-hour rapid claims settlement system

In Brazil

We have comprehensively optimized the processing workflow for eligible compensation cases. Upon simple verification, same-day credit disbursement is achieved, with automated tools replacing manual approval procedures. This significantly improves compensation efficiency, effectively reducing customer complaints arising from delayed compensation, and providing customers with a fairer and smoother service experience.

In Malaysia

In response to common logistics exception scenarios, we have launched multiple claims service optimization initiatives to reshape customer protection through rapid response and proactive service. For damaged or lost parcels, compensation is committed to be completed within 24 hours with expedited disbursement. For small-value cases below 50 Malaysian Ringgit, the audit process is bypassed entirely with immediate payment, substantially simplifying the claims workflow. For damaged or lost parcels caused by natural disasters or traffic accidents, we similarly activate claims mechanisms to proactively comfort affected customers. Additionally, for delayed parcels, the customer service team proactively contacts customers for notification and reassurance, transforming passive response into proactive service, effectively enhancing customer experience and reducing the occurrence of repeated complaints.

Service Capability Enhancement

Education & Training

To strengthen customer service team capabilities and improve service quality and customer satisfaction, J&T Express has implemented a series of initiatives across three strategic pillars: tiered training system, differentiated incentive mechanism, and knowledge system development, achieving a gradual increase in the proportion of high-star customer service representatives.

Tiered Training System

The Company has established a "tiered progression + scenario-based practical training" system, delivering targeted empowerment for different levels of customer service staff. For new hires and lower-star representatives, the focus is on reinforcing basic service standards, ticket processing workflows, and common inquiry responses, utilizing a "theoretical learning + mentor-apprentice coaching" model to rapidly build foundational capabilities. For mid-to-high-star representatives, training concentrates on complex complaint handling, emotional management, and value-added service techniques, with case reviews based on typical scenarios such as claims disputes and delivery delay complaints.

Knowledge System Development

The Company has built a unified network-wide customer service knowledge base, integrating information across the entire logistics chain, with a weekly dynamic update mechanism. A practical model combining simulated customer conversations with on-site evaluations is employed in training to effectively improve the conversion rates.

Differentiated Incentive Mechanism

The Company implements a dual incentive scheme linking star ratings with specialized rewards. High-star representatives' performance coefficients are deeply tied to core metrics including customer satisfaction, ticket processing efficiency, and complaint rates. Additionally, star advancement awards and team-based awards are established to continuously energize overall team vitality.



Case: Service Personnel Training and Incentive System Development

In Thailand, to continuously improve last-mile service quality, we have built a comprehensive closed-loop system for service ability enhancement, covering capability training, satisfaction evaluation, and incentive feedback, with frontline outlet staff as the core empowerment target. Through systematic training to solidify service foundations, combined with quantitative evaluation mechanisms to continuously track service performance, we have established a progressive path for service improvement.

Training System

We conduct systematic service training for frontline outlet staff, fundamentally improving their service awareness and standardized operation to effectively reduce customer complaint risks. Training adopts offline centralized instruction format, integrating role-playing and scenario-based operational exercises to ensure employees effectively translate theoretical knowledge into standardized service behaviors. Additionally, Standard Operating Procedure (SOP) manuals are compiled for daily reference and self-study to consolidate training effectiveness.

Professional Service Standards

Enhance professional and standardized operations of counter services at the outlet, creating positive customer impressions

Standardized Operational Process

Unify pickup and delivery operational standards, ensuring correct execution of all service procedures

Communication & Emergency Response

Strengthen employees' communication skills and rapid response capabilities for unexpected situations

Team Collaboration Culture

Promote collaborative operations within the store to form a systematic and orderly work mode

Risk Prevention & Control

Reduce probability of cargo damage, complaints, and brand image impairment due to operational errors

Customer Satisfaction & Repurchase

Improve overall customer experience, increasing customer repurchase and long-term loyalty

Evaluation Mechanism

Building upon the training system, we have established a supporting quantitative evaluation mechanism, driving continuous improvement in outlet service quality through real-time customer feedback data. Evaluation statistics operate on a weekly cycle, forming a normalized service monitoring rhythm. we deploy notification through the JMS system to all outlets, requiring each point to prominently display satisfaction evaluation QR codes at counters or customer waiting areas, with photo documentation uploaded for archiving. For door-to-door pickup customers, QR codes are pushed through targeted group messaging to guide completion of evaluations during or after pickup. Simultaneously, outlet staff proactively introduce the evaluation entry point to visiting customers, utilizing multiple channels to improve overall participation rates.

Customer Service Evaluation Standard

Negative Review
Negative review count / Total review count

Positive Review
Positive review count / Total review count

Phased Objectives for Customer Service

Positive review rate

⩾ 70%	⩾ 80%	⩾ 90%	⩾ 95%
1	2	3	4
Basic service meeting standards	Service capability enhancement	High-level service	Industry benchmark of excellence



Case: Hot-Scenario Empowerment Training Mechanism

To precisely enhance frontline customer service capabilities, we have established a “Hot-Scenario Empowerment” training mechanism in the Philippines. Based on high-frequency complaint scenarios from the call center, the headquarters quality assurance team rapidly extracts standard response strategies, develops specialized training materials, and distributes them to all regions within 48 hours. Regions must simultaneously complete the “Learn—Test—Practice” closed loop, with headquarters conducting random inspections throughout to ensure know-how implementation. Meanwhile, the system daily samples complaint tickets for quality inspection, identifying issues and promptly feeding them back into training iterations to form a continuous optimization loop. Since the mechanism's implementation, the first-contact resolution rate for hot scenarios has increased from 95% to 98.5%, demonstrating a clear improvement trend.

The first-contact resolution rate for hot scenarios has increased from

95% to 98.5%



Case: Multi-Dimensional Empowerment Mechanism, Enhancing Service Professionalism and Team Cohesion

In Mexico, we have introduced innovative training initiatives across three dimensions—compliance awareness, operational skills, and team atmosphere—to build call center capabilities. In data protection, we implement periodic confidentiality and personal data protection training, combining real cases with simulated risk scenarios to strengthen compliance operational capabilities and information security awareness. In Proof of Delivery (POD) standardization, through case comparisons, quality inspections, and continuous feedback, we ensure the POD validity, reducing customer disputes and improving claims processing efficiency. In team motivation, we organize monthly team-building activities to recognize contributions and performance made by customer service staff, enhancing team belongingness and collaborative atmosphere, driving continuous service quality improvement, and effectively increasing employee attendance rates.



Case: Multi-Dimensional Recognition Mechanism to Activate Intrinsic Team Motivation

In Egypt, we broke away from traditional single-dimension performance reward models and established a tiered recognition system covering diverse contribution dimensions. In 2025, we introduced three specialized awards—Mentor Award, Operational Resilience Award, and Digital Agility Award—to precisely identify excellence across different positions and contribution types, effectively activating team members' intrinsic motivation and fostering a more balanced and collaborative working atmosphere.



Case: Parcel Care Program

In the Philippines, we fully implemented the Parcel Care program in 2025, transforming the complaint resolution standard from “ticket closure” to “actual package delivery”. With system upgrades, customer complaints are directly pushed to corresponding couriers' APP with special tags, while headquarters and regional teams monitor full-process data in real-time through BI dashboards. A tiered review mechanism was established, and Parcel Care performance was integrated into assessment and incentive frameworks.

Expanded Brand Influence

Brand Promotion and Development

Regarding brand building, the Company adapts to local conditions across global markets, organically integrating offline community penetration with online digital marketing. Through participation in high-impact industry events, festive marketing, and community engagement initiatives, we continuously enhance brand awareness and influence in local markets. Simultaneously, we deeply integrate brand promotion with product and service offerings, leveraging last-mile capabilities, integrated warehousing and distribution solutions, and superior customer experience as pillars, and achieve business conversion while reaching potential users, driving synergistic growth between brand influence and market share.

Case: Brand Influence and Market Expansion Through Multi-Scenario Offline Marketing

In Brazil, we systematically advanced brand building and business expansion through participation in multiple high-impact offline events. At the annual fashion shopping festival, we exchanged logistics support for brand exposure, reaching large consumer audiences through social media and on-site interactions. Mascot merchandise and service coupons were woven into the shopping experience, effectively driving new user conversion. At the national e-commerce summit, we established an independent exhibition booth, with the southern regional commercial team presenting last-mile delivery solutions to small and medium-sized e-commerce enterprises, further deepening strategic partnerships with regional leading e-commerce platforms and consolidating our position as a core partner in the e-commerce ecosystem. At the largest charity fashion sale event in Paraná state, we integrated brand activation, mascot interactions, influencer collaborations, and coupon distribution to present a diverse brand experience, organically combining brand promotion, ESG practices, and community relationship building to convey our commitment to social responsibility and sustainable development.





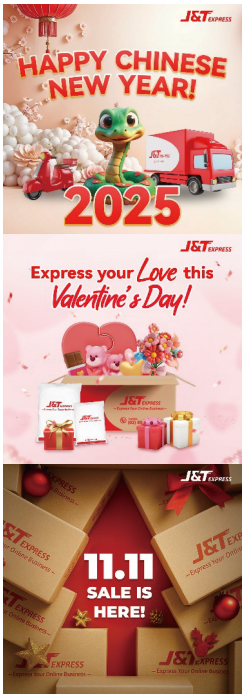
Offline marketing activities



Case: Brand Localization and Business Growth with Dual-Drive Model of Offline Events and Festive Marketing

In the Philippines, we have built a dual-wheel drive model across the brand penetration and business growth dimensions, combining offline community promotion with festive digital marketing. In terms of offline activities, we systematically conduct community promotion activities across regional outlets, with focused coverage of newly opened outlets and existing outlets requiring enhanced exposure. Utilizing diverse formats including poster and banner displays, flyer distribution, photo zone interactions, and signature dance performances, these efforts attract surrounding residents and drove in-store inquiries and new customer conversion. In terms of online promotion, we launch festival-specific campaigns at major festivals and seasonal consumption peaks through digital platforms and e-commerce channels, effectively stimulating shipping demand growth and attracting bidirectional conversion of individual users and enterprise clients. Meanwhile, during peak seasons, we emphasize strengthening fulfillment quality and service stability, supporting continuous accumulation of brand reputation with superior customer experience.





Community & Online Promotion

Empowering Customer Growth

J&T Express collaborates with e-commerce platforms and brand merchants to continuously expand the global e-commerce network. Leveraging comprehensive local network coverage and infrastructure in Southeast Asia and emerging markets, we provide quality last-mile delivery services for cross-border e-commerce platforms, effectively solving end-consumer reach challenges and facilitating efficient connections between merchants and consumers. Centered on diversified customer needs, the Company has built differentiated product and service systems.

Case: J&T Express Strengthens Cloud Warehouse Services to Build a Full-Chain Supply Chain Benchmark

In Thailand, the J&T Express Cloud Warehouse has established deep partnerships with multiple renowned brands, providing one-stop warehousing and distribution solutions covering both online platforms and offline stores.

In the cooperation with a beauty brand, the Cloud Warehouse custom-built a brand-exclusive facility for the client, achieving integrated inventory management. Through refined operations, the warehouse strictly controls product shelf life and batch management, executing first-in-first-out principles with 100% shelf-life management accuracy. During major promotional events such as Double Eleven, the Cloud Warehouse coordinates resource allocation in advance based on sales forecasts. During peak periods, order volume reaches 300% of daily levels, with all orders shipped within stipulated timeframes. Additionally, the Cloud Warehouse provides value-added services including full inbound inspection, product kitting, labeling and coding, and reverse returns processing, empowering the brand to continuously improve operational efficiency and service quality.

In cooperation with a tissue brand, over 50% of its online orders in Thailand have been shipped through J&T Express Cloud Warehouse. In response to the fulfillment pressure during major e-commerce promotions, Cloud Warehouse has introduced automated equipment through targeted analysis of order structure: batch orders use an automatic labeling system, large parcels use semi-automatic stretch wrapping machines, and overall operational efficiency has increased by over 50%, effectively achieving cost reduction and efficiency improvement.

Empowering Talent Development

J&T Express adheres to a people-oriented talent development philosophy to promote concurrent growth of the company and its employees through responsible employment practices. The Company is committed to fostering a diversified working environment featuring openness, inclusiveness, and equal opportunity, and establishing a comprehensive employee care system. It provides all-round support with its employees in such aspects as professional development, health management and wellbeing to ensure every employee works with peace of mind and shares the corporate development.

Guaranteeing Employee Rights

Human Rights Protection

J&T Express takes internationally recognized standards as its guide, such as the United Nation's Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, and the Guiding Principles on Business and Human Rights of the United Nations. It strictly complies with relevant laws and regulations in the countries and regions where it operates. At the corporate level, J&T Express has formulated and issued a Human Rights Policy, which applies to all employees of its group headquarter, companies in various counties, branches, and subsidiaries. It also encourages its suppliers, contractors, and partners to follow labor standards consistent with the policy. In 2025, J&T Express did not experience any large-scale strikes and layoffs, or any human rights compliance risk events.

Seven Core Principles of Human Rights Policy



Human Right Guarantee Actions

J&T Express actively promotes the localized implementation of human rights policies worldwide. Companies in various countries have formulated and implemented a series of practical and effective measures to protect labor rights and interests based on local laws, regulations, and actual situations. In the whole processes from the digital upgrade of working hour management to the continuous improvement of employee communication mechanisms and from regular audits of salary fairness to the expansion of social security coverage, the teams in various countries have, based upon their local conditions, taken multiple measures to convert the Company's human rights commitments to measurable and executable concrete actions.

Indonesia	Formulate an “Action Plan for the Implementation of Labor Rights”, covering systematic measures such as digital management of working hours, labor-management consultation forums, “Jet Care” supplementary medical insurance and the “Use Your Vacation” policy.
Thailand	Introduce Business Intelligence technology for working hour data management, establish an “HR Listening” mechanism to promote employee communication, and implement a commission rate policy with no gender differences.
Malaysia	Formulate a comprehensive “Employee Handbook”, implement mandatory induction training and company-wide advocacy training to ensure the implementation of the system.
Singapore	Embed labor rights practices into human resource management and governance processes, regularly review pay equity, and track the spending of annual leaves.
Mexico	Advocate for a working environment based on respect, responsibility, and compliance, and emphasize the ethical, professional and responsible conduct.

Employee Trade Union

J&T Express Trade Union has stated clearly to safeguard employees' rights and interests to satisfy employees’ needs. To this end, it has extended the trade union organizations to grass-roots workers to truly deliver institutional rights and interests protection to every courier, thus providing a demonstration path for platform economy enterprises in building harmonious labor relations. In 2025, J&T Express Trade Union officially achieved its full coverage in all provinces and regions of China.

In the period from June to July 2025, J&T Express successively launched ceremonies for trade union establishment and membership in Hubei and Shandong provinces in China, with more than 210 employees joining the trade union collectively. The ceremonies were attended by company leaders, as well as leaders from local trade unions and Party and Mass Organizations. The resident team of All-China Federation of Trade Unions (ACFTU) for J&T delivered on the spot a special accidental mutual aid insurance for workers in new forms of employment, and presented gift packs to the newly enrolled employees, showing truly their care to each employee.



Founding Ceremony of Hubei Trade Union



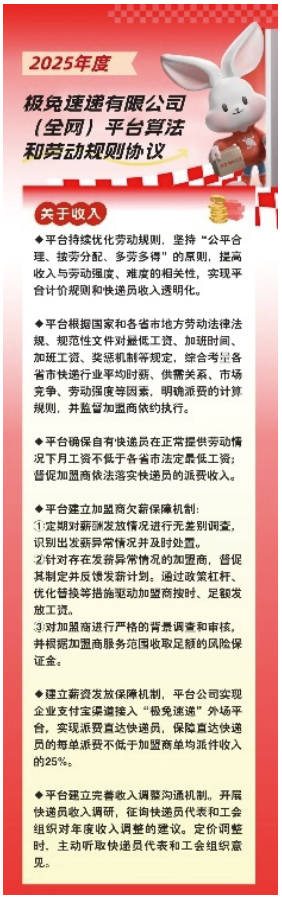
Founding Ceremony of Shandong Trade Union

Case: Pioneered the Whole-network Algorithm Negotiation Protocol to Safeguard Employee Rights and Interests through Institutional Innovation

On July 16, 2025, the (Whole Network) Platform Algorithm and Labor Rules Agreement of J&T Express in 2025 was officially signed in Shanghai, becoming the first nationwide algorithmic negotiation agreement in the express delivery industry in China. It covers more than 290,000 workers across J&T Express's direct-operated and franchised outlets in various provinces and regions of the country. The agreement focuses on three core subjects, i.e., salary security, career development and algorithm transparency. For salary security, a mechanism to guarantee salary payment by franchisees has been established, and a direct delivery fee payment model is operated to ensure that individual delivery fees for couriers are no less than 25% of the average delivery income per order of the franchisee. For career development, a comprehensive training system and promotion channel has been built, with "Five-Star Courier" to be identified regularly to encourage couriers across the network to improve their professional capabilities. In 2025, J&T Express China offered 457,600 RMB to 2,288 "Five-Star Couriers" as incentives. For algorithm transparency, a democratic publicity system for platform algorithms and labor rules has been established. Opinions of couriers are fully solicited before rule adjustments, and channels for complaints are kept open. This agreement is legally binding on the platform, franchisees, and couriers alike, thus providing a replicable industry model for protecting the rights and interests of employees in new employment forms from the point of institutional perspective.

In 2025,
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Platform Algorithm and Labor Rules Agreement

Diversity, Equality, and Inclusiveness

J&T Express adheres to the core principles of fairness and justice and is positive in fostering a diversified, inclusive and equal workplace environment. By prioritizing people-oriented values, it gathers cohesive development forces to propel steady and sustainable development of its business.

Anti-discrimination and Anti-harassment

J&T Express is committed to building a respectful, equal, and inclusive workplace environment with zero-tolerance for such misconducts as discrimination, bullying and harassment.

The Policy of Anti-Discrimination, Bullying, and Harassment was developed and carried out in the Company, covering the group headquarter and companies in various countries, and aiming to establish a fair, safe, and inclusive working environment from the point of policy perspective. The policy explicitly prohibits all discriminatory behaviors resulted from factors such as gender, race, age, nationality, region, and physical condition. It also strictly prohibits various bullying behaviors such as verbal insults, physical assaults, psychological oppression, and cyberbullying, as well as all forms of harassment, such as sexual harassment, speech harassment, and behavioral harassment. These measures safeguard effectively the dignity and rights of individual employees and help to form a workplace culture of mutual respect and harmonious integration.

Females Rights and Interests Protection

J&T Express observes relevant laws and regulations of the countries and regions where it operates and invests. In China, trade unions collaborate with the Human Resources and Administrative Department to institutionalize and standardize protective measures by annually signing the Special Collective Contract for the Protection of Female Employees' Rights and Interests. On important festivals such as Women's Day and Mother's Day, special lectures on health management and medical knowledge dissemination are arranged for female employees, and exclusive care gifts are distributed to build positively an inclusive and warm working environment. Besides, the Company has established a dedicated mother and baby rooms for breastfeeding female employees, where refrigerators, disinfection cabinets, and other special facilities are provided to ensure the privacy, health and security of the breastfeeding employees, as well as the full respect and protection of their legitimate rights and interests.



Besides, companies in various countries have carried out a series of special activities in multiple dimensions, such as rights protection, health care, career development, and diversity and inclusiveness, based upon the local laws, regulations, and cultural backgrounds.

In terms of rights protection, companies in various countries align with local policies to provide various legal leaves, such as the maternity leave and the breastfeeding leave, ensuring the legitimate rights and interests of female employees. In terms of health care initiatives, J&T Express places strong emphasis on physical and mental health of female employees, implementing a range of tailored care measures. The Company launched breast cancer prevention and control awareness campaigns in national companies in Brazil, the Philippines, and other countries to enhance employee health awareness. Mental health seminars are also held to help employees manage stress and maintain psychological well-being. In the meantime, the Company also safeguarded the work rights and living needs of the breastfeeding employees by improving the supporting facilities such as mother and baby rooms, demonstrating the Company's care and concern for female employees through practical actions. For career development and cultural construction, the companies in the Philippines, Vietnam, Mexico, and other countries actively put gender equality into practice. International Women's Day events are held to cultivate a corporate culture of respect for women, providing a stage for female employees to show their talents and enhance their influence, while promoting integration and communication among employees of different backgrounds.

Case: Lighting up the Colors of Life – the "Pink October Breast Cancer Prevention and Awareness Campaign" in Brazil

In October 2025, we initiated the "Pink October Breast Cancer Prevention and Awareness Campaign" in Brazil. With pink ribbon as spiritual icon, the campaign aimed to popularize among women and the whole society the importance of prevention, early diagnosis and self-care, and recommended strongly self-examination and professional screening of the disease to increase the opportunity of its identification and cure. In the meantime, the headquarter and regional offices in Brazil worked interactively to light up their exterior walls of buildings with pink lights, signaling the society to care about women's health and calling on more people to focus on the importance of female health issues.





The "Pink October Breast Cancer Prevention and Awareness Campaign" in Brazil



Case: Care for "Her" Power – Practices of Health Care for Female Employees in Malaysia

In Malaysia, we focused on the unique health needs of female employees. We carried out activities with our partners to provide free menstrual hygiene products for female employees, which not only alleviated their financial burden but also conveyed our care and respect for their physical health. In the meantime, we have made available dedicated breastfeeding rooms to provide private and comfortable spaces for employees in lactation period, helping them balance their work and family responsibilities more easily and achieve both career development and childcare needs.

Equal Employment Opportunity

J&T Express adheres actively to the concept of diversity and inclusivity in its employment practices. The Company has always stressed on the recruitment and placement of veterans. As of the end of the reporting period, a total of 371 veterans from various countries and regions have been recruited and provided with suitable positions in various fields such as technology, operations, and management. In the meantime, the Company has continued to expand employment opportunities for the disabled and hired 216 disabled employees. The Company worked to promote their professional integration and development via reasonable job assignment and necessary job support and training.

371 veterans have been recruited

216 disabled employees have been hired

Open Communication Channels

J&T Express places great importance on the voices of its employees, and is committed to building an employee communication and rights protection system that is smooth, transparent, and genuinely caring. Through diversified communication channels and a comprehensive complaint and reporting mechanism, we ensure that all employees' opinions are heard, their demands are responded to, and their rights are duly protected. It promotes the development of an open, inclusive, fair, and just workplace culture through institutional construction.

Employee Communications

Online interactive platform

The Company has established an anonymous interactive platform called J&T Tieba, where employees can freely express their suggestions, share their views, and raise questions. Relevant departments will respond in real-time and follow up on the issues to foster an open and inclusive atmosphere for communications and trigger employees' initiative to participate in organizational construction.

Trade union and daily consultation

The Company has set up a dedicated E-mail for communications for the Trade Union (gonghui@jtexpress.com) to handle formal opinions and appeals from employees. The role for employee relationship provides daily policy interpretation and Q&A services through instant messaging tools such as Feishu, forming a dual-track guarantee of "formal channels + instant communication" to ensure timely response to employee concerns.

Grievance and Whistleblowing

The Company has established a multi-tiered grievance system that encompasses immediate supervisors, relevant human resources departments, and an independent "Rabbit Sheriff" monitoring channel. Employees may independently choose various feedback channels, including oral, written, E-mail, and telephone, based on the nature of the issue, whether it be in real-name or anonymous. The Company commits to investigate timely, confidentially and impartially all reports received and feed back to the parties involved on completion of its investigation, including the facts identified, the results of processing and basis for processing. For any violations identified and confirmed through investigation, the Company will take corresponding corrective and punitive measures in accordance with relevant regulations. In the meantime, the Company strictly protects the rights and interests of whistleblowers and prohibits all forms of retaliation to ensure employees raise their issues without worrying about any potential troubles, and fosters an open, transparent and upright working environment.



E-mail for "Rabbit Sheriff" supervision and reporting

abjc@jtexpress.com



Employee Satisfaction

In December 2025, J&T Express conducted its first organizational vitality survey at the group level, focusing on five dimensions, i.e., strategic objectives, organizational structure, process mechanism, cultural atmosphere and talent development. The survey aimed to comprehensively understand employees' true feelings about their work environment and provide data support for enhancing organizational vitality and employee satisfaction. The survey covered a total of 1,745 employees from the Group and the China headquarters, with 1,534 questionnaires collected. The final score for organizational vitality reached 88.4, indicating clearly that the overall organizational vitality of the group is high.

In January 2026, based on the results of the above survey, the Group communicated deeply with its senior executives, departmental directors, and other managers, providing support for the Company in organizational structuring, process mechanism and talent cultivation.

The survey covered a total of

1,745 employees from the Group and the China headquarters

The final score for organizational vitality reached

88.4



Organizational vitality survey

Talents Team Construction

Talent management system

J&T Express is committed to building an efficient HR support system that is “driven by the group, interactive across countries and integrated globally”. Focusing on five core areas including organizational governance and culture, external talent supply, internal talent pool, compensation and performance, and long-term incentives, the Company systematically promotes talent team building with key indicators such as global human efficiency, employment compliance, recruitment achievement rate, and talent reserve rate. The Company complies with the labor laws and regulations of the countries and regions where it operates and invests, always adhering to the principles of fairness, justice, and openness in recruitment. By taking measures such as establishing standardized recruitment processes and interviewer training and certification, the Company ensures the standardization and transparency of its recruitment process.

In 2025, the Group released two core regulations, the Group Procedure for Internal Referral and the Procedure for Employee Transfer Management. Through system guidance and process optimization, it worked to further expand the internal channels for talent mobility, improve the efficiency of internal talent referral, and enhance employees' experience. Additionally, the group continuously intensified the development of its HR Information System (HRIS) and core processes, while empowering the growth of the HR team itself. This paved a good way for the corporate HR management, providing robust talent assurance and organizational support for the global expansion of its business.

Online Recruitment Process of the Group

Highlights

The entire process runs online, with key nodes leaving traces in the system, evaluation data being automatically collected, and cascaded control for approval authority to ensure the recruitment process is fair, transparent, and traceable.

1 Job Posting

All jobs for recruitment are generally posted on the Feishu Recruitment Platform, and simultaneously shown on the official corporate recruitment web site and the official corporate website for internal referral. Candidates may submit their application directly.

2 Resume screening

The resumes in the system, are screened out collaboratively by recruiters and business interviewers. The system supports online evaluation and note feedback, and all operations are traceable.

3 Interview scheduling

Interviewers submit their assessment forms through the system for automatic consolidation and comprehensive rating to avoid information omission or tampering.

4 Background investigation

The background investigation is initiated through the system for interfacing with third-party background investigation services. The background investigation report is filed directly in the candidate's file to ensure the information is complete and accessible.

5 Offer approval and issuance

The entire process for offer approval is completed online. Key information such as salary, job rank, and reporting relationship is solidified in the system. Electronic offers may be issued through one click and confirmed on-line by candidates. The process nodes can be traced in real-time.

Introduction of Talents

In 2025, J&T Express built a diversified talent introduction system in multiple global markets. Leveraging various channels such as campus recruitment, internal referrals, government-enterprise partnerships, and school-industry collaboration, combined with an online and digital recruitment management system, the Company continuously broadened its talent pool. These efforts have solidified the talent foundation essential for its global development.

Campus Recruitment and Employer Brand

In September 2025, J&T Express was successfully selected as one of the "China's Most Outstanding Digital Employers in 2025" due to its outstanding performance in digital talent management, smart logistics technology application, and excellent employer brand building, and has become a high-profile winner in the logistics industry.



In 2025, J&T Express intensified its efforts for campus recruitment in China and has established a dual-channel collaborative system of online career talks and offline campus presentations that covers key universities across the country. A standardized full-process management mechanism was put in place to enable refined management over critical stages, such as resume screening, interview follow-up, and offer acceptance and contract conclusion, which has improved the conversion efficiency of contract conclusion. By the end of the campus recruitment in the fall of 2025, the Group had received a total of over 40,000 resumes, completed conclusion of 246 tripartite employment agreements, hitting a signing rate exceeding 86%, an increase of approximately 300% compared with the same period in previous years.



Campus Recruitment

Besides, J&T Express has actively carried out campus recruitment activities in many countries to promote career opportunities in universities, build a communication bridge between enterprises and young talents, and continuously enhance its employer brand influence.

In Hong Kong, China

The Group's recruitment team held successfully a global campus recruitment presentation at the University of Hong Kong in November 2025. It conducted in-depth exchanges with more than 120 outstanding students from different countries and academic backgrounds, introducing comprehensively J&T Express's global development platform, future opportunities and training programs. It represents the Company's continued efforts to attract global young talents and further enhance its employer brand appeal among top international universities.





Campus Recruitment in the University of Hong Kong

In Indonesia

Our recruitment team participated in the campus recruitments organized by the local universities in November 2025. We had face-to-face exchanges with students from different academic backgrounds and actively introduced the company's career opportunities and development paths. The activity further enhanced J&T Express's employer brand influence among the local universities.





Campus Recruitment in Indonesia

In Malaysia

We promoted campus recruitment and employment promotion programs, focusing on new graduates and young talents in fields such as operations, human resources, and logistics. In 2025, we visited successively many well-known universities and continuously delivered high-quality young talents for the company's business growth and long-term talent development through diversified talent training including on-site recruitment, resume screening, and internship conversion to full-time employment etc.



Campus Recruitment in Malaysia

In Thailand

We launched a series of promotional and interactive activities targeting national universities. By setting up recruitment booths and campus open days at various universities, we have provided new graduates with diversified career paths and employment opportunities. Meanwhile, we also established a special scholarship support program to provide financial assistance to outstanding students, and offered a priority employment channel for award-winning students, helping them smoothly join the J&T Express family after graduation and shift seamlessly from campus to workplace.

Besides, we also hosted the visits and study tours of the teachers and students from local universities in Thailand. During the seminars, both the teachers and students gained an in-depth understanding into J&T Express's operational achievements in logistics infrastructure construction, transportation network management, and real-time package tracking technology, which has effectively promoted the dissemination of logistics knowledge.



Promotions in Thai universities

Local Recruitment

In 2025, we cooperated deeply with Barueri municipal government in the State of São Paulo, Brazil, and jointly held large-scale recruitment activities on multiple occasions throughout the year. From March to April, both sides cooperated for the first time in providing 290 jobs at distribution centers and professional skills training for successful candidates. In October, we jointly held another special employment event, offering 659 jobs in various fields. In December, we continued to offer 300 jobs. Besides, we also held a special recruitment event for the disabled together with the Osasco municipal government, helping to create employment opportunities for the disabled group. Furthermore, in May 2025, we participated in the 7th China-funded Enterprises Job Fair in Brazil held at a local university, promoting more than 350 jobs covering logistics, technology, marketing, administration and other fields, and attracting outstanding local talents to join us.

Promoting more than

350 jobs covering logistics, technology, marketing, administration and other fields

Case: Cultivating New Logistic Forces Through University- Enterprise Collaboration

Starting in 2024, we launched a strategic talent cooperation program with local Saudi logistics institutions, systematically nurturing Saudi logistics talent through a “targeted recruitment + joint training” model. Centered on school-enterprise collaboration and pre-employment internships, the program allows participants to practice in companies during their study so as to adapt themselves early to J&T Express management systems and cultural atmosphere and achieve a seamless transition from campus to their workplaces. The first batch trainees in 2024 joined the company officially in 2025 and have since been working in key departments such as the Procurement and HR. Their professional performance and cross-cultural collaboration skills were unanimously recognized by their respective departments. A new batch of trainees in 2025 is now at the final stage of their training and will begin their internships in the company in January 2026. This program will continue to be advanced to intensify the local talent reserves, support J&T Express's long-term and stable development in the Middle East market and provide sustainable new momentum for China-Saudi economic and trade cooperation and talent exchange.

Internal Recommendation

The headquarters of J&T Express Group and companies in various countries are active in promoting an employee referral program, encouraging current employees to participate in talent referrals. Meanwhile, the Company has opened internal promotion channels, prioritizing the identification and development of internal potential talents. This not only stabilizes the talent supply and ensures candidate quality but also provides clear and promising paths for employees' career development.

In 2025, in response to the urgent demand for talent driven by the company's rapid business development and to further trigger the enthusiasm of internal employees in talent recruitment, J&T Express devised and implemented a special “Year-End Referral Carnival” program across the Group. The program aimed at systematically improving the quality of referral recruitment through full employee participation, multi-channel incentives, and online-offline collaboration.

Group Headquarters

The employee referral program was officially launched in August 2025. Since its onset, the number of employee referrals has maintained a steady increasing trend, indicating employees' high recognition of the company and their willingness to actively refer talents. This program has achieved dual optimization of recruitment costs and talent quality.

Indonesia

Singapore

In 2025, we continued our efforts to optimize the internal talent recruitment and development mechanism. Through structured internal job posting, cross-departmental rotation, and promotion assessment, all vacant positions in the company were open to the existing employees to support their horizontal and vertical career development. Meanwhile, potential talents in the company were identified through performance assessment and included in the talent pool, supported by internal training and on-the-job practice to ensure they are fit and ready for their positions in skills, which has effectively enhanced employee retention and the corporate internal mobility.

Talent Development Training

J&T Express has always regarded talent as the core engine driving global development and established a talent development and training system that covers all levels and the entire lifecycle. The Company attracts global talent through diverse channels. Leveraging tiered training programs, we build a full development pathway from talent acquisition and pipeline cultivation to global deployment. These measures ensure a steady supply of talent and intellectual support for the company's global expansion.

In 2025, J&T Express updated its Group Employee Promotion Management System to establish a dual-channel promotion system for management and professional sequences as the operation procedure to be followed. Currently, based on our pilot implementation experience in China, the Company is initiating a system iteration grounded in the job grade framework. This effort aims to further clarify the nomination criteria, operational procedures, and review organization for the three promotion channels: managerial, professional, and wartime[1]. Key focuses include standardizing review cycles, defining clear process guidelines, aligning evaluation standards, and introducing flexibility for special promotion channels.

Employee Training

J&T Express continues to build a multi-tiered, comprehensive talent development system. By focusing on three dimensions, i.e., professional skills, general competencies, and management abilities, it provides precisely tailored training support for different groups, including headquarters employees, operational regions, franchisees, and frontline couriers. This comprehensive approach will empowers the corporate organizational capability enhancement and employee career development.

In 2025, the Group's Talent Development Center systematically promoted the construction of a multi-level talent cultivation system by focusing on four strategic orientations, including channel construction, talents supply, overseas operation improvement and foundation consolidation. Through implementation of key projects such as new employee training, J&T Star - Accelerated Growth for Management Trainees, Reserve Regional General Manager (RGM) Launch Plan, Non-Chinese Country Management Forging Camp, and Transnational Study Tour etc., the Center has opened up a full-chain cultivation path from talent introduction to talent team reserve, to continuously supply high-potential talents to operations in various countries and empower in-depth promotion of the corporate globalization strategy.

The Group has developed “Sands Talk”, a digital training and knowledge management platform designed for employees worldwide. It consolidates unified training systems and learning resources, making them accessible to every employee and partner. This enables teams across different countries to quickly access cutting-edge training content, supporting the localization and innovation of business operations at the local level. Compared to 2024, the platform saw a 60% increase in total course offerings in 2025, while total training hours increased by 2.8 times.

New Employee Training

For the new social recruits in the Group, various training modes such as online learning, offline intensive training, and business practical operations are provided to help them quickly understand the company and integrate into the team. In 2025, the Company continued to iterate and upgrade its training courses to intensify the perspective of collectivization and globalization, while optimizing the teaching design with students as the center to improve steadily the training satisfaction. For the new recruits from companies in various countries, the Company has established a dual-track training mechanism that combines general training and personalized integration to help them quickly adapt to the overseas work environment. The personalized training is undertaken by the corresponding department, whereby internal departmental job rotations and customized integration study plans are carried out. For inductions in the corresponding country, the Company in such corresponding country is responsible for continuously following up on the new employees' learning and integration.



[1] Wartime: Refers to a special promotion channel that breaks the conventional promotion timeline. It applies to employees who play a decisive role during periods of strategic development, key business expansion, business transformation, or rapid growth, as well as in major projects or technical breakthroughs.

J&T Star – the Stellar Management Trainee Program

To accelerate the construction of a core talent team in non-Chinese countries, the Company officially launched the "J&T Star - the Stellar Management Trainee Program" in 2025. The program is aimed to provide high-quality talent supply for markets in non-Chinese countries, inherit the J&T Express culture, and reserve talents for key positions to achieve its global development strategy in the coming 5 to 10 years.

The project identified a group of high-potential talents to promote their sustainable growth in a 2-year cultivation cycle by using an approach combining senior management mentoring, job rotation and systematic training. In terms of the overall training path, the project covers the entire process of trainee identification, training operations, assessment and training conclusion. The training helps trainees start from frontline business practice, go through key stages such as functional job rotation, transnational experience, and problem addressing, and gradually grow into functional leaders in various countries to supply the core talents for J&T Express's globalization strategy continuously.



J&T Star –The Stellar Management Trainee Program

International Talent Reserve Program

To accelerate the talent pooling and deployment of regional general managers (RGM) in various countries, the Company identified in 2025, through meticulous screening, a group of trainees with extensive experience in the express delivery industry for training. These trainees were trained by a senior management team for guidance and coaching assigned for the purpose with the training path consisting of theoretical input, practical job rotation, benchmark-sharing and 2-way selection. The entire training cycle lasted for six months, during which trainees simulated RGM practical scenarios in various countries and were assessed monthly to verify the feasibility of the internal talent supply chain. Currently, the trainees have completed in a row their training and enhancement and were ready to be deployed to the business in various countries.

Managers' Forging Camp in Various Countries

To accelerate the implementation of its globalization strategy, the Company launched a training program for non-Chinese country managers returning to China in 2025. The program aimed to help managers in various countries systematically study the proven operational models and management practices of China's express delivery industry, enhance their management capabilities, and facilitate the development of a global talent pipeline through observation and assessment during the training process. The program has organized four rounds of training, covering key operational sequences such as sorting centers, planning, transportation capacity, customer service, and quality control, and has successfully trained a total of over 80 management talents.

Successfully trained a total of over

80 management talents



Managers' Forging Camp in Various Countries

Case: Promoting Study Through Assessment to Comprehensively Improve the Standardization of Frontline Operations.

To understand the knowledge level and operating proficiency of the employees in various outlets and standardize daily operational processes, the Company launched a five-month nationwide certification program for outlet employees in Indonesia from May to October 2025. The program covered three roles, i.e., regional managers, outlet supervisors and warehouse managers, with a total of 8,074 trainees attending the assessment for certification. The two rounds of training achieved a coverage rate of 97%. The program pushed forward the overall upgrading of outlet operational capabilities in a down-to-earth manner.



Outlet Staff Certification Program in Indonesia

Employee Compensation and Welfare

The Company has established a comprehensive compensation and welfare system centered on compliance, competitiveness, and employee care, to systematically enhance organizational cohesion and employee satisfaction.

Performance Management

J&T Express has built a performance management system based on the Plan-Do-Check-Act cycle, covering goal setting, execution, evaluation, communication, and result application. Through this end-to-end approach, the Company effectively cascades and delivers on its strategic objectives, gives employees a clear sense of direction, and drives growth for both the organization and its employees.

In 2025, J&T Express enhanced employee performance awareness and managers' performance management capabilities by optimizing assessment cycles and organizing performance training sessions on an ad hoc basis. These efforts supported the achievement of the group's business results.

Performance Management System

Setting performance goals

A quarterly cycle of goal setting combines a top-down and bottom-up approach. From the company to departments and then to individual employees, the performance goals that conform to the SMART policy are progressively broken down and formulated. This promotes alignment of goals across organizations and positions, while providing clear direction for employees' efforts.

Performance implementation

Employees and their immediate supervisors are required to dynamically monitor and adjust the goals to adapt to the actual business changes and drive the achievement of performance results.

Performance assessment

To be result-oriented and based upon the transparent, impartial assessment criteria, employees' performance results shall be assessed fairly.

Employees' work order for performance serves as the basis for performance assessment, while reference is made to their completion of the work and their conducts in achieving the goals.

Performance communication and application of results

Communicate with employees on their performance to help them understand clearly the departmental director's views on their performance. They shall jointly analyze the reasons, and fix performance goals and the areas for improvement for the next performance management cycle, so as to continuously improve their performance and skills subsequently.

Should an employee have objections to his/her results of performance, he/she may file an appeal in accordance with the prescribed procedures. The HR Department and senior executives shall handle properly the employee's appeal.

Payroll System

J&T Express strictly observes relevant laws and regulations on remuneration in the countries and regions where it operates and invests. It provides basic salaries no lower than the statutory standards and compliant overtime pays. The salary setting, and adjustment mechanism comprehensively considers such factors as job value, performance, and market levels to ensure internal equity and external competitiveness. Based upon its guarantee for basic salary, the Company also offers short-term incentives including performance bonuses and project commission bonuses closely linked to KPIs and implements equity incentive plans for core talents. For salary management of its senior executives, the Company adopts a composite structure of "fixed salary + performance bonus + long-term equity incentive", which is independently supervised by the Remuneration Committee of BOD to ensure procedural fairness and transparency.

Employee Welfare and Care

Basic Benefits Guarantee

J&T Express strictly complies with relevant laws and regulations of the countries and regions where it operates and invests. The Company continuously improves its benefit system to enhance employees' sense of belonging and happiness in the following aspects:

Leaves	The Company strictly implements statutory holidays such as maternity leave, parental leave, and breastfeeding leave.
Health	The Company provides annual free physical check-ups for all employees and takes out supplementary commercial insurance such as group accident insurance and travel insurance for business trips.
Livelihood	The Company provides cash gifts or presents on important occasions such as traditional festivals, birthdays, and weddings. Support is rendered for employees who apply for public rental housing and talent apartments.
Culture	The Company advocates the concept of "work-life balance", provides departmental team-building funds every month and regularly holds sports events, employee clubs, anniversary celebrations and other activities to continuously enhance team cohesion of the company.

Mexico

- Provide catering vouchers and savings funds for employees.
- Provide extended parental leaves.

Thailand

- Regularly organize various holiday employee care activities.
- Each department provides regularly internal team-building dinners to enhance corporate cohesion.

Singapore

- Provide work-from-home arrangements for employees loaded with care.
- Continue to carry out interactive measures such as holiday greetings, gift-giving, and team-building activities to create an inclusive and supportive workplace culture.

- Provide team-building reimbursement and medical reimbursement for employees.
- Organize employee interaction activities such as New Year celebrations, anniversary celebrations, and annual meetings. Establish Employee Engagement Day, providing discounted catering, free health check-ups, health lectures, and cooperative gifts.
- Host national badminton competitions and provide free badminton/pickle ball courts; Install coffee machines in the office area to offer free drinks such as coffee, chocolate, and milk.

Malaysia

Employee Care

J&T Express attaches great importance to the physical and mental health of its employees and team cohesion. Companies in various countries adapt to local conditions, fully integrate local cultural characteristics, and continuously plans and conducts a rich variety of employee care activities around multiple dimensions such as holiday celebrations, team building, sports, and employee health. It integrates care into every detail of daily work, focuses on creating a warm, inclusive, and positive workplace atmosphere, so that every employee can truly feel the warmth and vitality of the Company.

Festival Activities

In 2025, companies in various countries organized a diverse range of celebration activities on important festivals. These events not only spread festive warmth but also promoted the integration of diverse cultures and the emotional bonds among employees.

Brazil

We organized special care activities during important festivals. During the Easter, "Treasure Hunter" coupons are distributed across the company to bring more fun to the festival.

Indonesia

During the Christmas season at the end of the year, the Human Resource and Administration Department organized a departmental dinner and Christmas gift exchange activities. The cross-functional interaction promoted inter-departmental collaborations and enhanced employees' sense of organizational identity and belonging.



Christmas holiday celebrations in Indonesia

Thailand

We regularly hold celebrations incorporating elements of both Chinese and Thai culture for important festivals such as the Spring Festival, Halloween, Christmas, New Year, and the Company's anniversary etc. Activities include lottery draws, fun games, costume contests, and red envelope distribution etc. with food and drinks served for all employees. Besides, employee birthday parties are held monthly, featuring birthday cakes and personal birthday wishes from the management to foster a warm "family-like" atmosphere in the company.



Festival Celebrations in Thailand

Team Building Activities

J&T Express's companies in various countries regularly organize team-building activities, which have enhanced team solidarity through outdoor experiences and interactive collaborations.

Indonesia

In 2025, the Human Resource Department organized an annual team-building event in Bandung, which was carried out by focusing on enhancing teamwork and cohesion. The event included interactive team games and outdoor experiences such as rafting, which further strengthened the team's solidarity and organizational identity.



Team building activity in Bandung, Indonesia

Sports and Health Promotion

J&T Express has always put the physical and mental health of employees in the priority place. It aims to foster a positive atmosphere that encourages employees' full participation in sports activities by organizing sports events, establishing diversified sports interest clubs, and providing professional fitness equipment and facilities.

In 2025, J&T Express successfully hosted its 4th J&T Express Sports Games in Shanghai, China, bringing together participants from companies in various countries The three-day event attracted over 4,000 participants from 13 countries, involving more than 50 competing teams and over 100 exciting competitions. The Company conducted a diverse range of sport events, including football, basketball, badminton, table tennis, mini-marathon, and fun relay races. Competitors of various ethnic backgrounds, nationalities, ages, and positions tried their best showed their high passion and perseverance, and promoted friendship on the field, which showcased fully the mental outlook of teamwork and positive energy in the J&T Express family.

"In my opinion, sports events may improve my physical fitness, and only in good condition can I work better. Sports also promote teamwork with my workfellows and provide more value in our work."

— said an employee from China





"Here, we met athletes from different countries and positions. Their perseverance on the field inspired me and gave me the power to be positive in my life. Besides, we have learned to take responsibility, accountability and teamwork."

— said an employee from Indonesia

"Participating in this football tournament has gave new insights, making me realize sports were an integral part of life. Sports made me more focused, and also helped me gain a good understanding of teamwork."

— said an employee from Indonesia





Mini Marathon

Singapore Team



Mexico

We actively promoted sports and team integration in Mexico by regularly organizing events such as football and basketball games to foster cross-departmental communication and collaboration. Employees enhanced their interactions in a relaxed and energetic atmosphere. These activities not only advocate positive and healthy lifestyles, effectively alleviating employee's stress, but also improved the teamwork in practice, thus creating a more united and vibrant work environment.



Sports Events in Mexico

Case: J&T Express Promoting Health Awareness to Become More Powerful Through Sports Events

In 2025, we systematically advanced the employee fitness program in the Philippines and focused on two key themes: employee health and sports competitions. For health promotion, we launched a series of employee health programs, including Muay, yoga and super-weight-loss challenges. These programs encouraged employees to live in healthy lifestyles through sports and self-discipline, thus providing comprehensive support for their physical and mental health. For sports competitions, we organized a series of basketball tournaments and selected top players to form a "Red Ready Shoot" team. The team pooled outstanding athletes from various regions of the Philippines, representing us in the competition. Finally, the basketball team successfully won the championship in 4th J&T Express Sports Games.



Men's Basketball Team in the Philippines

Guarding Health and Safety

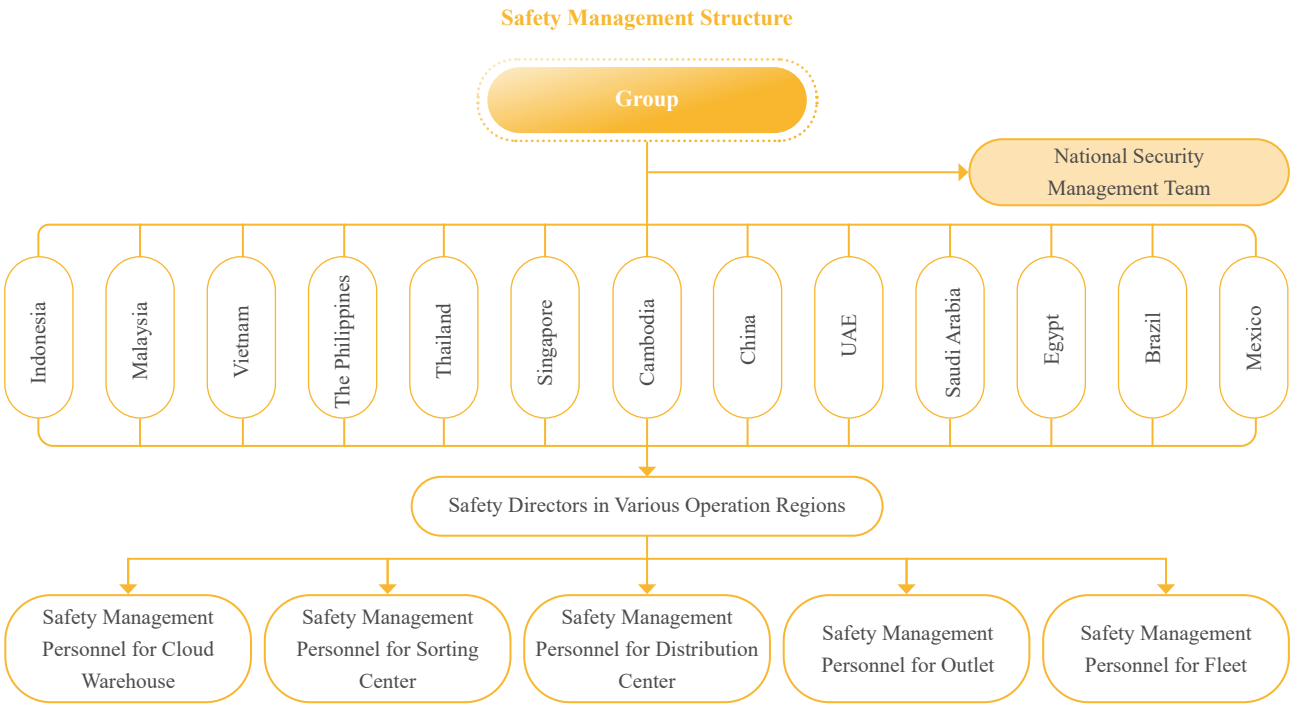
J&T Express has always regarded safety as the lifeline of its corporate development. The Company strictly complies with the safety management laws and regulations of all countries and regions where the Company operates and invests and has established a core management policy to put safety and accident prevention in the priority place while being people oriented.

Safety Management Structure

J&T Express has established a three-tier safety management organizational structure with the Work Safety Committees at both the group level and within national companies as the core. The Group's Work Safety Committee is led by the CEO as the director and the deputy CEO as the deputy director, with members comprising directors of 11 functional departments including safety management, audit and supervision, human resources and administration, finance, and central management to form a horizontally synergetic and vertically integrated safety management network. The companies in various countries have their own Work Safety Committees by referring to the organizational structure in the group to ensure standardized and effective implementation of the safety management system across the world.

Taking J&T Express China as an example, the office of director of the Work Safety Committee in China is taken by the Chinese CEO, who is primarily responsible for formulating safety strategies, establishing safety objectives and policies, implementing safety accountability systems, and overseeing the response to major emergencies. Various functional departments assume specialized responsibilities based upon a "Five Simultaneities" principle, including the formulation of safety regulations, staff education and training, facility construction, and supervision and inspection.

At the agency area level, the general manager is generally responsible for regional safety, including implementing headquarters requirements, establishing regional regulations, and conducting emergency management. At the sorting center level, a dual-position management system of "responsible person + dedicated safety personnel" is implemented, with at least two dedicated safety personnel assigned to first-tier centers and at least one to second and third-tier centers. These personnel are responsible for fire inspections, on-site walk-around inspections, and the handling of prohibited items. At the cloud warehouse level, cloud warehouse safety personnel oversee the safety management of storage operations, focusing on key aspects such as goods storage, loading and unloading operations, and standardized management for goods warehousing and issuance etc. At the fleet level, the fleet safety personnel are responsible for driving safety, routine vehicle inspections, and the standardized management of drivers to ensure compliance and safety throughout the transportation process. At the franchise level, the manager of the franchise company is fully responsible for workplace safety within their premises and must assign dedicated or part-time safety personnel in accordance with industrial standards. These personnel are responsible for daily safety inspections, employee training, and the development of emergency response plans. As the frontline of safety management, couriers are responsible for unpacking inspections, identity verification, and standardized operations.



Safety Management Procedures

In 2025, J&T Express advanced systematically its construction of a safety management system, focusing on core business scenarios such as transportation, sorting centers, delivery, and terminal outlets etc. to drive comprehensive upgrading of the institutional framework and innovative breakthroughs in management practices.



For transportation safety

The Company has sorted out and updated systematically its framework of transportation safety management systems. It issued regulations such as the Work Safety Management and Accident Disposing Regulations for Self-Operated Fleet and Regulations of Major Accident Disposing Management for Self-Operated Fleet to form a comprehensive management loop from daily operations to emergency response. In the meantime, it also developed specialized regulations like the Safety Management Regulations for Joining and Leaving Drivers, Regulations for Driver Behavior Management and Regulations for Vehicle Safety Major Anomaly Management to enable full and refined control over personnel, vehicles, and driving behaviors. Additionally, the Company carried out in all respects the safety production accountability system across the group to transmit safety responsibilities level by level to every business unit and intensify all employees' awareness on safety accountability. By 2025, the signing rate of safety accountability agreements for all self-operated fleets within the group reached 100%.



For the sorting centers

The Company has continuously optimized safety management standards, iteratively upgraded the 6S Standardized Implementation Plan to promote lean and visual on-site management. Through the refinement of the Requirements for Standardized Routine Safety Management Enhancement Actions, safety management has shifted from targeted rectification to routine operations, consistently elevating the safety levels of key logistics hubs



For delivery safety

The Company revised the Reward and Punishment Management Procedure for Security Incidents Involving Prohibited and Restricted Express Items in 2025 to intensify the source control over prohibited items and effectively prevent security risks in the inbound delivery process.



For security of the terminal outlets

The Company focused on intensifying the baseline security management of various outlets with its stress put on improving the equipment and process standard system, standardizing operational procedures, and reducing safety risk exposure. In the meantime, it also worked to establish and improve an effective abnormal recovery mechanism to improve its response speed and handling efficiency of outlets in emergencies, providing a robust guarantee for service quality.

Besides, the Company actively promoted the construction of the Occupational Health and Safety Management System to continuously enhance the standardization of its safety management. Now, the company in China and Saudi Arabia have obtained ISO 45001 Occupational Health and Safety Management System Certification.

Safety Management Targets

J&T Express has established clear quantitative safety management targets to continuously improve its safety performance. In 2025, the Company set specific goals in areas such as accident control and hazard management. For accident control, the Company set a target for work-related injury rate of no more than 0.0075 per million packages in 2025 in China, with the Lost Time Injury Rate (LTIR) as the core quantitative metric for safety management to steadily promote progress in workplace safety. In terms of the promotion mechanism, the Company has established a coordinated promotion system in which the Group's Human Resources and Administration Department takes overall leadership, the national safety management teams and human resources departments of each country implement in coordination, and Yunyi Transportation participates and executes synchronously.

Indicator Category	Indicator Description	Target	Note
Accident control	Safety Liability accident	0	No fatal accidents throughout the year due to potential safety hazard, violations of regulations, improper direction or violations of labor discipline.
Potential safety hazard management	Rectification rate of potential safety hazards	100%	All the potential safety hazards identified through inspection were rectified.
Accident management	Timeliness rate of safety accident reporting		Report in a timely manner within the specified time limit after a safety accident occurs.
Safety indicator per million packages	Injury rate per million packages	0.0075	Annual work-related injury accident rate per million packages



Safety Risk Management

J&T Express continued to optimize its dual prevention system for potential hazard investigation and hierarchical risk management and control. It has established scientific and systematic management processes and built two firewalls to prevent work safety accidents. It endeavored to promote the transformation of safety management to refinement to ensure the company's production and operation safety in all respects.

Safety Risk Identification and Assessment Process



Risk Management Structure	Risk Assessment Framework	Risk Identification Dimensions	Risk Level Assessment	Risk Control Measures
A longitudinally connected safety risk governance system with clearly defined responsibility is built as guided by the policy for hierarchical control and territorial responsibility division.	Risk assessment is carried out hierarchically based on the basic framework of "Department – Position – Operation Activity – Working Procedure – Workplace".	Various risk factors are systematically identified from the dimensions of "human-machine-material-management-environment" to ensure full coverage of all key operational procedures.	The Likelihood, Exposure, Consequences Method (LEC Method) is adopted to scientifically establish the safety risk levels.	Targeted control plans are formulated based upon risk levels, covering measures on technology, management, training, protection and emergency etc.

Safety Risk Classification and Control

J&T Express applies the LEC method to evaluate safety risks, major hazard sources, and occupational health hazards across its full operations. The approach comprehensively evaluates the risk level through three indicators, i.e., the likelihood of accident occurrence (L), the frequency of exposure to hazardous environments (E), and the criticality of accident consequences (C). According to the Regulations on Hazard Identification, Risk Assessment and Control Management and the Guiding Manual for Dual Prevention, each agency area conducts a comprehensive safety risk identification and assessment at least once a year. Risks are divided into four levels: Significant, Major, General, and Low. Each agency area shall establish corresponding control levels and ensure timely identification and effective control of potential safety risks as much as possible.

Risk Assessment Level for J&T Express

LEC Method-based Risk Assessment Value			
Risk Value	Risk Degree	Risk Level	Color
>320	Extremely dangerous	Significant risk	Red
160~320	Highly dangerous	Major risk	Orange
70~160	Apparently dangerous	General risk	Yellow
20~70	Lightly dangerous	Low risk	Blue
<20	Slightly dangerous		

Once on-site risk identification is complete, the Company establishes a standardized risk control and publication mechanism. Safety risk notification boards will be made and posted at each work site to indicate risk levels, prevention and control measures, and information on responsible persons at the site to ensure that all people are aware of the risks. The safety management personnel in the agency areas input the identification results into the security management system, establish an electronic risk record, and achieve unified management and dynamic updating of the risk information. After system maintenance is completed, designated site managers conduct regular risk inspections on a scheduled cycle to detect and address hazards promptly. This creates a closed-loop process covering identification, disclosure, logging, inspection, and rectification, keeping all risks under control.







Risk Notification Board & Safety Poster

In 2025, J&T Express conducted a systematic safety risk assessment of the entire network's agency area and workflows for all positions in China, aiming to dynamically update and carry out the hierarchical management and control over identified safety risk sources. The major risks are subject to key monitoring and list-based management with targeted control measures formulated based on actual conditions. Special training was provided to enhance the capabilities of safety management personnel and achieve closed-loop management of safety risks throughout the entire process. Simultaneously, the Company also established a multi-channel safety communication and feedback mechanism, encouraging employees to actively raise suggestions and ideas through diverse channels to facilitate early identification and prevention of the potential safety risks. The above improvement in safety management consolidated the company's safety defense line, providing a strong support for its rapid and high-quality development.

Security Action Guarantee

Transportation Security Administration

The self-operated fleet of the Company has established a smart transportation safety system that covers vehicle equipment, driver management, and daily management so as to promote the shift of transportation safety management from post-incident handling to pre-incident prevention.

For technical vehicle equipment

All vehicles must have three sets of Advanced Driving Assistance System (ADAS) before being put into operation, including a dash cam, driver facial detection, and monitoring above the passenger seat, to monitor driving behavior in real time and intervene promptly in case of abnormalities. Currently, J&T Express in China has achieved full coverage of ADAS systems in all vehicles. Trailers are uniformly provided with tire temperature and pressure detectors which may automatically warn and prompt continuously in case of any abnormalities. The monitors can decide simultaneously whether to intervene via phone calls when necessary. As a rule, all vehicles are provided with fire extinguishers, wheel chocks, warning triangles, and bottled water to ensure emergency response is readily in place.

For driver management and control

The monitoring center is able to identify proactively personnel risks through monitoring algorithms and classify drivers per risk exposure based on the severity of potential hazards and frequency of violations to substitute post-event blaming via precise intervention. Drivers who violated the rules three times in one week or committed serious violations are marked as high-risk drivers in red. Drivers marked in red are required to immediately attend offline training. Drivers who violate the rules twice are marked as medium-risk drivers in yellow and their performance deposit will be deducted. For those who violated the rules only once, the safety management supervisor will arrange face-to-face interviews and education programs for them.

For daily management

The Company has formulated a driver training plan covering defensive driving, fire safety, emergency response, seasonal driving safety, laws and regulations, and other related subjects. The monitoring center provides real-time monitoring on the road 24/7 to exercise strict control over potential hazards such as fatigue driving. The fleet inspects daily all vehicles for safety signs and drivers must perform secondary confirmation of the completeness of such signs before their operations. Once the signs are missing or damaged, the replenishment process will be immediately initiated to ensure compliance with on-road requirements.



Case: The Transport Safety Lifecycle Management System in Brazil

To systematically prevent and control safety risks during transportation in Brazil, we have established a road safety management system (GRIS) that covers the entire process before and during vehicle operations to include safety control requirements in every key node of transportation operations.

◈ During the process of pre-operation qualification verification

We conduct rigorous onboarding screening for all the corporate and third-party drivers. We appoint a professional institution to verify key information such as the validity of driver's licenses, points risk, and vehicle compliance status. The verification results must display “up-to-standard/accepted” before the driver takes up his/her post. The validity period usually lasts for 6 months. These measures set a safety access threshold for personnel and vehicles from the source.

◈ When a vehicle is ready or released for operation

Vehicles must undergo routine maintenance, certificate verification, and tire pressure inspection before operation. The person responsible must devise a safe driving route in advance. Before the release of a vehicle, a physical check of the sensors and actuators must be completed and approved by the management. The driver must be approved officially by the risk manager. After release, the driver must immediately activate journey tracking system and send an acknowledgement to ensure full traceability throughout the journey.

◈ To facilitate the behavior management and control during driving

A driver must keep the safety function active throughout the journey, strictly follows the preset route and proceed directly to destination after loading to avoid any random parking. The driver shall also keep strictly the cargo information in secret. By exercising the above systematic control, we have alleviated effectively the risks of accidents and cargo safety during transit, thus laying a solid foundation for the establishment of a standardized and reliable transportation safety management system.

Case: The Driving Management System in Cambodia

To systematically enhance drivers' safety awareness and effectively mitigate the risk of transport accidents in Cambodia, we have established a closed-loop driving safety management system encompassing pre-accident prevention, in-process control, and post-accident response by focusing on four dimensions: people, vehicles, management, and technology.

At the pre-accident prevention level

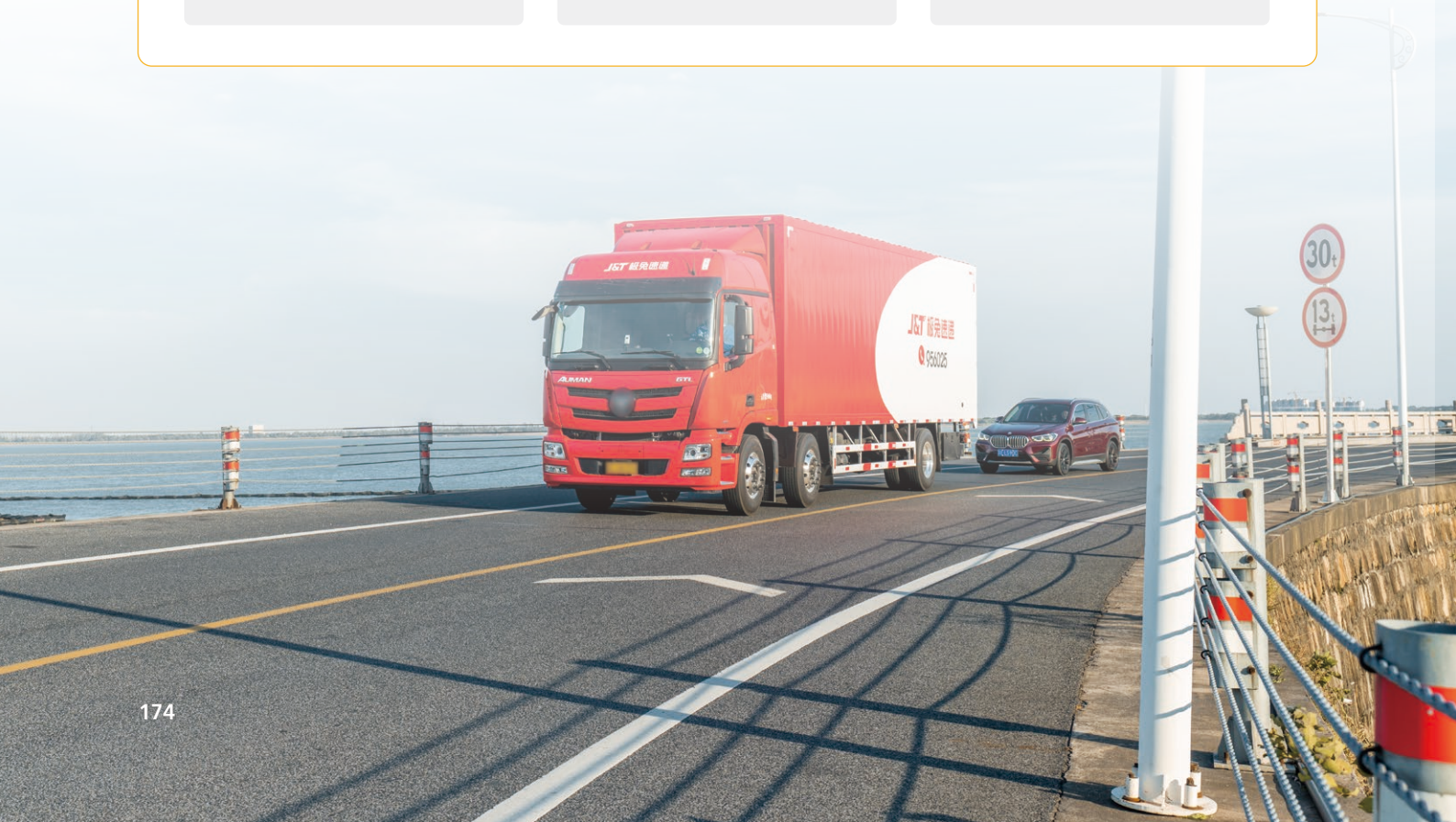
We require drivers to conduct daily inspection for key items, such as tires, brakes, lights, fluids, seat belts, and fire extinguishers before driving. Any abnormalities identified must be reported immediately to prevent operation of any faulty vehicles at the start. Besides, we regularly organize specialized training on defensive driving and response to adverse climate conditions or on emergency to continuously enhance drivers' skills on operating safety.

At the in-process control level

We strictly prohibited violations such as speeding, fatigue driving, distracted driving, and drunk driving, and specified mandatorily that continuous driving should not exceed 4 hours and driver's rest be no less than 20 minutes. In the meantime, we utilized the real-time warning function of the vehicle safety systems such as GPS speed limit, lane departure warning, and blind spot monitoring etc, followed up dangerous driving behaviors via the safety supervisor and the GPS monitoring platform throughout the journey, provided its intervention and targeted guidance in a timely manner.

At the post-incident response level

We have established a standardized emergency response process for accidents. Drivers were required to complete their assignments such as accident reporting, on-site disposition, and emergency contact as per regulations to ensure a quick and standardized response to emergency and effectively reduce the risk exposure from any secondary injuries.



Safety Management of the Sorting Center

The J&T Express Group headquarter has established a regulatory system that integrates "online monitoring, offline inspection, and unannounced inspections ". The Group headquarter implements daily reporting and penalties through real-time online monitoring and auditing while regularly conducting offline inspections and unannounced inspections in the agency areas. Interactive inspections and online monitoring are carried out between the agency areas to form a cross-supervision mechanism. Meanwhile, we carry out regular safety management standard improvements, focusing on investigations and follow-up rectification relating to equipment safety protection. The main directors of each agency area are required to inspect personally the sorting centers and outlets on quarterly basis to ensure the management is primarily accountable for safety.

Malaysia

In Malaysia, we conducted a total of 1,192 online safety inspections at sorting centers, focusing on safety violations by on-site operating staff and potential safety hazards in the facilities. The initiative aimed to enhance employees' safety awareness and reduce the occurrence of safety incidents.

we conducted a total of

1,192 online safety inspections at sorting centers

The Philippines

In the Philippines, we applied a strict safety inspection management mechanism for all sorting centers and outlets. At the daily monitoring level, we continuously carried out regular safety supervision at various workplaces, communicated and verified with security personnel and their supervisors on a regular basis to be informed of the on-site safety status in a timely manner. At the quarterly inspection level, safety management personnel conducted unscheduled on-site spot inspections at all sorting centers and outlets, made comprehensive walk-around inspection at the entire workplace focusing on the identification of potential safety and security risks and hazards. After each inspection, the safety inspectors are required to submit detailed inspection reports accompanied by complete on-site records to ensure a closed-loop management process covering problem identification, rectification tracking, and record keeping.

Cambodia

In Cambodia, we have launched a "Safety Eye for All" campaign for the operation and maintenance personnel of the semi-automated line at the sorting center. We established a "Daily Hazard Inspection" mechanism in key areas of concerns, where frontline employees, equipment maintenance personnel, and team leaders jointly conducted daily inspections, focusing on verifying functions of critical safety protection facilities such as emergency shutdown devices.

China

In China, we have innovatively established a "Health Station" at Guangzhou sorting center. By cooperating with local hospitals to set up dedicated medical rooms, health services are moved forward to the worksite, constructing an integrated health protection system of "prevention - diagnosis and treatment - emergency rescue," effectively ensuring the occupational health and safety of frontline employees on site.

The medical rooms are equipped with professional medical staff and basic medical equipment such as blood pressure monitors and AEDs, providing employees with daily health monitoring, common disease diagnosis and treatment, emergency training, and health education services.

Outlet Safety Management

J&T Express requires the agency areas to conduct walk-around safety inspections on all Chinese franchisee outlets, with an annual inspection coverage rate of 100%. Besides, the Company has launched a "Rock Action" campaign in China, where management teams are stationed at the frontline outlets to identify and solve problems on-site. At the institutional level, the Company has established a outlet security staffing system, requiring each outlet to be staffed with security personnel and maintain daily safety management records. By 2025, the Company had achieved a 100% coverage of outlet security personnel. In the meantime, the Group has set equipment and process technology standards for franchisee outlets to ensure safe operation of the outlet equipment. For franchisee management, the Company conducted surveys on abnormal situations and unpaid wages and built a complaint handling mechanism. It also conducted online live safety training and carried out random on-site inspections at franchisee outlets during agency areas walk-around visits. Any issues identified were followed through to resolution, ensuring closed-loop management at the frontline.

Cloud Warehouse Safety Management

In China, J&T Express's cloud warehouse business expanded in an orderly manner in 2025. The Company adhered to the core principle of "Business Expansion in Parallel with Safety" to incorporate the safety management in the entire process of cloud warehouse operations.

To achieve standardized and normalized safety management, the Company has formulated a Cloud Warehouse Safety Assessment System to establish the safety management assessment standards, assessment processes, and reward and punishment mechanisms, and directly linking safety performance with job performance evaluations. In the meantime, the Company also intensified the supervision and control over operation safety to have violations circulated and controlled.

To enhance the safety awareness and practical skills of the cloud warehouse employees, the Company conducted a total of 68 specialized safety training sessions on cloud warehouses throughout 2025. The training was launched based upon the actual operational conditions of cloud warehouses, covering core modules such as safety management for cloud warehouse managers, emergency response measures for flood prevention at high summer temperatures, skills in identifying potential hazards in cloud warehouses, and on-site operational safety standards so as to empower the company all employees with safety knowledge. The whole-year-round training covered a total of 1,256 individuals and has effectively improved the safety performance capabilities of the employees on various posts.

In the meantime, the Company has established a regular potential hazard investigation mechanism for cloud warehouse operations. In 2025, the Company conducted a total of 196 potential hazard investigations via various ways, such as unannounced site visits and routine inspections. A total of 183 potential safety hazards were identified throughout the year, for which a special record for rectification was established, specifying the responsibility, measures and time limit for rectification. Except those due to objective limitations imposed by the worksite, all the hazards have been remedied in a closed-loop manner with a rate of rectification of 100%. A full-process closed-loop management system for potential hazards encompassing "investigation, identification, rectification and review," has been established across the company.

In 2025, the Company conducted a total of

196 potential hazard investigations via various ways

with a rate of rectification of

100%

Safety Emergency Management

J&T Express stresses highly on its safety emergency management. It strictly complies with relevant laws and regulations of the countries and regions where it operates and invests, and has formulated institutional documents such as Regulations on Work Safety Education and Management, Fire Safety Management System, and Compilation of Emergency Response Plans. It has established a contingency plan system covering multiple scenarios, covering abnormal reporting process, anti-terrorism disposal, fire emergency response, operation emergent disposal, hazardous goods and prohibited item disposition, work-related injury disposal, power outage disposal, natural disaster disposal, infectious disease and epidemic prevention and control, unknown mass diseases and mass emergencies achieving full coverage of major risk scenarios. Practical drills for various contingency plans are organized regularly to continuously improve the emergency response capability and disposing skills of all employees.



Fire Drill

Occupational Health and Safety Management

J&T Express attaches great importance to the occupational health and safety of its employees, and has continued to improve its occupational health and safety management system. In 2025, the Company issued an occupational health and safety policy, which set out four basic principles, i.e., effective operation of the management system, risk control, compliant operation, and sustainable improvement. This provides institutional guarantees for occupational health and safety work across the entire group.

The Company incorporates the identification of occupational hazard factors into its hazard source identification process and conducts simultaneous assessments using the LEC method. The identification results are displayed on risk notification boards and publicized in the corresponding areas. For preventive measures, the Company organizes annual occupational health check-up for employees with reports thereof included in the employees' occupational health records for unified management. For on-site operators, appropriate labor protection supplies are provided according to job risks, including reflective vests, working suits, gloves, safety helmets and anti-smashing shoes, etc. Employees at key places (such as the turning machine workstation) are provided with special protection. In China, to enhance employees' self-rescue and mutual-rescue capabilities on emergency and ensure their safety, the Company has invited teachers from the Red Cross to conduct training on the operation of automatic external defibrillators (AED) at our group headquarter and agency areas.

Safety Culture Education

Based on the annual training plan and actual conditions, J&T Express organized and participated in a total of 27,037 safety training sessions worldwide in 2025, with 1,469,232 participants in total. In the meantime, daily safety guidance programs on operational safety, delivery safety, and fire safety were launched for employees as per the corporate toolbox meeting system to effectively enhance employees' safety knowledge and capabilities.

With the enhancement of drivers' safety capabilities as its core, the Company has established a safety education system. The training covers topics such as defensive driving, identification of blind spots for trucks and the rule of stop-for-right turn, safe driving under adverse climate conditions, tire temperature and pressure management, and prevention of fatigue driving etc. Throughout the year, more than 2,300 safety training sessions were held, covering over 80,000 trainees.

The Company also provided additional online courses through the YouE Teacher WeChat Mini Program, covering re-education on violations, vehicle maintenance, and fire safety. It is required that all employees spend 4 hours in study each month and be certified through assessment. A mandatory video study and assessment system was also rolled out through the driver app. Using animated instructional videos, it ensures comprehensive training coverage for all drivers.

Moreover, the Company, in the Feishu knowledge base, established libraries for safety training, accident cases, video materials and major accident reporting to achieve centralized management and continuous pooling of training resources. For safety education, a range of awareness videos covering driving reminders for holidays, driving norms for adverse weather, the "Learn from Experienced Workers" series, and the "Four Pledges" series are made by the Company. It also endeavored to intensify the safety atmosphere by hanging fire drill banners and posting fire prevention posters.

J&T Express organized and participated in a total of

27,037 safety training sessions worldwide in 2025

participants

1,469,232



Case: Training on Feature Recognition of Fraud-related Express Items & Gold Delivery in the Agency Area of Gansu, Qinghai and Ningxia

To prevent telecom fraud, we have collaborated with public security authorities and anti-fraud centers in the Gansu-Qinghai-Ningxia regions of China. We have organized training sessions for frontline employees, focusing on identifying characteristics of fraudulent items such as express deliveries, gold and other precious metals. These efforts are aimed at safeguarding customers' property security.



Anti-fraud training in Gansu, Qinghai, and Ningxia Agency Areas

Case: The Safety of Line-haul Transportation Was Intensified Through Practical Operations in China

In China, the Henan Agency Area joined hands with the Yunyi Transportation Zhengzhou Fleet to deliver vehicle safety knowledge training to frontline employees at sorting centers. During the training, employees gained hands-on experience through accident scenario simulations conducted at vehicle blind spots and on site. They were instructed on safe operational practices and deepened their understanding of line-haul operating vehicles.



Hands-on Operation Training on Transport Safety in Henan Agency Area, China

Case: The "Yellow May" Special Road Safety Training Program in Brazil

In May 2025, we launched a "Yellow May" road safety training program in Brazil, targeting all drivers and employees in related positions, aiming to enhance the awareness of road traffic safety. The training covered five modules: defensive driving skills (risk prediction and accident prevention), correct identification of traffic signs and markings, driving behavior safety norms (speed limit compliance, use of seat belts, and hazard prediction in driving environments), reason analysis for common accident risks (distracted driving, use of cell phones, drunk driving and fatigue driving), and commuting accident prevention (planning commuting routes and safe driving under different road conditions) so as to improve systematically drivers' safety awareness and risk prevention capabilities.



The "Yellow May" Special Road Safety Training

Case: The Special Defense Driving Seminar in the Philippines

To enhance drivers' safety awareness, mitigate the risk of traffic accidents and minimize operational losses in the Philippines, we organized a Defensive Driving Seminar in 2025. The training covered core modules including hazard perception and prediction, standardized driving techniques, compliance with traffic codes, emergency response procedures and energy-saving driving skills. The training helped drivers understand fully the essentials of safe driving and effectively improved their ability in coping with complicated road conditions.



Defensive Driving Training

Case: Driver Safety and Compliance Training in Malaysia

In Malaysia, we promoted systematically driver safety and compliance training. Throughout the year, we organized a total of 29 trainings covering cumulatively 542 trainees. In 2025, we focused on trainings of three core categories, i.e., Internal Driver Training, which targeted the Company's own fleet and focused on intensifying driving safety skills and operational norms; Business Partner Fleet Empowerment Training, which targeted the fleet personnel of external business partners and focused on improving their operational standardization and risk prevention and control capabilities; and APAD Compliance Special Training, which focused on systematic publicity and implementation based upon regulatory requirements for compliance to ensure relevant personnel fully understand and comply with the management standards.

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covering cumulatively

542 trainees

Improving Value Chain Management

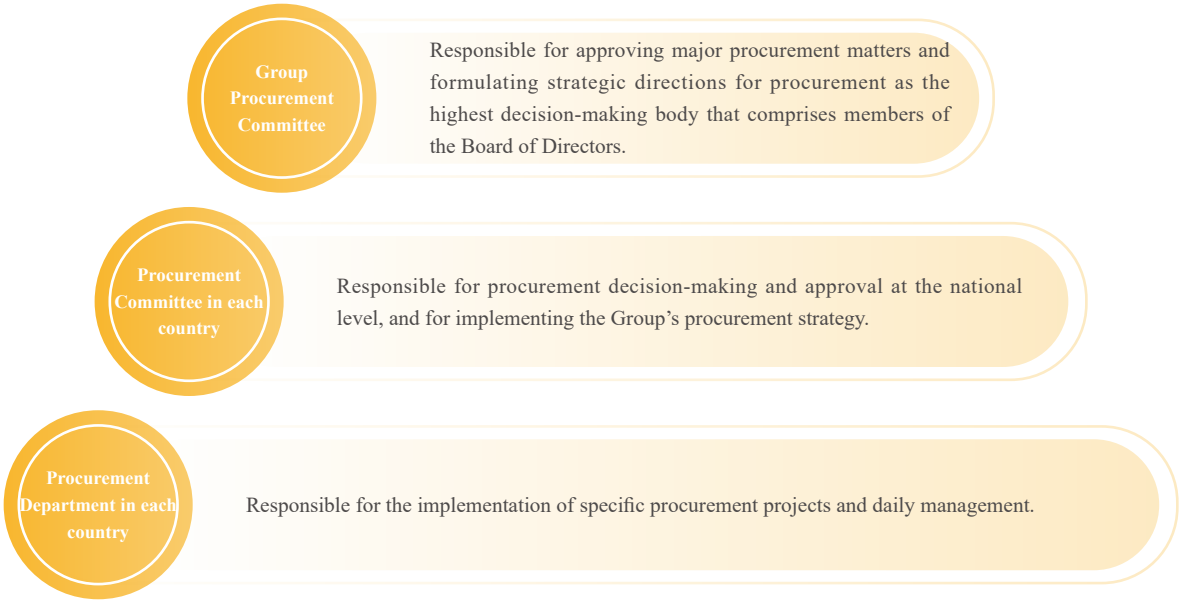
Supplier Management System

Supply Chain Management System

J&T Express strictly complies with the laws and regulations governing supplier management in all countries and regions where it operates and invests, and has established a standardized management system covering the entire procurement process. Its core policies include the Procurement Management Policy, Supplier Management Policy, Bidding and Tendering Management Measures, Guidelines for the Management of Supplier Breach of Contract, Procurement Order Allocation Rules, and Logistics Equipment Supplier Management Specifications. These policies encompass key links such as procurement approval, full life-cycle management of suppliers, bidding and tendering compliance, breach handling, order allocation, and specialized category management. In addition, the Company has issued the Sustainable Procurement Policy, which systematically integrates ESG requirements into the entire procurement process to drive the green and low-carbon transformation across the supply chain. Together, these policies form the institutional foundation of J&T Express's procurement management, ensuring that all procurement activities are conducted in a standardized and orderly manner.

Organizational Structure of Supply Chain Management

J&T Express has established a hierarchical supply chain management architecture with clear division of authority and responsibilities. Using a "three-tier decision-making, dual-line control" model, it has formed a multi-level management system covering decision-making, management and execution and a dual-line control mechanism. The Group Procurement Management Department provides procurement empowerment and support, while local risk control teams in each country conduct independent supervision and management to ensure that the entire procurement process operates efficiently, compliantly, consistently and transparently.



Building a Sustainable Supply Chain

J&T Express fully embeds the ESG concept into its global procurement management and has developed a full life-cycle supply chain management process. Through a supply chain management system featuring categorized management, open sourcing, and end-to-end traceability, the Company ensures supply chain compliance and transparency, laying a solid, responsible and sustainable foundation for its global business operations.

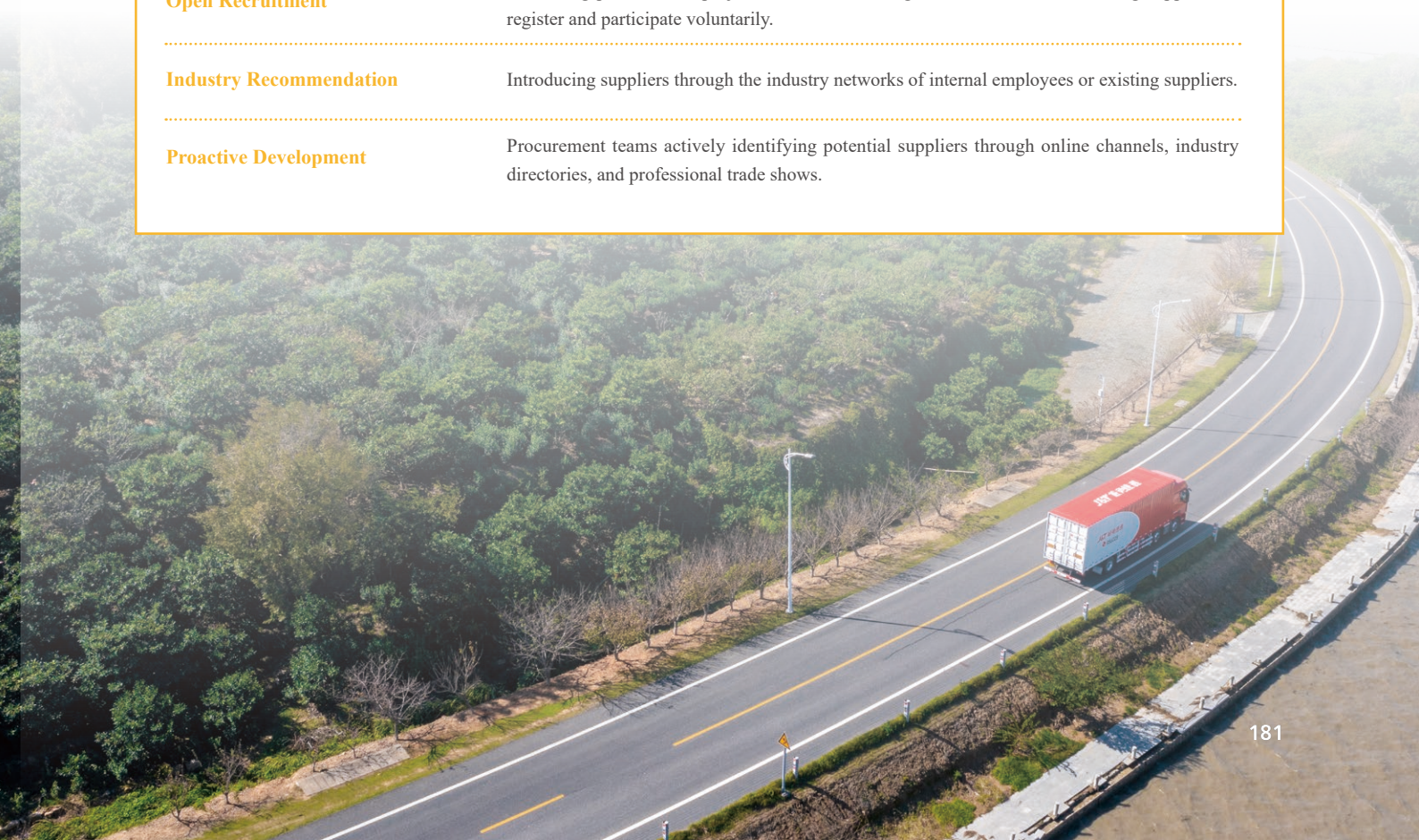
Centered on global business scenarios, J&T Express divides procurement activities into nine major categories and has established standardized procedures that span the entire procurement life cycle. The procedure covers key steps such as demand initiation, supplier sourcing, qualification review, on-site inspections, product sampling, product spot-checking, issue resolution, and performance evaluation.

Open Sourcing of Suppliers

In terms of supplier sourcing, J&T Express adopts a diversified supplier sourcing strategy, ensuring access to high-quality supplier resources through multiple channels including open recruitment, industry referrals, and proactive development.

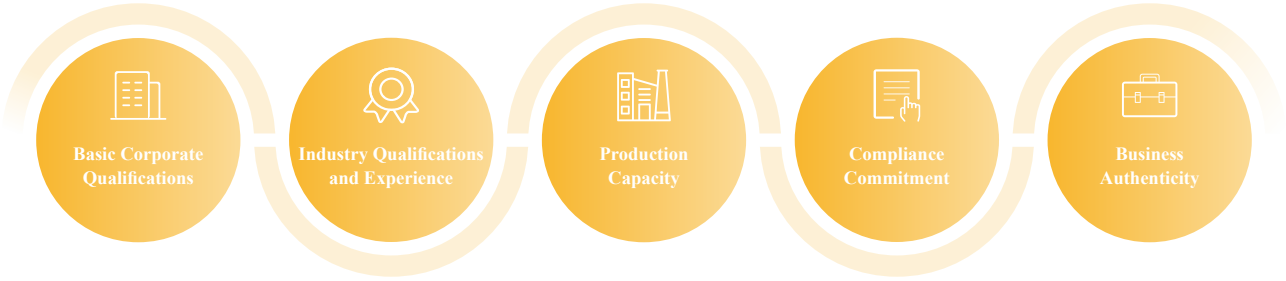
Supplier Sourcing Channels

Open Recruitment	Publishing procurement project information through official channels, allowing suppliers to register and participate voluntarily.
Industry Recommendation	Introducing suppliers through the industry networks of internal employees or existing suppliers.
Proactive Development	Procurement teams actively identifying potential suppliers through online channels, industry directories, and professional trade shows.



Supplier Evaluation and Admission

At the supplier admission stage, the procurement department implements strict qualification reviews after the completion of sourcing. The main evaluation criteria include, but are not limited to:



Basic Corporate Qualifications	Industry Qualifications and Experience	Production Capacity	Compliance Commitment	Business Authenticity
Years of establishment, registered capital (paid-in capital), tax payment credit rating, debt-to-asset ratio, etc.	Relevant industry certifications, cases of similar business cooperation.	Factory scale, production capacity, requirements for proprietary production facilities.	Suppliers must commit to complying with the Company's code of conduct and compliance requirements, and sign the Code of Conduct and Commitment for Partners.	Social insurance certificate or power of attorney of the business contacts.

After qualification review, J&T Express publicly announces qualified suppliers within the project group and opens a 24-hour objection period. Anyone may raise concerns and request a review of supplier information. The final supplier list is confirmed only after the public notice period closes, ensuring full transparency throughout the review process.

On-site Inspection of Suppliers

J&T Express has established a differentiated on-site inspection mechanism for suppliers of different categories. The inspection covers the verification of original business licenses and qualification certificates, review of financial statements or audit reports for the past two years, confirmation of employees' social insurance contributions, proof of production facility ownership or lease agreements, production equipment procurement documents, raw material procurement records, management system certifications, as well as safety and environmental impact assessments. This comprehensive evaluation assesses supplier compliance and overall capability, with green and environmental compliance requirements integrated into the on-site review process.

Supplier Quality Management

In terms of product quality control over suppliers, J&T Express has established a dual quality assurance mechanism covering sample validation and batch spot-checking, ensuring that products delivered by suppliers consistently meet the Company's standards. For express delivery packaging products in particular, suppliers are required to provide valid third-party inspection reports conforming to mandatory national standards (such as GB 43352-2023 Limits for Heavy Metals and Specified Substances in Express Packaging). Only products with all mandatory items qualified can pass inspection.

Sustainable Procurement

J&T Express has issued the Sustainable Procurement Policy, which systematically integrates environmental, social and governance (ESG) requirements into the entire process of procurement decision-making and supplier management, promoting a comprehensive green and low-carbon transformation of the supply chain.

In terms of green packaging

The Company continues to upgrade packaging materials for environmental sustainability. In 2025, J&T Express took the lead in responding to national initiatives by fully phasing out non-degradable single-use plastic packaging bags and plastic tape, demonstrating its commitment to green development. Across the year, it globally used a total of 201.57 tons of fully degradable waterproof bags and 364.82 tons of degradable tape, accounting for 2.98% and 16.83% of total waterproof bags and tape usage respectively. The consumption of fully degradable waterproof bags and fully degradable tape increased by approximately 197.39% and 1,347% compared with 2024, respectively.

In the procurement of transport vehicles

J&T Express has formulated a clear green transition roadmap and measures. Given that global vehicle procurement mainly focuses on light-duty trucks and medium-to-heavy trucks, the Company will gradually introduce and replace vehicles with new energy vehicles over the next three to five years. In 2025, we continued to expand the procurement of electric vans and LNG vehicles. In Singapore, electric trucks accounted for 6% of our total truck fleet. In China, we purchased 1,697 LNG tractors, accounting 30% of our total tractor fleet.

Supplier Risk Management

Risk Identification and Assessment

J&T Express has established a systematic mechanism for supplier risk identification and assessment, and continuously conducts risk control from two dimensions: data-driven screening and performance evaluation. On the one hand, the Company leverages commercial information platforms such as Qichacha and Tianyancha to proactively conduct risk screening on suppliers, with a focus on ESG-related environmental compliance risk factors including environmental penalties and mandatory pollution discharge rectification orders. On the other hand, through quarterly and annual supplier performance evaluations, the Company continuously monitors and assesses suppliers' ESG factors such as product quality and safe production. At present, the Company has fully integrated key ESG dimensions into its supplier risk identification and assessment framework, including environmental compliance and protection, product quality, production safety, occupational health and safety, and labor rights protection.

Risk Rectification and Remediation

J&T Express has established a supplier risk rectification and remediation mechanism that spans the entire cooperation lifecycle, forming a closed-loop management system featuring contractual constraints, institutional rectification, and performance-driven improvement. At the contractual level, the Company uniformly uses standard contract templates, clarifying suppliers' performance obligations in sustainable development through warranty and commitment clauses, and specifying breach handling procedures through liability clauses, thereby ensuring supplier accountability from the source. At the institutional level, when suppliers encounter risk issues, the Company issues Rectification Notice or Supplier Breach Handling Notification Letter in accordance with the Supplier Management Policy and Guidelines for the Management of Supplier Breach of Contract, requiring suppliers to rectify within a specified timeframe and submit rectification reports. At the performance level, the Company conducts quarterly and annual performance evaluations of suppliers, proactively engaging in performance communication with underperforming suppliers to assist them in developing improvement plans with clear objectives and deadlines, while continuously tracking progress. Meanwhile, the Company recognizes and awards suppliers with excellent annual performance, setting benchmark cooperation examples to drive the overall improvement of the supply chain.

Breach Handling

J&T Express adopts strict disciplinary measures against suppliers with serious violations. The Company strictly prohibits suppliers from providing products that do not meet mandatory national standards (e.g., limits for heavy metals and specified substances) or causing major safety accidents. Once such problems are identified, the Company will suspend cooperation eligibility for 1 to 3 years depending on the severity. In serious cases, the supplier will be permanently blacklisted. For violations of laws and regulations, the Company will report them to the market supervision authority or transfer the case to judicial authorities in accordance with the law.

Supplier Empowerment

J&T Express regards suppliers as vital partners in value co-creation, dedicated to continuously enhancing overall supply chain capabilities and sustainability through strategic alignment and technological collaboration. On one hand, the Company establishes high-level dialogue platforms to deepen strategic communication and cooperation with suppliers. On the other hand, it focuses on green packaging innovation, working hand-in-hand with suppliers on joint product research and development and performance upgrades, accelerating the green and low-carbon transformation of the supply chain.

Case: Annual Suppliers Conference — Deepening Strategic Synergy, Co-writing a New Chapter of Development

On March 11, 2025, J&T Express hosted its annual suppliers conference in Shanghai under the theme "Exceed Ourselves, Win Together". Senior management and representatives from over 100 core suppliers nationwide gathered to launch a new chapter of deepened strategic collaboration. Centered on the core theme of "Consolidating Strategic Partnerships and Co-shaping the Future of the Industry", the conference unfolded across four major topics: cultural philosophy dissemination, strategic planning interpretation, outstanding supplier recognition, and industry trend discussion. The Company conveyed its core values and business philosophy to suppliers, shared future development strategies and procurement plans, recognized and rewarded suppliers with exceptional annual performance, and conducted in-depth discussions on logistics industry development trends to jointly explore new cooperation opportunities. Through this annual supplier exchange conference, J&T Express comprehensively strengthened supply chain synergy, injecting new momentum into building a healthier and more sustainable logistics ecosystem.





Annual Suppliers Conference

Case: Collaborative R&D on Green Packaging — Partnering with Suppliers to Create New Eco-friendly Solutions

J&T Express actively collaborates with suppliers on the joint research and development of green packaging, continuously driving performance upgrades and eco-friendly optimization of packaging materials. In the field of degradable tape, suppliers have developed enhanced-adhesion biodegradable tape tailored to the Company's product requirements, maintaining excellent adhesion even under low-temperature conditions. In the field of degradable waterproof bags, the Company has onboarded new cooperative suppliers to jointly improve degradable waterproof bags, further enhancing product performance. In the field of reusable packaging, the Company has optimized the zipper style and design of reusable transit bags, effectively improving product durability, thereby reducing procurement frequency and plastic consumption.

Commitment to Social Well-being

J&T Express has always regarded giving back to society as a core mission of its corporate development. The Company actively engages in rural revitalization, educational philanthropy, medical assistance, and disaster relief, taking concrete actions to fulfill its corporate social responsibilities and working together with all stakeholders to promote social harmony and sustainable development.

Rural Revitalization

In each of its operating markets, J&T Express actively expands into remote rural areas with limited infrastructure and scarce logistics resources, continuously investing in last-mile delivery networks to bridge the final gap in express delivery services. While enabling rural residents to enjoy equally convenient and safe delivery experiences as urban dwellers, J&T Express also opens up channels for local farmers to sell agricultural products to broader markets, effectively improving their livelihoods and incomes, and driving sustainable development in rural communities.

Development of Logistics Network in Rural Areas

By the end of 2025, J&T Express's network had covered more than 600,000 administrative villages across China, with focused deployment in western provinces and poverty-stricken areas such as Gansu, Qinghai and Ningxia. In Xinjiang, the Company has established more than 7,000 pickup points through self-operation or cooperation, basically achieving full coverage of "delivery to villages" across the region. Notably, the model of direct village delivery in Shache County, Kashgar Prefecture, Xinjiang, was selected as one of the first national typical cases of "delivery to villages" by the State Post Bureau of China. All 496 administrative villages in the county are served by seven direct trips per week, which has effectively boosted the delivery business of local produces including almonds and red dates.

End-to-End Solutions Empowering Rural Industries

J&T Express Deeply Engages in Wuchang Rice Supply Chain to Boost Efficient Distribution of Agricultural Products

At present, nearly 40% of rice in Wuchang City is transported by J&T Express, with a daily peak volume of nearly 100,000 parcels during peak seasons. Leveraging years of operational expertise, J&T Express has expanded convenient outlets and increased vehicles and staff. It uses dual-protection packaging combining bubble wrap and vacuum sealing, reducing damage rates to 0.1%–0.2%. Through dedicated green channels and premium J&T Super service, it offers customized solutions including on-demand dispatch and priority handling. To cope with extreme winter weather in Northeast China, J&T Express has deployed an intelligent weather early warning system, combined with advance route planning and flexible scheduling at sorting centers, ensuring almost unaffected delivery efficiency even during heavy snowstorms. To date, those convenient outlets have set stable cooperation with approximately 300 stores, 70 rice mills and 50 cooperatives. By deeply integrating logistics services into the industrial chain, J&T Express helps Wuchang rice transform from "high-quality cultivation" to "efficient distribution", effectively boosting the development of the regional agricultural economy.





Wuchang Rice Transportation Solutions

J&T Express Signs Strategic Cooperation to Empower the Coffee Industry and Facilitate "Yunnan Coffee" to Go Global

In March 2025, J&T Express signed strategic cooperation agreements with the Baoshan Coffee Industry Association and the Management Committee of Baoshan Industrial Park to fully empower the upgrading of the local Arabica coffee industrial chain. Relying on its logistics network covering 13 countries and regions worldwide, J&T Express focuses on building a domestic "coffee line" and a cross-border "one-stop export channel", providing end-to-end solutions for the coffee industry from the field to the consumer. In terms of intelligent warehousing, as the first enterprise to settle in Baoshan Modern Logistics Industrial Park, J&T Express's Cloud Warehouse is expected to help coffee enterprises reduce warehousing management costs by 30% and shorten order processing time by 40% through digital inventory management and cloud-based order processing platforms.



Strategic Cooperation Agreement

J&T Express Launches the "Orange" Campaign to Facilitate the Distribution of Navel Oranges with End-to-End Protection

Navel oranges are a key income source for farmers in Ganzhou, Zigui, and Fengjie, but remote locations, perishability, and seasonal surges have hindered large-scale distribution. To address this, J&T Express deployed 200 additional staff in Jiangxi, added over 50 vehicles, and upgraded the Ganzhou Sorting Center with equipment worth tens of millions RMB. In Zigui Outlet, it added about 60 village collection points, enabling same-day pickup and shipment out of province. In terms of quality control, J&T Express uses multi-layer protective packaging and its premium Super service, which includes priority handling and full-value insurance, to minimize damage. J&T Express also deeply participates in the standardized transformation of the industrial chain through customized packaging and e-commerce docking, helping returning entrepreneurs efficiently deliver landmark agricultural products to the whole country through live-streaming e-commerce, making logistics an important supporting force for rural revitalization.

The Business volume of navel oranges increase

150% in peak season of this year

The daily average oder over

80,000

Achieved

Zero overflow, Zero backlog

throughout the entire process



Empowering Navel Orange Transportation

Technology Application and Social Value Expansion

J&T Express Solves the "First Mile" Dilemma in Mountainous Areas with Drones to Support Farmers

Before Chinese New Year, facing challenges of complex terrain and high collection costs in Fengjie's mountainous areas, J&T Express pioneered low-altitude logistics by deploying drones for navel orange collection and transport in mountain regions. The drones used have a maximum load capacity of 50 kilograms, with a daily average weighing up to 10,000 kilograms per unit, comprehensively helping fruit farmers save about 40% of labor costs. Simultaneously, J&T Express opened over 100 collection points in major production areas, established a dedicated green channel, and deployed intelligent dispatch systems to handle adverse weather, optimizing the entire supply chain. Navel orange collection volume grew over 40% year-on-year, effectively supporting agricultural product distribution and farmer income growth.





Drone-Enabled Mountain Transportation

Technology Powers Northwest Logistics: Express Revolution in the Gobi

Facing the challenge of sparse population and high delivery costs west of the Hu Huanyong Line, J&T Express prioritizes the northwest region through technology innovation and network expansion, exploring sustainable development pathways in central and western markets.

In terms of infrastructure construction, J&T Express completed the upgrading and renovation of the Lanzhou Sorting Center in May 2025, with a total investment of 200 million yuan. The daily processing peak capacity increased from 850,000 pieces to 1.8 million pieces, and the overall delivery time was shortened by about 6.5 hours. In terms of intelligent delivery, J&T Express pioneered large-scale deployment of L4 autonomous delivery vehicles in Gansu, Qinghai, and Ningxia, with over 100 units deployed by September 2025 and plans to expand to 300 units by year-end. The introduction of unmanned vehicles has reduced the cost per order by 20% and reduced delivery time by 2 hours. Originally, 15 villages that required 3 couriers can now be served by 1 person with the assistance of unmanned vehicles, effectively solving the long-term dilemma of "fuel costs outnumbering postage" in remote areas.

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Case: Partnering with Agricultural Extension Services to Open Agricultural Product Distribution Channels in Thailand

In July 2025, J&T Express cooperated with Thailand's Department of Agricultural Extension to successively set up "J&T Fresh Fruit Express" promotion booths at agricultural events in Nakhon Si Thammarat, Chiang Mai and Bangkok, providing farmers with professional agricultural product logistics solutions. During the mobile agricultural clinic activities, 480 kilograms of mangosteens were packed and shipped on-site to Bangkok, Pathum Thani, Nakhon Pathom, Khon Kaen and other places. At the longan industry exchange meeting and Thailand Agricultural Trade Exhibition, we continuously promoted fresh fruit logistics services to farmers and target customers, helping them expand sales channels and enhance market reach capabilities.






Agricultural Product Logistics Promotion Activities

Social Welfare Engagement

In 2025, J&T Express deepened its corporate social responsibility initiatives, launching a series of charitable programs domestically and internationally focused on education support, community care, and volunteer services.

Educational Assistance

J&T Express prioritizes educational equity and youth development. In 2025, the Company launched education support initiatives across Thailand, Indonesia, Malaysia, and China through scholarships, educational donations, and vocational training programs. These activities improve educational resources in remote and underdeveloped areas while creating more learning and development opportunities for local youth.

China

In China, we held the donation ceremony at Qi Jiapo Primary School, Heping Town, Yuzhong County. We customized a “Technology Gift Package” for the school, including 3D printers and multi-color consumables, intelligent robot competition kits, model drones, and other cutting-edge equipment, contributing comprehensively to the development of science and technology education at the school.



Charitable Donation

Thailand

In 2025, we launched a scholarship program in Thailand in collaboration with Khon Kaen University, Nong Khai Campus, to support educational equity and cultivate outstanding talents for the logistics industry. The three-year program sponsors **10** students annually with **10,000** THB per student, totaling **100,000** THB per year and an estimated cumulative investment of **300,000** THB over three years.



Scholarship Program

The Philippines

On June 10, 2025, we participated in a volunteer activity initiated by the Department of Education of the Philippines to improve campus learning environments alongside local communities ahead of the new school year. The activity covered 4 regions including the National Capital Region and 4 schools, benefiting more than 500 students. A total of 40 employee volunteers joined the program, with donated materials valued over 90,000 Philippine pesos.



Campus Learning Environment Improvement Initiative

Malaysia

In 2025, we established a strategic partnership with technical training institutions of local governments in Malaysia, bringing real-world logistics industry experience into classrooms. For example, in the “Practical Truck Driving Training Program”, students received hands-on technical training using our logistics vehicles and equipment. Meanwhile, we donated professional tools worth approximately 20,000 Malaysian Ringgit to address the school’s equipment shortage.

Case: "Antar Inspirasi" Educational Charity Program in Indonesia

In 2025, coinciding with the 10th anniversary of J&T Express' establishment in Indonesia, we launched the "J&T Antar Inspirasi" educational charity program. Focusing on the imbalance of educational resources in remote and underdeveloped areas, the program collaborated with three professional educational institutions to build an end-to-end support system covering teacher empowerment, reading promotion and further education funding.

In terms of teacher empowerment, we provided teaching method training centered on critical thinking for 25 teachers from two remote primary schools in Sigi Regency, Central Sulawesi Province, improving the quality of basic education from the source. In terms of reading promotion, we donated 600 books and renovated a child-friendly library in Wakatobi Regency, Southeast Sulawesi Province, benefiting 256 primary school students, with donated materials worth approximately 105 million Indonesian Rupiah. In terms of further education funding, we provided grants totaling 1 billion Indonesian Rupiah to outstanding senior high school graduates from low-income families across Indonesia, and finally selected 10 recipients from more than 200 applications. With the main line of "cultivating good teachers, building good classrooms and achieving good students", the program accurately invested corporate resources in the weakest links of education, contributing tangible efforts to educational equity and youth development in remote areas of Indonesia.

we donated

600 books and renovated a child-friendly library in Wakatobi Regency, Southeast Sulawesi Province

The program benefits

256 primary school students

The donated materials worth approximately

105 million Indonesian Rupiah



"Antar Inspirasi" Educational Charity Program

Case: “School-Enterprise Cooperation" Youth Vocational Education Empowerment Program

In 2025, we actively promoted school-enterprise cooperation in Brazil, building a growth bridge for local young people from classroom to the workplace. We launched an internship program in cooperation with vocational schools in Ceará State, accepting students to conduct practical learning in multiple business departments to help them accumulate real work experience in the logistics and e-commerce fields. At the same time, in cooperation with the Bahia Chapter of Junior Achievement, a world-renowned youth public welfare organization, through two programs—"Executives into Campus" and "Shadow Entrepreneur"—we arranged corporate managers to enter campuses to share professional experience, and invited young people to enter the company to experience the workplace environment, inspiring their potential for career development. With the dual track of internship training and career enlightenment, the program effectively connects corporate resources with educational needs and is a positive practice of J&T Express in fulfilling localized social responsibility and helping the growth of young talents.



School Enterprise Cooperation

Case: J&T Express Initiated "5,000 Gifts" Children Caring Program to Brighten the Lives of Children in Remote Areas

On Thailand's Children's Day in 2025, we jointly launched the "5,000 Gifts" initiative in Thailand with the renowned local media platform E-jan, donating toys to underprivileged children and teenagers in remote areas. The toys not only brought festive joy and smiles to the children, but also stimulated their creativity and imagination through play-based learning, promoting their comprehensive physical, mental and cognitive development. Meanwhile, in collaboration with the Mirror Foundation, we launched the "Computer for Education" program, donating a total of 57 sets of electronic equipment including computers, monitors and printers to schools with limited resources across the country. This helped bridge the digital education divide, enabling more young people to access equal opportunities for learning and growth.



Gift Donation Activity

Community Care

In terms of community care, J&T Express actively integrates into the local society and carries out diversified public welfare activities focusing on people's livelihood needs. During Ramadan, we distributed iftar meals in Saudi Arabia, the United Arab Emirates, Egypt and other places, and worked with charitable organizations to send care to underprivileged families. In Brazil, we collaborated with the local government to carry out activities such as winter clothing donations and children's traffic safety instruction, effectively giving back to the community and helping improve people's livelihoods.

Saudi Arabia & United Arab Emirates

During Ramadan in 2025, we set up iftar distribution points to provide free iftar meals. Employees from different cultural backgrounds gathered to distribute iftar meals, experiencing the culture and warmth of Ramadan.



Ramadan Activities

Brazil

In May 2025, we jointly carried out the 2025 Winter Clothing Donation Activity with Barueri City Hall in Brazil, donating a total of more than 6,300 pieces of clothing. Focusing on vulnerable groups in society, this activity aimed to provide practical help to residents in difficult situations in Barueri City, conveying corporate care through warm clothing. The initiative received positive coverage from local media Jornal de Barueri, expanding the brand's social impact and demonstrating J&T Express's commitment to community engagement and corporate social responsibility.



Cloth Donation

Disaster Relief

When facing natural disasters and emergencies, J&T Express teams in various countries respond swiftly, mobilizing logistics resources and personnel to support relief efforts, embodying the Company's spirit of mutual aid and responsibility. In 2025, the Company actively carried out disaster relief in many countries and regions including Indonesia, China, Thailand, Vietnam, Malaysia, the Philippines and Brazil. Through various forms such as material donation, free transportation and volunteer stationing, it worked with government agencies, public welfare organizations and all sectors of society to efficiently deliver relief materials to the affected people, interpreting the Company's social responsibility and humanitarian care with practical actions.

Case: J&T Express Lights Up the Snowy Plateau with Public Welfare Activities

On the occasion of the 60th anniversary of the Tibet Autonomous Region in 2025, Beijing's tenth batch of medical aid team concluded its mission and returned to Beijing. J&T Express's Tibet team proactively coordinated with Tibet Autonomous Region People's Hospital, organizing professional staff to help medical personnel sort and pack items. It provided free end-to-end transportation for several tons of packages, with dedicated personnel ensuring safe delivery to Beijing. The People's Hospital of Tibet Autonomous Region specially presented a silk banner to express gratitude. Earlier that year, an earthquake occurred in Shigatse, J&T Express immediately set up a relief team, urgently procured aid supplies, and leveraged its logistics network to ensure earthquake relief transport and maintain industry operations.

From earthquake relief to assisting the medical aid team, J&T Express fulfilled its corporate social responsibility with practical actions, facilitated the development of the region with public welfare services, and demonstrated the warmth and responsibility of a logistics enterprise.



Public Welfare Activities in Xizang

Case: J&T Express Renders Assistance to the Tai Po Fire in Hong Kong, Donating HK$10 Million to Support Affected Residents

On November 26, a fire broke out in Tai Po, Hong Kong, causing heavy casualties and property losses. J&T Express immediately launched a donation of HK$10 million to support the emergency resettlement, basic living security, emotional counseling and post-disaster recovery of the affected residents, helping the disaster area recover as soon as possible.

At the same time, we opened a green channel to Hong Kong. We quickly activated the emergency response, organized materials and manpower, and delivered 300 sets of daily necessities to the temporary resettlement sites.



Hong Kong Relief Action

Case: J&T Express Carried out Rescue Operation to Stand Together with Local Communities at the Frontline

From November to December 2025, the Sumatra region was hit by severe floods and landslides. We responded quickly and launched a humanitarian rescue operation at the first time. Faced with the severe situation of blocked land transportation in Takengon, Aceh Tenggara Province, the hardest-hit area, we dispatched cargo planes to airlift relief materials to the disaster area to ensure the timely delivery of assistance. A total of 13 tons of daily necessities such as food, clothing and basic medical and health supplies were distributed to the affected people in this rescue, which was personally received by the head of Central Aceh County. About 15 employee volunteers continuously participated in the rescue work, stationed in the disaster area for about two days to distribute materials, and set up a community kitchen to provide continuous meal support for the affected people.



Distribution of Relief Supplies

Case: J&T Express Coordinated the Logistics Network to Support Disaster-Affected Communities in Thailand

In 2025, Thailand experienced severe flooding in multiple regions. We conducted continuous relief operations across July, August, November, and December in northern, central, and southern affected areas, demonstrating corporate social responsibility through action.

For material support, we distributed more than 1,100 packs of drinking water to the three major disaster-hit areas, and leveraged the company's in-house logistics network to efficiently transport and deliver donated supplies. For collaboration, we actively integrated resources from multiple parties, joining hands with enterprises, public welfare organizations and social media partners to expand relief coverage and improve response efficiency. Among these efforts, we partnered with E-jan to set up a parcel pickup and delivery service point in Songkhla from December 14 to 17, 2025 and processed a total of 732 parcels within four days, providing convenient logistics support for residents affected by the disaster. Meanwhile, employee volunteers from across the country actively participated in disaster relief, including sorting, packing and distributing supplies. The longest long-haul route stretched from Bangkok to Songkhla, taking approximately 20 hours one way, and on-site activities in the northern region required 4 to 5 hours each. The entire operation demonstrated strong humanitarian care and team cohesion.






Post-Disaster Rescue in Thailand

Case: J&T Express Supported Kelantan Flood Victims in Malaysia

On December 5, 2025, the state of Kelantan in Malaysia was hit by severe flooding, forcing a large number of families to evacuate. We responded immediately, jointly organized and distributed relief supplies at the Kelantan base in collaboration with non-profit organizations, delivering daily necessities and humanitarian care to affected households. In this operation, we undertook the transportation support, efficiently completing the assembly and distribution of relief materials.



Relief Supplies Distribution

Case: J&T Express Provided Free Transportation for Typhoon-Hit Areas in Vietnam

From November 24 to 28, 2025, Vietnam was struck by Typhoon No. 13, resulting in historic floods. We collaborated with the Ho Chi Minh City Committee of the Vietnamese Fatherland Front, deploying 22 trucks to transport relief supplies free of charge from Ho Chi Minh City to the disaster-stricken provinces in the central region, with transportation costs totaling approximately 163 million Vietnamese Dong. Fifty employee volunteers departed overnight to ensure the rapid and safe delivery of supplies to the disaster-hit areas.



Relief Supplies Distribution in Vietnam

Case: J&T Express Conducted Disaster Relief Operations in the Philippines

On July 30, 2025, we joined with the local government of Navotas LGU in the Philippines for the rescue of two communities in Barangay Tanza, distributing relief supplies to 315 affected families. Due to the tidal influence of surrounding rivers, persistent flooding has been a long-standing challenge for residents. When the rescue team arrived, the community was still submerged in floodwater up to the ankles, making the urgent need for this assistance even more evident. On October 23, 2025, we responded quickly to carry out emergency rescue for the affected population in the 7.6-magnitude earthquake in Manay, Davao Oriental, benefiting 150 affected families, including 12 of our employees whose residences were damaged. This operation involved 20 employee volunteers who provided a total of 4 hours of service, with donated materials equivalent to 179,400 Philippine Pesos.





Post-disaster Rescue Actions in the Philippines

Environmental Initiatives

J&T Express integrates the concept of green development into its corporate social responsibility practices. It actively carries out afforestation, ecological restoration and environmental protection initiatives across multiple operating countries. The Company collaborates with government environmental departments, national parks and community organizations, contributes to improving the regional ecosystem environment, enhancing biodiversity, and promoting the sustainable development goal of harmonious coexistence between humans and nature through continuous ecosystem investment and employee volunteer participation.

Case: Community Tree Planting and Ecological Restoration Initiative

In 2025, we partnered with local fire departments and provincial and city offices of environment and natural resources in the Philippines to conduct afforestation activities in Tacloban and Laguna. A total of 200 fruit tree seedlings were planted, and daily necessities were donated to the community, with 25 employee volunteers participating in total. We promoted local ecological restoration and green community development through practical efforts.



Community Ecosystem Restoration in the Philippines

200 fruit tree seedlings were planted

25 employee volunteers participating in total



Public Safety

In Malaysia, we played an active role in local social development and contributed to the public security of local communities continuously. We have partnered with government authorities to launch anti-fraud and anti-drug campaigns, fostering a safe and orderly social environment.

Case: J&T Express Joined Hands Against Fraud to Safeguard Public Information Security

In Malaysia, responding proactively to public safety needs, we established partnerships with Whoscall, a caller identification application, and the PDRM from May to August 2025. We widely promote anti-fraud educational videos through social media channels, delivering risk alerts and practical prevention guidelines to the public.



Malaysia Information Security Promotion

Case: J&T Express Collaborated with the Police to Build a Drug-Free Workplace

In October 2025, in collaboration with the PDRM in Shah Alam, we successfully held an anti-drug awareness talk at Shah Alam Sorting Center. The session was conducted by a professional team of police officers from the Shah Alam Police District, who systematically explained the harms of drug abuse, signs of addiction, relevant laws and regulations, as well as support channels for individuals affected by drugs. More than 150 employees and franchisee representatives participated both onsite and online. We reiterated our zero-tolerance policy toward drugs and full support for law enforcement efforts, calling on every employee and franchisee to jointly uphold a healthy and safe working environment, committed to building a drug-free logistics network.



Anti-Drug Campaign in Malaysia

Governance

Corporate Governance and Strategic Leadership

- Strengthening Corporate Governance
- Implementation of Compliance Management
- Strengthening Risk Management
- Upholding Business Ethics
- Information Security and Privacy Protection

03



SDGs

Strengthening Corporate Governance

J&T Express believes that sound governance is the cornerstone of sustainable development. The Company strictly complies with the Corporate Governance Code in Appendix C1 of the Listing Rules of The Stock Exchange of Hong Kong Limited and actively promotes diversity and professionalism on the Board of Directors. By introducing members with diverse backgrounds and cross-disciplinary expertise, the Company continuously enhances the scientific and forward-looking nature of major decisions. This provides a solid foundation for the steady development of the Company's global business and the sustained growth of long-term shareholder value.

Corporate Governance Structure

J&T Express has established a well-defined and efficient governance structure, ensuring clear division of responsibilities and effective checks and balances among the General Meeting of Shareholders, the Board of Directors, and the management. This system provides an institutional support for the Company's steady global operation.

In terms of director appointments, all members must be recommended by the Nomination Committee and selected by the Board of Directors or the General Meeting of Shareholders. At least one-third of directors undergo rotation annually to maintain governance vitality and sustainability. To ensure impartial decision-making, directors sign independence declarations on a regular basis and disclose relevant information in annual reports. The Board convened 4 meetings in 2025 to deliberate on key matters such as performance reviews and executive appointments, with voting results disclosed publicly according to law. The Board oversees four specialized committees: the Audit Committee, the Remuneration Committee, the Corporate Governance Committee and the Nomination Committee, each with a clear written scope of duties and operating in a professional manner.

During the year, the Company convened:

2 meetings of the Audit Committee

2 meetings of the Remuneration Committee

3 meetings of the Corporate Governance Committee

1 meeting of the Nomination Committee

The attendance rate of all Board and Committee members reached 100%, demonstrating the governance layer's outstanding performance efficiency and rigorous governance attitude.

Corporate Governance Structure

Board of Directors

Audit Committee	Oversees financial statement integrity and external auditor independence, the effective operation of risk management and internal control systems, and the formulation and implementation of policies and performance indicators.
Remuneration Committee	Formulates compensation policies and specific plans for directors and executives, approves equity incentives and severance package, and ensures fair and transparent pay processes.
Nomination Committee	Regularly reviews and optimizes Board composition, leads the selection and nomination of directors and the succession planning of executives, evaluates director independence and performance, and monitors the formulation, implementation and achievement of diversity policies at the Board and employee levels.
Corporate Governance Committee	Develops governance policies, compliance protocols and director training programs, and implements strict conflict of interest management and risk controls for differential voting rights structure to ensure regulatory compliance and safeguard the interests of all shareholders.

Board Diversity

J&T Express implements a Board Diversity Policy with clear approaches and methods in adherence to the regulatory requirements of The Stock Exchange of Hong Kong Limited. The Nomination Committee evaluates candidates based on multiple dimensions, including gender, age, nationality, educational background, professional qualifications, industry experience, and regional perspectives. The Nomination Committee reviews the implementation of the diversity policy annually, formulates quantifiable goals, and submits them to the Board for deliberation to ensure continuous optimization of the governance structure. The Nomination Committee plays a core role in promoting Board diversity, and its responsibilities cover three aspects:

Evaluates candidates based on multiple dimensions, including gender, age, nationality, educational background, professional qualifications, industry experience, and regional perspectives, and evaluates the independence of independent non-executive directors.

Regularly reviews the structure, size, and composition of the Board, recommends changes as needed to ensure alignment with the Company's overall development strategy, and advises on director appointments, reappointments, and succession planning.

Continuously develops and refines the Board Diversity Policy to maintain a long-term stable talent pipeline and succession framework.

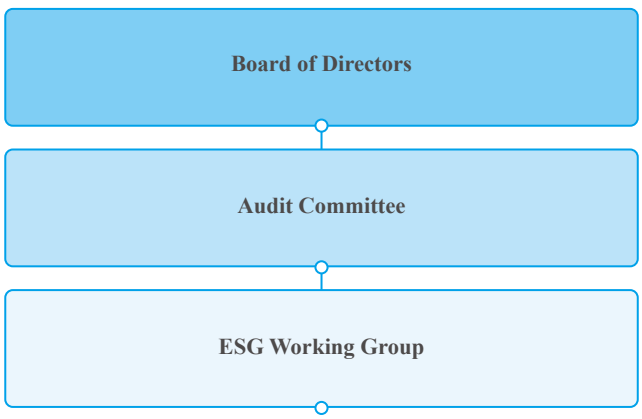
Currently, the Company's Board demonstrates a high level of professionalism and diversity. Among its total of 7 directors, there is 1 executive director, 3 non-executive directors, and 3 independent non-executive directors. The Chairman of the Board possesses extensive industry and management experience, while the professional backgrounds of the other directors span key fields including marketing, electronic engineering, finance, accounting, and management, providing comprehensive decision-making support for the Company to navigate the complex and dynamic global market. The Company actively adheres to the Board's gender diversity policy, with female directors accounting for 28.6% of the total membership. The Company will continue to monitor and optimize the Board's gender composition, striving to foster an inclusive and equitable governance environment. Meanwhile, the diversity policy ensures an adequate pool of potential successors for the Board to sustain its established gender diversity. Additionally, the Company will keep investing resources in developing female talent, aiming to cultivate potential female successors for future senior management roles and Board positions.

Board ESG Empowerment

The Company's Board of Directors has appointed the Audit Committee to review and monitor the Company's environmental, social and governance ("ESG") policies and practices, ensure compliance with relevant laws and regulatory requirements, oversee and respond to emerging ESG issues, and make recommendations to the Board where appropriate to enhance the Group's ESG performance.

The Group implements and advances its ESG initiatives through a three-tier ESG governance structure comprising the Board of Directors, the Audit Committee, and the ESG Working Group. The Board of Directors has the ultimate oversight responsibility for ESG.

ESG Governance Framework



Implementation of Compliance Management

J&T Express has always regarded compliant operations as the fundamental cornerstone of its sustainable development and has built a compliance management system covering the entire business chain. During the reporting period, focusing on five core areas – market, data, labor, anti-corruption and trade, the Company built a comprehensive compliance framework integrating governance structure, employee empowerment and systemic controls. Through multi-dimensional coordination and systematic advancement, the Company has comprehensively strengthened the operational compliance defense line, effectively turning compliance requirements into endogenous drivers of business growth.

Compliance Management

The Group has established a compliance governance framework comprising the Corporate Governance Committee, the Compliance Risk Working Group, and the Compliance and Risk Management Team to ensure the Group's robust operations across all aspects. Among these, the Corporate Governance Committee composed of non-executive directors serves as the highest authority of the compliance management system, responsible for the final decision-making and overall supervision of compliance strategies. The Compliance Risk Working Group is established and appointed by the management of the holding group, responsible for the implementation and continuous maintenance of daily compliance work. During the reporting period, the Group further completed and optimized the talent echelon upgrade and management structure adjustment of its global legal team. By establishing highly independent professional legal teams in companies across countries to provide localized compliance support, and implementing unified vertical management from the Group headquarters, the Group significantly enhanced cross-regional management synergy while ensuring global operational compliance.

Compliance Governance Framework

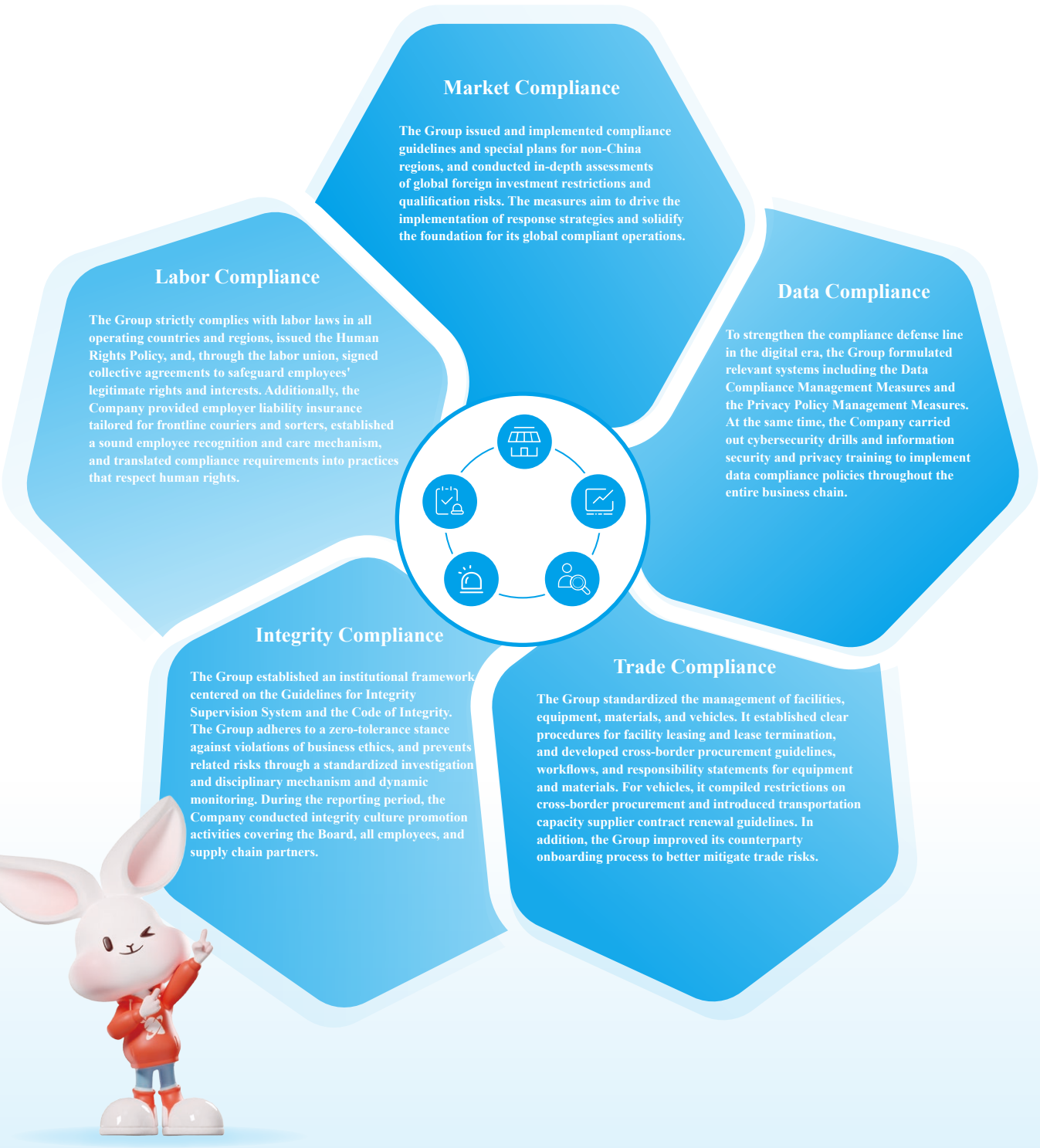


Meanwhile, J&T Express is committed to building a compliance institutional framework covering the entire business chain. The Group has formulated the Group Code of Business Conduct and Ethics and the Group Conflict-of-Interest Management Measures to set clear red lines for business ethics. It has also implemented the Regulatory Compliance Identification and Evaluation System, establishing a transformation mechanism that converts external regulatory tracking into internal obligation fulfillment.



Holistic Compliance Control

During the reporting period, J&T Express focuses on five core dimensions, which includes market access, data security, labor rights, integrity in business practices, and trade fairness, to holistically deepen the implementation and execution of compliance management. By establishing a rigorous institutional framework and empowering all employees, the Company ensures sustained compliant operations.



Intellectual Property Protection

As a technology, knowledge and information-intensive global enterprise, J&T Express regards intellectual property as a core strategic asset. The Company strictly complies with the laws and regulations where it operates and invests. Through the implementation of the Group Intellectual Property Management Policy, it both respects the intellectual achievements of others and safeguards its own trademarks, patents, and other legal rights from infringement in a comprehensive manner.

In 2025, the Company's intellectual property (IP) management entered a new systematic stage, with the development of an integrated management matrix integrating global layout, compliance risk control and proactive rights protection. The Company established a global monitoring system to proactively identify and address third-party infringement, effectively safeguarding exclusive brand rights. Additionally, the Company integrated IP compliance into the entire business lifecycle, providing global compliance guidelines from the initial brand development stage and holding regular special meetings to align with business needs. In partner management, the Company strictly regulated brand use and authorization processes to ensure the safe and controllable application of IP across the upstream and downstream of the value chain. Following the Group's unified management guidelines, companies in various countries fully aligned with local laws to achieve precise implementation of compliance standards.

As of the end of the reporting period, J&T Express has delivered fruitful results in the field of intellectual property:

14 valid patents

477 software copyrights

818 valid trademarks



Case: Building a Systematic Protection Framework to Collaboratively Protect the Intellectual Property

To address the intellectual property risks arising from the extensive use of trademarks, systems and commercial information in operations, J&T Express has established a global systematic protection framework covering legal agreements, internal policies, and global collaboration. First, from contract sources, the Company continuously optimized IP clauses in standard agreements (e.g., franchise partnerships and supplier contracts) and formulated and issued locally applicable Guidelines for Rights Protection, laying the institutional foundation for internal management. In December 2025, legal and compliance departments of various overseas companies completed a comprehensive revision and alignment of IP clauses, including those related to trademark licensing, in accordance with the Group's guidelines.

Strengthening Risk Management

J&T Express attaches great importance to risk management and continuously enhances its risk management capabilities. The Company has developed a series of governance documents, including the Internal Audit Policy and the Internal Oversight Policy. Using the COSO internal control framework as a reference, and considering the actual business conditions of the express delivery industry as well as those of its country-level companies and subsidiaries, the Group has built and continuously improved a systematic and comprehensive internal control and audit mechanism at both headquarters and subsidiary levels, guided by a risk-oriented approach. Under the guidance of Group headquarters, all subsidiaries actively carry out risk management work.

Risk Control Mechanisms

J&T Express has established a systematic risk management framework with three lines of defense. The first line of defense is the core business departments, which serve as the primary responsible units for risk management. The second line consists of functional departments that support the core business departments in managing risks, including Finance, Legal, Compliance, Internal Control, Risk Management, Operations, Quality Control, and Information Security. Internal Audit serves as the last line of defense, independently and objectively evaluating the company's risk management and control outcomes, and helping the first and second lines identify gaps and drive improvements. In 2025, the Group split its Risk and Audit function into two separate and parallel departments — the Risk Management Department and the Audit Department — to further strengthen its risk governance mechanism. In addition to internal audit, the Group also engaged external auditors to conduct specialized audits covering finance, information security, occupational health and safety, and related areas.

In 2025, the Company continued to use the five components of the COSO internal control framework — Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring — as its primary work directions, further optimizing and strengthening the Group's risk management system.

COSO Internal Control Framework

Dimension	Specific Measures
Internal Control Environment	• Conduct multiple corporate culture and value training sessions for all employees, emphasizing integrity and duty-bound values. • Provide multiple risk case training sessions for core staff of various country headquarters, operational regions, and subsidiaries of the Group to enhance risk management awareness of all employees. • Lead by the Group's internal control function, the Group maps out the responsibility and authority matrix and reporting workflows for managing companies' operation in various countries. Through the establishment of a tiered authorization system and a collective decision-making process with multi-party review, it effectively reduces decision-making blind spots caused by concentration of authority, and embeds risk management at an earlier stage.
Risk Assessment	• Lead by the Group's internal control department, the Company develops and iterates risk libraries for key business processes based on country-level analyses key process segments and audit findings. • Overseas companies conduct self-assessments to identify, assess, categorize (high, medium, low) and respond to risks. • Lead by the Group's internal control function, the Group reviews the self-assessment results of internal controls across country-level companies and evaluates the effectiveness of those results.
Control Activities	• Promote the establishment of unified management systems across the Group's business units, leveraging these systems and flowcharts to regulate key control activities. We assist overseas headquarters and regional business units in refining and standardizing control forms required for these activities, ensuring standardized guidelines for control traceability. • We embed risk management into practice by assisting business units in developing or iterating OA approval workflows—with the Group's internal control leading the identification of approver responsibilities and standardization of review/approval criteria.
Information & Communication	• We have developed various reports that effectively reflect business status and risk levels. With the help of the "Report Robot" function of Feishu, these reports are automatically generated and sent to relevant personnel regularly for management decision-making, ensuring accuracy and efficiency. • We establish a unified information release platform to accurately deliver the content of formally issued systems and notices to the intended audience. • Multiple business units of the Group have set up online service desks, which combine automated responses with manual answers to resolve various employee inquiries in a timely manner. • We use issues identified during the review of audit or internal control processes as training materials, timely aligning them across regions or among overseas subsidiaries to facilitate closure of relevant risks.
Monitoring	• We use both internal and external audits to conduct regular or random evaluations on internal control implementation of various overseas companies and business units. • We promote the regular internal control self-assessment of core business processes such as procurement, transportation capacity, finance and human resources by the corresponding business departments, thereby front-loading the supervision and inspection of its internal control implementation. • The Group's internal control takes the lead in conducting periodic reviews of key business processes to identify design and execution deficiencies and works with relevant business units to address the identified issues.

Case: Enhancing Risk Identification Capabilities of Business and Functional Departments to Effectively Prevent Risks

In 2025, the Group conducted audit retrospectives for its overseas companies to further identify risk points in core business processes such as procurement, transportation capacity, finance, and human resources. Common risks were shared to promote collective learning. Additionally, the Group launched the "Business Self-Inspection and Internal Control Review" initiative to continuously strengthen the risk management capabilities of the first line of defense, enabling overseas companies to spot similar issues via self-inspection and facilitate risk closure.

In addition, the Group further strengthened the risk management capabilities of finance departments across its country-level companies. It developed detective control procedures and checklists that finance personnel can directly participate in. These focus on key process nodes where risks such as waste, negligence, and fraud may arise. Finance professionals are involved at these nodes to identify, intercept, and flag risk items at an early stage, effectively preventing the corresponding risks from materializing.

Site Risk Management

In 2025, the Group further optimized its site risk management mechanism. Building on the existing site audit team within the audit function, we integrated site audit priorities into the daily management of business units. Together with the operations department, we finalized key inspection checklists covering on-site operations, site safety, integrity compliance, and standardization. We also aligned operations inspection plans with the audit team's random review protocols. For site risk management, we underscored the importance of business units in performing their role as the first line of defense, and established review mechanisms for the second and third lines of defense to mitigate operational site risks.



Upholding Business Ethics

J&T Express has always adhered to business ethics and established a global business ethics governance system that combines top-level planning by the Group headquarter with localized implementation by companies in various countries. In terms of institutional development, the Group has formed a multi-dimensional management framework covering anti-corruption, fair competition, supply chain compliance, and trade secret protection. Differentiated management guidelines are implemented for different internal and external stakeholders. While adhering to Group policies, companies in various countries have carried out targeted awareness and education activities in line with local laws and regulations. These efforts ensure that compliance management is deeply embedded across all business segments, and help safeguard the Company's business integrity and regulatory compliance.

Integrity Management Mechanism

The Company has established a supervision system with clearly defined powers and responsibilities. Through multi-department collaboration, it achieves early warning and closed-loop handling of integrity-related risks. Within this system, each function plays a distinct role. Group Supervision takes the lead, responsible for drafting policies, overseeing implementation, and investigating and resolving violations. The Legal & Compliance Department oversees system-wide implementation and provides professional compliance advice. The Human Resource & Administration Department manages personnel matters for those involved and enforces disciplinary actions. Management personnel at all levels carry out integrity awareness initiatives and apply the relevant policies within their areas of authority.

Moreover, J&T Express strictly complies with integrity-related laws and regulations in the countries and regions where it operates and invests. At the Group headquarter, an integrity management system has been established, centered on the Guidelines for the Group Integrity Supervision System, the Code of Integrity, the Group Conflict-of-Interest Management Measures, and the Management of Gift Acceptance. The system adopts differentiated approaches for internal employees, external suppliers, and other stakeholders. During onboarding, all new employees must sign the Integrity Commitment Letter. In partner integrity management, the Company incorporates anti-corruption and anti-bribery requirements into the cooperation access mechanism. In 2025, the Group issued the Code of Business Partner Conduct. For partners who have not signed or refuse to sign relevant commitment documents, the Company strictly enforces cooperation restrictions, and prohibits establishing or continuing partnerships with such business entities. Under the Group framework, companies in various countries develop and implement specific compliance systems aligned with local laws to ensure that integrity management is embedded into business operations. Furthermore, the Company regularly conducts employee conflict-of-interest surveys to prevent the risk of interest transfer from the source. Through sound system construction, clear division of responsibilities, and rigorous supervision, business ethics are internalized as a core competitiveness of the enterprise.

The Company has also established a supporting reporting and feedback mechanism. A multi-channel reporting platform is available—including email, dedicated hotlines, and Feishu Subscription Accounts—with strict confidentiality maintained for whistleblowers' identity information. The Company adheres to a "zero-tolerance" attitude and takes decisive action against any corruption acts discovered.

During the reporting period, the Group received **356** complaints and reports through its channels, with an **80%** closure rate. Unresolved cases are **being actively followed up and processed**.

Integrity Training Empowerment

J&T Express is committed to building a normalized and multi-level integrity education system, aiming to transform compliance awareness into the conscious actions of employees and strengthen the cultural foundation of ethical operations. To this end, we have established an integrity training network covering decision-makers, executives, and external partners. The Group provided special training sessions on anti-money laundering, counter-terrorism financing, and anti-corruption for directors and senior management, achieving 100% coverage. For all employees, integrity system training sessions were provided covering over 89,000 employees during the reporting period. Compliance empowerment extends to the supply chain by offering business ethics compliance training sessions for suppliers and systematically introducing external reporting processes. Meanwhile, companies in various countries also held special training sessions tailored to local business needs on anti-trade secret leakage and competition law norms to ensure global operation compliance.

The Group provided special training sessions on anti-money laundering, counter-terrorism financing, and anti-corruption for directors and senior management, achieving

100% coverage

For all employees, integrity system training sessions were provided covering over

89,000 employees during the reporting period

Case: Value Chain Co-construction—Deepening Compliance Awareness Among Franchisee Partners

In December 2025, the Company launched an online special training program on "Integrity and Compliance" for franchisee employees. During the training, franchisee employees watched integrity publicity videos and made integrity commitments, and also gained an in-depth understanding of J&T Express's business ethics requirements, the consequences of violations and reporting channels. As of the end of the reporting period, the special training had covered more than 36,000 person-times in total, and related publicity and empowerment initiatives have been continuously advanced as part of routine efforts. J&T Express is committed to comprehensively enhancing the integrity awareness and governance level of third-party partners through such initiatives to build a transparent, honest, and fair logistics cooperation ecosystem through joint efforts.

The special training had covered more than

36,000 person-times in total



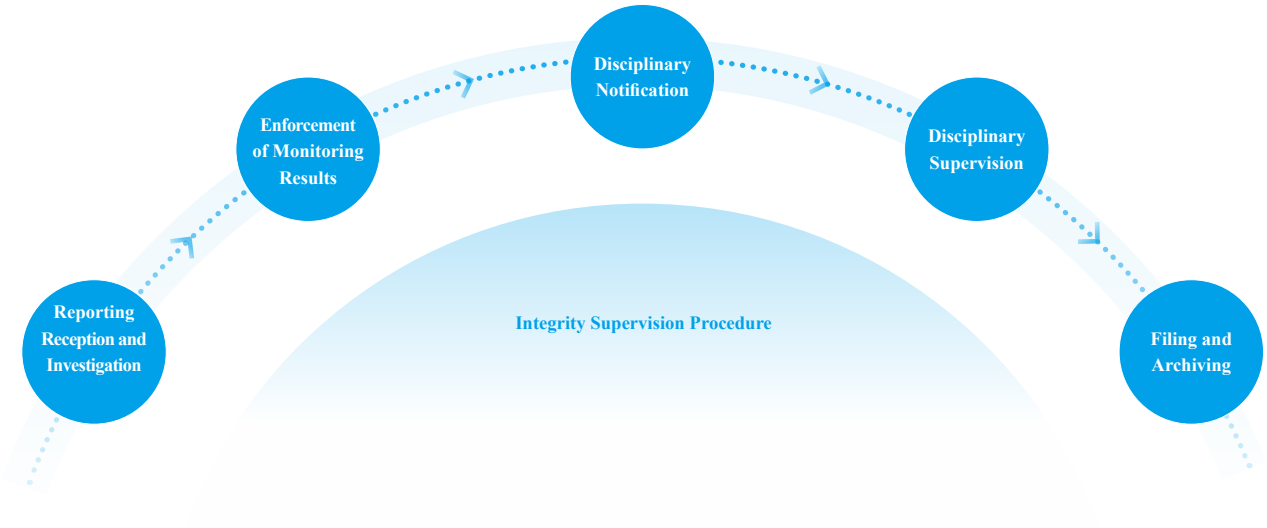
Compliance Management Training for Franchisee

Case: Deepening Local Compliance Alignment and Building a Clean Business Environment

To enhance employees' understanding of anti-monopoly and anti-unfair competition laws and regulations, we launched the "Legal & Talks - Integrity Week" program in Brazil in September 2025, focusing on in-depth empowerment for conflict-of-interest management and supplier relationship management. In December 2025, we officially issued the Code of Conduct for Suppliers and the Anti-Corruption Policy in Brazil, achieving full alignment between group compliance systems and local laws. Through parallel efforts in education and system building, the Company comprehensively strengthened the business ethics defense line in the Brazilian market, providing a guarantee for stable and fair local operations.

Integrity Investigation

The Company has built a rigorous anti-corruption fortress to systematically prevent unethical business behaviors such as embezzlement and bribery. The Group Supervision Department, supported by a standardized, compliant internal investigation and disciplinary mechanism, conducts periodic special investigations into internal theft, bribery, and conflict-of-interest violations, adhering to a "zero-tolerance" attitude toward any acts that violate business ethics. To ensure transparency and fairness, the Company formulated the Internal Supervision System to establish a standardized process from violation reporting and lead investigation to warning and disciplinary actions. While enforcing accountability, we focus on learning from cases to implement improvements, such as loss recovery, process optimization, and management accountability, ensuring integrity compliance permeates all business lines of the Group.



The Company enforces a whistleblower protection policy that strictly maintains the confidentiality of whistleblowers' identities and the content of their reports. Any form of retaliation is strictly prohibited, ensuring that the lawful rights and interests of whistleblowers are effectively safeguarded.

Security and Confidentiality Mechanism

Employees can choose to report anonymously or in real names at their own discretion. All reports are handled confidentially and evaluated in a protected manner.

Zero Tolerance for Retaliation

Any direct or indirect retaliation against whistleblowers or investigators is strictly prohibited and will be severely dealt with.

Exemption for Good-Faith Reporting

Employees who report in good faith or on a reasonable basis but with incomplete information will be exempted from liability by the Company.

Professional Investigation and Handling

A professional team of highly disciplined and independent investigators is set up to conduct fair and independent reviews of all reported cases, followed by appropriate follow-up or corrective actions to ensure that violations are handled in a timely manner.

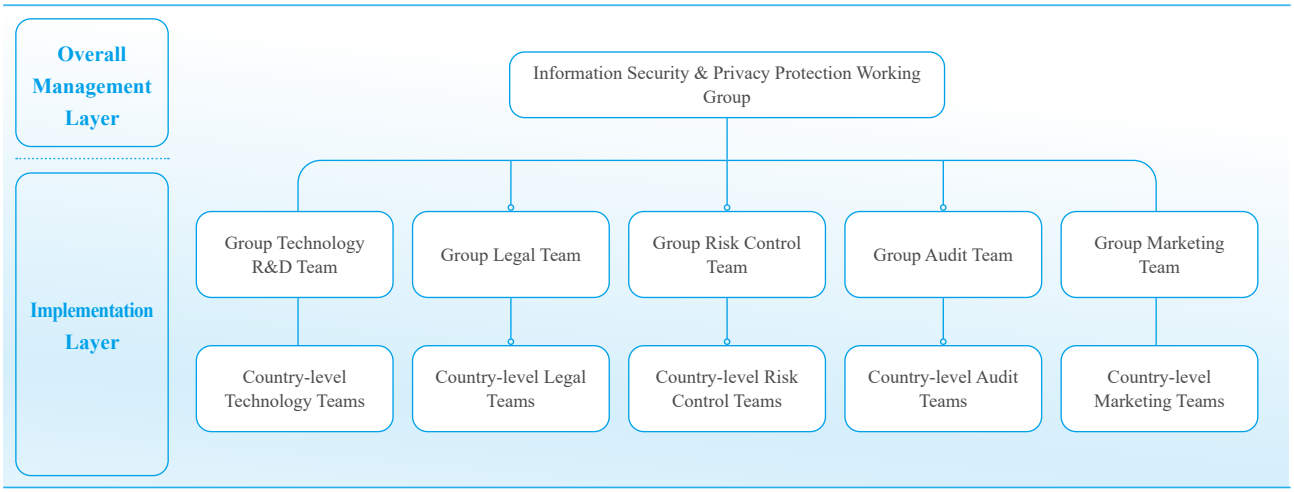
Information Security and Privacy Protection

In the context of digital global operations, J&T Express regards information security and privacy protection as lifelines for sustainable development. We have established a global governance architecture with clear responsibilities and efficient collaboration, ensuring strict compliance in global operations through information security systems and risk control mechanisms covering the entire business chain. While embracing advanced technologies like AI to drive digital transformation, the Company adheres to data security red lines and protects user data and privacy through periodic audits and employee awareness empowerment, striving to build a safe, transparent, and trustworthy digital logistics ecosystem. During the reporting period, no major information security or customer privacy leakage incidents occurred in the Group.

Information Security Management System

J&T Express has established a dual-layer information security management architecture at the group level, comprising an oversight layer and an implementation layer. The Information Security and Privacy Protection Team, led by a Group Vice President as team leader, with directors of core departments as team members, is responsible for global overall management. Its main functions include the overall scheduling and allocation of resources to ensure the efficient operation of the management system. Group functional departments and relevant departments of subsidiaries are tasked with the specific implementation work, including the closed-loop implementation and daily maintenance of specific security measures to ensure the achievement of the Company's security objectives.

J&T Express Information Security Governance Framework



J&T Express strictly complies with information security and privacy protection laws and regulations in the countries and regions where it operates and invests, and has established a systematic and comprehensive institutional framework at the group level, encompassing core policies such as the Measures for the Management of Information Security Risk Assessment, Measures for the Management of Personal Information Impact Assessment, Measures for the Management of Privacy Policies, Measures for the Management of Data Compliance, and Specifications for Data Classification, Grading, and Security Management. These policies regulate the entire process of custody, use, and modification of data assets, strengthening the protection of personal information security and effectively preventing related risks at the source. In 2025, the Company issued the Specification for Security Management of External Data Output, clarifying data processing requirements when collaborating with external parties to further reinforce the boundaries of data circulation. Furthermore, for specific operational scenarios such as sorting centers, the Company issued the Specification for Security Operation and Maintenance of Industrial Control Systems in Sorting Centers to specifically guard against external cyber-attacks and effectively ensure the stable operation of key production systems.

In terms of system certification, the Company aligns with international standards and actively promotes the global layout of the certification system. As of the end of the reporting period, a total of 8 countries including China, Indonesia, Thailand, the Philippines, Vietnam, Malaysia, Singapore and Brazil have obtained the ISO 27001 Information Security Management System certification. Among them, we have also obtained the ISO 27701 Privacy Information Management System certification in China, meeting international standards in privacy protection management capabilities.

Information and Cybersecurity Safeguarding Mechanisms

J&T Express is dedicated to ensuring the security and compliance of its information processing activities, continuously strengthening its information security management capabilities to effectively safeguard data security. The Company embeds security and compliance requirements deeply into the full lifecycle of business operations and system development through standardized security baseline management and multi-layered technical protection. We continuously enhance the resilience of our security management through a defense-in-depth architecture, live-fire offensive and defensive drills, and multi-dimensional compliance audits — effectively protecting user privacy and data security, and ensuring the stable, uninterrupted operation of our global business across complex network environments.

Strengthening the Global Security Baseline	Building a Comprehensive Defense Shield	Conducting Fire Offensive and Defensive Drills	Strengthening Internal and External Audit Oversight
We continuously iterate on a unified global security baseline standard, covering the full lifecycle from infrastructure to business scenarios. Through targeted governance and ongoing monitoring, we ensure that all companies in each country consistently raise their security standards, further solidifying the security foundation for our global operations.	We have deployed a defense-in-depth architecture spanning network perimeters, internal traffic, and host containers. By integrating Single Sign-On (SSO), Multi-Factor Authentication (MFA), and other core infrastructure components, we strictly enforce the principle of least privilege to achieve granular access control across all network assets.	We have adopted an "offense-driven defense" exercise model, using routine red-blue team adversarial drills to sharpen emergency response capabilities. Combined with our vulnerability management framework, we ensure that potential security risks follow a complete closed-loop lifecycle — from discovery and review through to remediation.	We have established a dual oversight framework combining internal and external audits. Throughout the year, in-depth internal audits are conducted on a routine basis covering core business scenarios, while independent third parties are engaged to carry out specialized IT audits and due diligence. In response to the identified risk points, promptly initiate special rectification and accountability measures to drive the continuous iteration of safety governance capabilities. In 2025, a total of 9 internal audits and 10 external audits were completed.

Customer Privacy Protection

The Company strictly complies with the laws and regulations on personal information protection in countries and regions where it operates, and has built a routine management system encompassing proactive risk identification, privacy compliance detection, and platform-based monitoring. We insist on embedding compliance assessments into the entire business lifecycle and proactively advancing management checkpoints to ensure the synergistic development of data security and business operations.

In both business operations and mobile applications, the Company consistently adheres to seven core principles: accountability, purpose specification, consent-based data collection, data minimization, transparency, security measures, and individual participation. In terms of institutional safeguards, in 2025, the Company enhanced management systems covering the complete data lifecycle—from collection, transmission, and storage to use, sharing, and destruction—ensuring that all personal information protection activities are rule-based. In automated compliance management, we strengthen privacy protection capabilities and enhance automated compliance management through sustained technology investment.

Further upgrade the risk control platform by systematically accumulating and institutionalizing security operation experience from core business scenarios, solidifying strategy models, and improving strategic operational levels. This significantly strengthens user data security while ensuring business process compliance.

Upgrading of Risk Control Platform

Privacy Compliance Detection

Continuously strengthen privacy compliance detection for mobile applications through real-time monitoring of internal operations and system anomalies, and ensure that permission calls and data flows remain under controlled conditions.

The Company respects and safeguards users' control over their personal information, ensuring the right to know through clear privacy policies and device permission pop-ups. A convenient rights response mechanism is established to accept and handle user requests for querying, correcting, and deleting personal information within legally prescribed time limits. Additionally, the Company conducts regular internal compliance audits and third-party security assessments, and addresses identified risk points with targeted reinforcement for a continuous closed-loop optimization.

Enhancement of Information Security Awareness

The Company makes multi-dimensional efforts in the promotion and training of information security awareness, and integrates the construction of information security culture into its daily management processes.

Publicity and promotion:

Through internal subscription accounts such as "Information Security Assistant" and "Information Technology Assistant", the Group headquarters pushed a total of 28 issues of information security-themed content throughout the year in forms of initiative articles, hot event interpretations, and so on, continuously strengthening employees' baseline information security awareness.

Specialized training:

The companies in various countries have conducted diversified information security training sessions tailored to local conditions, covering core topics such as compliant signing of confidentiality agreements, interpretation of local privacy laws and regulations, and personal privacy management, which have effectively improved employees' understanding and implementation of local compliance requirements. During the reporting period, the Company conducted **50** information security-related training sessions worldwide, covering more than **15,000** person-time in total.

Practical drills:

The Group organized diverse security drill activities including live network attack-defense exercises and phishing email simulation tests. These exercises effectively enhanced all employees' capability to identify information security risks, while simultaneously strengthening the efficiency of cross-departmental coordination in responding to security incidents. This approach facilitates the transformation of security prevention capabilities from awareness building to practical skills.



Information Security Promotional Posters

Under the guidance of the Group, companies in various countries have responded positively and carried out diversified information security training and capability improvement activities tailored to local conditions. In Indonesia, we carried out regular special promotion activities on personal information security covering a total of nearly **6,000** person-times, effectively guiding local employees to transform compliance awareness into standardized business operations. In the Philippines, we conducted specialized training on data privacy protection for all employees. Through an in-depth analysis of the legal definition of personal data, compliance boundaries, and legal consequences arising from data breaches, the program enhanced employees' capability to identify data privacy risks while strengthening cross-departmental emergency response coordination.



Appendix

This Report, as the third Environmental, Social and Governance (ESG) Report released by J&T Global Limited (hereinafter referred to as "J&T", "J&T Express", the "Company", the "Group" or "we", Stock Code: 01519.HK), aims to comprehensively and objectively disclose the Company's management approaches, practical measures and performance in the field of sustainable development, and to respond to the concerns and expectations of stakeholders.

Environmental Performance

Use of Energy[1]

Indicators	Unit	2023	2024	2025
Direct Energy Consumption[2]				
Natural gas (gaseous) [3]	Cubic Meters	56,770.00	64,228.36	127,794.50
Liquefied petroleum gas[3]	tonnes	4.70	4.67	14.10
Liquefied natural gas[2]	tonnes	9,930.34	43,073.67	108,681.78
Gasoline[2]	tonnes	11,378.93	10,079.94	12,794.29
Diesel[2]	tonnes	200,022.45	255,104.57	278,918.66
Urea	tonnes	16,089.52	17,147.27	15,854.86
Indirect Energy Consumption				
Total purchased electricity[2]	MWh	573,441.91	498,768.36	587,882.70
Total purchased heat	GJ	17,821.74	17,692.97	16,996.77
Energy Consumption by Primary Energy Source[2]				
Fuel consumption	MWh	2,650,356.64	3,671,321.41	5,015,522.03
Purchased energy consumption	MWh	578,392.39	503,683.08	592,601.41
Total energy consumption	MWh	3,228,749.04	4,175,004.49	5,608,123.44
Clean Energy and Renewable Energy Consumption				
Total solar power generation	MWh	2,503.21	40,990.81	47,224.81
Clean energy consumption (solar power and natural gas)	MWh	145,099.61	497,290.82	1,570,661.14
Operational Energy Consumption Intensity				
Fuel consumption intensity	MWh/USD10,000 revenue	3.00	3.58	4.13
Purchased energy consumption intensity	MWh/USD10,000 revenue	0.65	0.49	0.49

[1] The scope of the statistics is J&T Express's global business, which includes the office areas and sorting centers of operating companies in 13 countries.

[2] In 2025, the global business of J&T Express continues to expand, and clean fuel vehicles continue to be invested. The consumption of liquefied natural gas (LNG), gasoline, diesel, purchased electricity, as well as corresponding fuel consumption, purchased energy consumption, total energy consumption, and fuel consumption intensity have all increased.

[3] Natural gas (gaseous) and liquefied petroleum gas are mainly consumed by own canteens in China and other countries.

Exhaust Gas Emissions[1]

Indicators	Unit	2023	2024	2025
Particulate Matter (PM) emissions[2]	tonnes	330.00	449.33	629.54
Nitrogen Oxides (NO_x) emissions[2]	tonnes	4,589.79	6,115.96	8,141.63
Sulphur Oxides (SO_x) emissions[2]	tonnes	4.06	5.11	5.56
Total exhaust gas emissions	tonnes	4,923.85	6,570.39	8,776.73

[1] The scope of the statistics is J&T Express's global business, which includes the office areas and sorting centers of operating companies in 13 countries.

[2] The selection factors and calculation formulae for particulate matter, nitrogen oxides and sulphur oxides emissions refer to the "Environmental Key Performance Indicators Reporting Guide" of the Stock Exchange of Hong Kong Limited.

Waste Management

Indicators	Unit	2023	2024	2025
Total Hazardous Waste Generated	Kilograms	71,070.00	65,820.00	25,280.77
Total General Waste Generated	Kilograms	6,642,890.00	6,049,970.00	2,637,885.73
Hazardous Waste Emission Intensity	kg/USD10,000 Revenue	0.08	0.06	0.02
General Waste Emission Intensity	kg/USD10,000 Revenue	7.51	5.90	2.17

Water Resource Management

Indicators	Unit	2023	2024	2025
Total Water Consumption (by Source)	Cubic Meters	2,471,015.00	3,350,592.00	4,012,774.19
Of which: Municipal Water Supply	Cubic Meters	2,441,576.00	3,331,782.00	3,986,838.53
Of which: Groundwater	Cubic Meters	5,043.00	17,938.00	25,935.66
Water Consumption Intensity	Cubic Meters/USD10,000 Revenue	2.79	3.27	3.30

Packaging Materials Management[1]

Indicators	Unit	2023	2024	2025
Paper waybills	tonnes	21,116.64	26,124.52	41,809.22
Sealing tags	tonnes	46.26	564.67	1,177.92
Total amount of waterproof bags	tonnes	364.34	4,510.41	6,760.85
Waterproof bags and woven bags	tonnes	322.84	4,442.63	6,559.28
Fully degradable waterproof bags	tonnes	41.50	67.78	201.57
Proportion of fully degradable waterproof bags	%	11.39	1.50	2.98
Total amount of tapes	tonnes	425.68	972.05	2,167.68
Tapes	tonnes	418.55	946.85	1,802.87
Degradable tapes	tonnes	7.13	25.20	364.82
Proportion of degradable tapes	%	1.67	2.59	16.83
File envelopes	tonnes	35.18	90.58	624.63
Reusable bags and reusable boxes	tonnes	4,555.31	3,808.26	4,301.65
Box No. 5[2]	tonnes	/	/	306.93
Total amount of packaging materials	tonnes	26,543.41	36,070.49	56,841.96
Intensity of Packaging Material	tonnes/Million Parcels	0.88	1.20	1.89

[1] All indicator data in packaging materials are the procurement quantities recorded by the Company.

[2] Box No. 5 is a new statistical indicator for 2025.

Environmental Compliance[1]

Indicators	Unit	2023	2024	2025
Amounts subject to criminal liability or penalties imposed by environmental-related competent authorities due to environmental incidents during the reporting period	US Dollar	/	/	184,704.00

[1] After receiving the penalty notice, the company attached great importance to it, quickly launched the rectification mechanism, actively implemented various rectification measures, and fully paid the relevant fines in accordance with regulations. By the end of the reporting period, all rectification work had been successfully completed.

Greenhouse Gas Emissions

Indicators	Unit	2023	2024	2025
Scope 1 GHG emissions[1]	10kt CO_2e	68.97	96.51	121.65
Scope 2 GHG emissions[2]	10kt CO_2e	30.04	26.62	31.96
Total GHG emissions (Scope 1 + Scope 2)	10kt CO_2e	99.01	123.13	153.60

Indicators	Unit	2023	2024	2025
GHG emission intensity (Scope 1 + Scope 2) (by revenue)	tCO_2e/ USD10,000 revenue	1.12	1.20	1.26
Scope 3 Total GHG emissions[3]	10kt CO_2e	64.89	143.81	156.92
Category 1: Purchased Goods and Services (Express Packaging) [4]	10kt CO_2e	5.68	7.87	12.43
Category 2: Capital Goods[5]	10kt CO_2e	0.23	3.46	50.38
Category 3: Fuel and energy-related activities (not included in Scope 1 and Scope 2) [6]	10kt CO_2e	13.54	16.96	36.30
Category 4: Upstream transportation and distribution (with third parties providing the transportation capacity) [7]	10kt CO_2e	45.08	115.43	54.85
Category 6: Business Travel[8]	10kt CO_2e	0.12	0.09	2.97
Including: Yunyi Transportation[9]				
Total GHG emissions (Scope 1)	10kt CO_2e	54.67	75.46	80.08
GHG emission intensity (Scope 1)	tCO_2e/Million Parcels	57.27	55.07	51.34

[1] The scope of the statistics is J&T Express's global business, which includes the office areas and sorting centers of operating companies in 13 countries. Among them, the emission factor within China is calculated based on the methods and data in the "Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (2025 Edition)" and "Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions from Land Transport Enterprises (Trial)". The corresponding emission factors for other countries outside of China are all from the International Energy Agency (IEA) Emission Factors Package (December 2025 version).

[2] The scope of the statistics is J&T Express's global business, which includes the office areas and sorting centers of operating companies in 13 countries. For GHG emissions generated from purchased electricity, in China, based on the announcement of the Ministry of Ecology and Environment of the People's Republic of China on the Release of Carbon Dioxide Emission Factors for Electric Power in 2023, the grid emission factor is taken as 0.5306 tCO_2e/MWh. The corresponding emission factors for other countries outside of China are all from the International Energy Agency (IEA) Emission Factors Package (December 2025 version).

[3] Upon identification and analysis, J&T Express has determined that the key GHG emissions in Scope 3 cover Categories 3 and 4. Due to rounding during the data calculation process, the total GHG emissions in Scope 3 is not equal to the sum of the data for various categories in 2023.

[4] The statistical scope covers the upstream emissions (from cradle to gate) of express packaging required for the operation of J&T Express's business. Due to business development, the procurement of packaging materials has increased, leading to an increase in GHG emissions in this category this year. The emission factor source used for this category is the China Products Carbon Footprint Factors Database (CPCD).

[5] The statistical scope covers J&T Express Group and its headquarters in China. The increase this year is mainly due to the addition of new building assets. The GHG emissions are sourced from the China Products Carbon Footprint Factors Database (CPCD).

[6] The statistical scope covers all upstream emissions (from cradle to gate) of fuel and energy purchased by J&T Express's global business. The increase in this year is mainly due to the further expansion of coverage. The data range for the previous year was fuel (gasoline, diesel) purchased by J&T Express's global business. The data range for this year is fuel (gasoline, diesel, natural gas, liquefied natural gas, liquefied petroleum gas) and energy (purchased electricity, purchased heat) purchased by J&T Express's global business.

[7] The statistical scope covers J&T Express's global business, including the fuel consumed by third-party transportation capacity vehicles in the office areas and sorting centers of operating companies in 13 countries.

[8] The statistical scope covers GHG emissions generated by business travel of employees in J&T Express Group, the headquarter and agency areas in China. The data sources are third-party business travel service provider Ctrip Travel (including airplanes, trains, and vehicles) and Z-trip Business Management (including airplanes). The increase in this year is mainly due to the further expansion of statistical scope and coverage. The data scope of the previous year includes employees of J&T Express Group and its headquarter in China, while the statistical scope of this year includes J&T Express Group, the headquarter and agency areas in China. The data range for the previous year only included airplanes, while the data range for third-party business travel service provider Ctrip Travel this year has been expanded to include scenarios such as airplanes, trains, and vehicles.

[9] The statistics scope is the self-operated line-haul fleet of J&T Express in China. The decrease in GHG emissions intensity this year is mainly due to the increase in China's parcel volume, as well as the company's continuous investment in liquefied natural gas (LNG) vehicles and strengthening vehicle fuel consumption management.

Corporate Governance Performance

Anti-Corruption

Indicators	Unit	2023	2024	2025
Number of Board members	Count	7	7	7
Number of concluded corruption litigation cases filed against the issuer or its employees during the reporting period	Count	18	12	11
Person-time of employee participation in anti-corruption related training sessions	Person-time	58,986	94,146	89,863
Total hours of anti-corruption training received by employees	Hour	26,499	31,355	48,687
Average hours of anti-corruption training received per employee	Hour/person	0.45	0.33	0.54
Number of directors participating in anti-corruption related training	Count	7	7	7
Percentage of Board members covered by anti-corruption training	%	100	100	100
Total hours of anti-corruption training received by all directors	Hour	7	11	11
Average hours of anti-corruption training received per director	Hour/person	1	1.5	1.5

Social Performance

Employment

Indicators	Unit	2023	2024	2025
Employment				
Total number of direct employees	Count	149,186	156,851	217,241
Number of male employees	Count	115,900	123,983	170,508
Number of female employees	Count	33,286	32,868	46,733
Number of employees under 30 years old	Count	84,455	86,188	118,111
Number of employees aged 30-50 years old	Count	62,935	68,702	96,477
Number of employees over 50 years old	Count	1,796	1,961	2,653
Number of employees working in China[1]	Count	8,964	6,686	7,366
Number of employees working in Southeast Asian countries[2]	Count	129,001	140,702	197,535
Number of employees working in newly expanded markets[3]	Count	11,221	9,463	12,340
Employee Turnover Rates				
Overall employee turnover rate	%	26.84	43.46	38.20
Male employee turnover rate	%	26.38	41.17	38.30

Indicators	Unit	2023	2024	2025
Female employee turnover rate	%	28.41	47.44	39.10
Turnover rate of employees under 30 years old	%	28.75	45.43	38.20
Turnover rate of employees aged 30-50 years old	%	24.26	40.77	38.80
Turnover rate of employees over 50 years old	%	21.87	34.54	45.20
Employee turnover rate in China	%	19.30	38.70	27.90
Employee turnover rate in Southeast Asian countries	%	36.23	39.00	37.70
Employee turnover rate in newly expanded markets	%	52.37	57.00	49.40

[1] Including Chinese Mainland, Hong Kong SAR, Macao SAR and the Taiwan region.

[2] Including Indonesia, Thailand, the Philippines, Malaysia, Singapore, Vietnam and Cambodia.

[3] Including Brazil, Mexico, Egypt, the UAE and Saudi Arabia.

Employee Training and Development[1]

Indicators	Unit	2023	2024	2025
Employee training coverage rate	%	83.35	77.85	84.32
Proportion of male employees covered by training	%	76.13	71.04	83.79
Proportion of female employees covered by training[2]	%	82.85	70.00	86.21
Proportion of frontline employees covered by training	%	83.25	77.71	87.89
Proportion of middle management employees covered by training	%	86.53	86.74	94.42
Proportion of senior management employees covered by training	%	91.29	92.23	100
Average training hours per employee	Hour	8.20	8.04	31.63
Average training hours per male employee	Hour	8.39	8.12	25.22
Average training hours per female employee	Hour	7.56	7.72	35.37
Average training hours per frontline employee	Hour	7.66	7.96	27.72
Average training hours per middle management employee	Hour	27.61	12.84	19.06
Average training hours per senior management employee	Hour	16.15	16.26	25.52

[1] In 2025, we continued to invest in employee training and expanded the "Sands Talk" training platform to more country operations, resulting in increased training coverage rates and average hours.

[2] In 2025, we optimized the calculation formula for training coverage rate and restated the proportion of female employees covered by training for 2023 and 2024 based on the new formula.

Occupational Health and Safety

Indicators	Unit	2023	2024	2025
Number of safety training and education sessions	Count	15,281	57,464	27,037
Person-time of participations in safety training	Person-time	743,018	1,089,974	1,469,232
Number of employee deaths due to work-related injuries	Count	22	18	17
Proportion of employee deaths due to work-related injuries	%	0.015	0.012	0.0078
Lost workdays due to work-related injuries	Day	56,321	47,328	15,224

Supplier Management

Indicators	Unit	2023	2024	2025
Total number of suppliers	Count	2,838	2,992	4,948
Number of suppliers in Chinese Mainland	Count	902	627	987
Number of suppliers in Hong kong SAR, Macao SAR, the Taiwan region and overseas regions	Count	1,936	2,365	4,107
Proportion of new suppliers signing the Business Partner Code of Conduct in China	%	98	100	100
Number of global suppliers signing the Business Partner Code of Conduct/Integrity Commitment Letter	Count	1,128	1,538	1,512
Proportion of global suppliers signing the Business Partner Code of Conduct/Integrity Commitment Letter	%	40	51	31

Product and Service

Indicators	Unit	2023	2024	2025
Number of complaints received regarding products and services[1]	Count	8,073	35,637	424,706
Complaint resolution rate	%	100	100	100
Total number of violations of laws and regulations in marketing and promotion	Count	0	0	0
Number of incidents violating regulations related to customer privacy protection	Count	0	0	0

[1] The statistics for complaint numbers and complaint resolution rate cover J&T's operations in China, with data sourced from the China Postal Industry Appeal Service Platform system. The State Post Bureau of China expanded the statistical scope for all express delivery companies starting from November 2024, resulting in an increase in complaint numbers for 2025 compared to 2024.

Index of ESG Reporting Code by The Stock Exchange of Hong Kong Limited

A. Environmental

Aspect	Subject Areas, General Disclosures and Key Performance Indicators	Section
A1: Emissions	General disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Implementing Environmental Management
	A1.1: The types of emissions and respective emissions data.	Implementing Environmental Management
	A1.2 Direct (Scope 1) and Indirect (Scope 2) energy greenhouse gas emissions and intensity	Appendix- Greenhouse Gas Emissions
	A1.3 Total hazardous waste produced and intensity	Appendix-Wastes Management
	A1.4 Total non-hazardous waste produced and intensity	Appendix-Wastes Management
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Implementing Environmental Management
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Implementing Environmental Management
A2: Use of Resources	General Disclosure: Policies on the efficient use of resources	Implementing Environmental Management
	A2.1 Direct and/or indirect energy consumption by type in total and intensity	Appendix - Use of Resources
	A2.2 Water consumption in total and intensity	Appendix - Water Resource Management
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Implementing Environmental Management
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Implementing Environmental Management
	A2.5 Total packaging material used for finished products	Appendix - Packaging Materials Management
A3:The Environment and Natural Resources	General Disclosure: Policies on minimizing the issuer's significant impacts on the environment and natural resources	Implementing Environmental Management
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Implementing Environmental Management

B. Social

Aspect	Subject Areas, General Disclosures and Key Performance Indicators	Section
B1: Employment	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Empowering Talent Development
	B1.1 Total workforce by gender, employment type, age group and geographical region.	Appendix - Social Performance
	B1.2 Employee turnover rate by gender, age group and geographical region.	Appendix - Social Performance
B2: Health and Safety	General Disclosure: Information on the policies that have a significant impact on the issuer relating to the provision of a safe work environment and employee assurance	Guarding Health and Safety
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Appendix - Social Performance
	B2.2 Lost days due to work injury.	Appendix - Social Performance
	B2.3 Description of occupational health and safety measures adopted	Guarding Health and Safety

Aspect	Subject Areas, General Disclosures and Key Performance Indicators	Section
B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills	Empowering Talent Development
	B3.1 The percentage of employees trained by gender and employee category	Appendix - Employee Training and Development
	B3.2 The average training hours completed per employee by gender and employee category.	Appendix - Employee Training and Development
B4: Labor Standards	General Disclosure: Policies relating to preventing child or forced labour	Empowering Talent Development
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Empowering Talent Development
	B4.2 Description of steps taken to eliminate such practices when discovered.	Empower Talent Development
B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain	Improving Value Chain Management
	B5.1 Number of suppliers by geographical region.	Appendix - Supplier Management
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Improving Value Chain Management
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Improving Value Chain Management
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Improving Value Chain Management
B6: Product Responsibility	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Delivering Ultimate Service
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not Applicable
	B6.2 Number of products and service related complaints received and how they are dealt with	Appendix - Product and Service
	B6.3 Description of practices relating to observing and protecting intellectual property rights	Implementing Compliance Management
	B6.4 Description of quality assurance process and recall procedures.	Delivering Ultimate Service
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection
B7: Anti-corruption	General Disclosure: Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Safeguarding Business Ethics
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Appendix - Anti-corruption
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Safeguarding Business Ethics
	B7.3 Description of anti-corruption training provided to directors and staff	Safeguarding Business Ethics
B8: Community Investment	General Disclosure: Policies on community engagement	Committing to Social Well-being
	B8.1 Focus areas of contribution	Committing to Social Well-being
	B8.2 Resources contributed to the focus area.	Committing to Social Well-being

Part D: Climate Related Disclosures

Scope	Description	Section
"Comply or explain" Provisions		
I Governance		
Governing Body		
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Mitigating and Adapting to Climate Change
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
	how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies;	
Governance Process		
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Mitigating and Adapting to Climate Change
	whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	
II Strategy		
Climate-related risks and opportunities		
	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Mitigating and Adapting to Climate Change
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
	explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain		
	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Mitigating and Adapting to Climate Change
	(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
Strategy and decision-making		

Scope	Description	Section
	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)); and (b) information about how the issuer is resourcing, and plans to resource, the activities.	Mitigating and Adapting to Climate Change
Financial position, financial performance and cash flows		
	Current financial effect An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Mitigating and Adapting to Climate Change
	Anticipated financial effect The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Mitigating and Adapting to Climate Change
Climate resilience		
	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Mitigating and Adapting to Climate Change
Climate resilience		

Scope	Description	Section
	(b) how and when the climate-related scenario analysis was carried out, including:	
	(i) information about the inputs used, including:	
	(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;	
	(2) whether the analysis included a diverse range of climate-related scenarios;	
	(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	
	(4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;	Mitigating and Adapting to Climate Change
	(5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	
	(6) time horizons the issuer used in the analysis; and	
	(7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	
	(ii) the key assumptions the issuer made in the analysis; and	
	the reporting period in which the climate-related scenario analysis was carried out.	
III Risk Management		
	An issuer shall disclose information about:	
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	Mitigating and Adapting to Climate Change
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	
	(v) how the issuer monitors climate-related risks; and	
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	
"Mandatory Disclosure" Provisions		

Scope	Description	Section
IV Metrics and Targets		
Greenhouse gas emissions		
An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	(a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Appendix - Greenhouse Gas Emissions
An issuer shall:	(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Appendix - Greenhouse Gas Emissions
"Comply or explain" Provisions		
Climate-related transition risks		
An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.		Relevant initiatives have not yet been launched and will be gradually advanced in the future
Climate-related physical risks		
An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.		Relevant initiatives have not yet been launched and will be gradually advanced in the future
Climate-related opportunities		

Scope	Description	Section
	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Relevant initiatives have not yet been launched and will be gradually advanced in the future
Capital deployment		
	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Relevant initiatives have not yet been launched and will be gradually advanced in the future
Internal carbon prices		
	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Relevant initiatives have not yet been launched and will be gradually advanced in the future
Remuneration		
	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Relevant initiatives have not yet been launched and will be gradually advanced in the future
Industry-based metrics		
	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry. In determining which industry-based metrics to disclose, the issuer is encouraged to refer to industry-specific metrics related to disclosure topics as set out in the Industry-based Guidance on Implementing IFRS S2 Climate-related Disclosures and industry disclosure requirements stipulated in other international environmental, social and governance reporting frameworks, and consider their applicability.	Relevant initiatives have not yet been launched and will be gradually advanced in the future
Climate-related targets		

Scope	Section
An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance. For each greenhouse gas emissions target disclosed, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits;	Mitigating and Adapting to Climate Change

IX. Independent Auditor's Report

pwc

羅兵咸永道

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

OPINION

What we have audited

The consolidated financial statements of J&T Global Express Limited (the "Company") and its subsidiaries ("the Group"), which are set out on pages 233 to 333, comprise:

- the consolidated balance sheet as at 31 December 2025;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

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

- Revenue recognition of express delivery services
- Goodwill impairment assessment

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition of express delivery services	
Refer to note 5 to the consolidated financial statements. For the year ended 31 December 2025, the Group had revenue amounting to approximately USD11,811 million, and around 97% of the revenue was generated from the Group's express delivery services. The Group provided express delivery services to its customers, including pick-up outlets of network partners, enterprise customers and individual customers. Such revenue was primarily driven by parcel volume, and factors including but not limited to size, weight, routes and distances to destinations. Due to the significant volume and complexity of transactions, the Group used various business systems to process and record its revenue transactions of express delivery services.	Our procedures to address this key audit matter included: We understood, evaluated and tested internal controls over revenue recognition of express delivery services, including but not limited to information technology general controls related to complex IT environments, IT dependencies including system generated reports, interfaces between business and financial systems and key automated controls related to revenue recognition of express delivery services, with the assistance of our internal information technology specialists. We performed risk based analytical procedures over revenue from express delivery services, at a disaggregated level, to evaluate the overall trend of revenue and gross margin fluctuations. We reconciled express delivery revenue transaction data from business systems to general ledgers to test the completeness of revenue.

KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition of express delivery services (Continued) We identified revenue recognition of express delivery services as a key audit matter, as auditing revenue from express delivery services required a significant extent of effort due to the large volume and complexity of transactions and the involvement of the complex information systems.	We performed the following tests on revenue from express delivery service on a sample basis: • Examining customer contracts and inquiring with main customers to assess the Group's accounting policy on revenue recognition; • Testing the occurrence and accuracy of revenue from express delivery services by tracing to supporting documents including waybills, routes, applicable effective pricing policies, receipts of customers and relevant settlement records; • Testing whether the revenue transactions were recognized in the appropriate period by tracing to the supporting documents; and • Performing confirmation procedures with main customers for revenue from express delivery services and relevant account balances. We performed data analysis procedures on the operation data, including analysing patterns of the timing of creation of express delivery orders, with the assistance of our internal information technology specialists and with reference to our industry knowledge. Based on the procedures performed above, we considered that revenue recognized in relation to express delivery services was supported by the evidence obtained.

KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Goodwill impairment assessment Refer to notes 4(d), 16(b) and 43.5 to the consolidated financial statements. At 31 December 2025, the Group had goodwill amounting to approximately USD1,085 million, against which a provision of approximately USD116 million was recognised on the consolidated statement of financial position. The Group is required to perform goodwill impairment assessment both annually and whenever there is an indication that a cash-generating unit ("CGU") to which goodwill has been allocated may be impaired. The Group engaged an independent external valuer to assist the preparation of the goodwill impairment assessment. The recoverable amounts of CGUs were determined based on the value-in-use calculations using cash flow projections. The key assumptions used included annual revenue growth rate for the forecast period, gross profit margin rate, terminal revenue growth rate and pre-tax discount rate.	Our procedures to address this key audit matter included: We obtained an understanding of the management's internal control and assessment process of goodwill impairment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud. We evaluated the outcome of prior period's assessment of goodwill to assess the effectiveness of the management's estimation process. We evaluated and tested the management's assessment including impairment indicator evaluation and management's internal controls over the impairment assessment of goodwill. We evaluated the independent external valuer's objectivity, competence and capabilities. We assessed the reasonableness of management's identification of CGUs based on the understanding of the Group's business. We assessed the appropriateness of key assumptions adopted by management including annual revenue growth rate and gross profit margin rate for the forecast period by examining the approved business forecast and comparing actual results for the year against forecasts in prior year, taking into consideration of market trends and industry knowledge.

KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Goodwill impairment assessment (Continued)	
We identified goodwill impairment assessment as a key audit matter due to the magnitude of the carrying amount of goodwill and the estimation of recoverable amount is subject to high degree of estimation uncertainty.	We assessed the management's sensitivity analysis on the key assumptions to evaluate the potential impact on the recoverable amounts. We tested the accuracy of mathematical calculation applied in the valuation models and the calculation of the impairment assessment. With assistance of our internal valuation experts, we evaluated the appropriateness of the valuation methodologies and certain key assumptions, including terminal revenue growth rate and pre-tax discount rate. We assessed the adequacy of the disclosures related to goodwill impairment in the context of the applicable financial reporting framework. Based on the procedures performed above, we considered that the key assumptions adopted by management in the goodwill impairment assessment were supported by the evidence obtained.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

The engagement partner on the audit resulting in this independent auditor's report is Dou Wang, Angel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 March 2026

X. Financial Statements and Notes

For the year ended 31 December 2025

Consolidated Income Statement

For the year ended 31 December 2025

		Year ended 31 December	
	Note	**2025 USD'000**	2024 USD'000
Revenue	5	**12,157,806**	10,259,104
Cost of revenue	9	**(10,695,131)**	(9,180,889)
Gross profit		**1,462,675**	1,078,215
Selling, general and administrative expenses	9	**(867,405)**	(826,715)
Research and development expenses	9	**(62,443)**	(48,889)
Net impairment losses on financial assets	11	**(26,875)**	(11,266)
Other income	6	**12,398**	10,227
Other (losses)/gains – net	7	**(45,837)**	8,971
Operating profit		**472,513**	210,543
Finance income	10	**45,579**	40,671
Finance costs	10	**(148,217)**	(126,175)
Finance costs – net		**(102,638)**	(85,504)
Fair value change of financial assets and liabilities at fair value through profit or loss	22, 28	**(106,197)**	4,463
Share of results of associates		**(254)**	(352)
Profit before income tax		**263,424**	129,150
Income tax expense	12	**(38,090)**	(15,446)
Profit for the year		**225,334**	113,704
Attributable to:			
Owners of the Company		**198,412**	100,559
Non-controlling interests		**26,922**	13,145
		225,334	113,704
Earnings per share for profit attributable to owners of the Company:			
Basic earnings per share (USD cent)	13	**2.3**	1.2
Diluted earnings per share (USD cent)	13	**2.2**	0.6

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

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

		Year ended 31 December	
	Note	**2025 USD'000**	2024 USD'000
Profit for the year		**225,334**	113,704
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss			
Currency translation differences		**23,841**	(84,949)
Items that will not be reclassified subsequently to profit or loss			
Fair value changes of financial liabilities at fair value through profit or loss relating to the Group's credit risk	26	**85**	(43)
Others		**(53)**	6,270
Other comprehensive income/(loss) for the year, net of tax		**23,873**	(78,722)
Total comprehensive income/(loss) for the year		**249,207**	34,982
Attributable to:			
Owners of the Company		**233,316**	20,694
Non-controlling interests		**15,891**	14,288
		249,207	34,982

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

Consolidated Balance Sheet

As at 31 December 2025

	Note	As at 31 December 2025 USD'000	2024 USD'000
ASSETS			
Non-current assets			
Investment properties		**–**	243
Property, plant and equipment	14	**1,770,807**	1,385,538
Right-of-use assets	15	**565,657**	477,207
Intangible assets	16	**1,112,305**	1,118,688
Investments accounted for using the equity method		**1,955**	2,143
Deferred income tax assets	29	**108,431**	74,675
Other non-current assets	19	**78,974**	50,550
Financial assets at fair value through profit or loss	22	**657,607**	572,770
		4,295,736	3,681,814
Current assets			
Inventories		**20,648**	21,620
Trade receivables	20	**952,894**	680,180
Prepayments, other receivables and other assets	21	**1,270,803**	1,171,904
Financial assets at fair value through profit or loss	22	**121,040**	101,196
Restricted cash	23	**130,001**	40,861
Cash and cash equivalents	23	**2,009,499**	1,596,931
		4,504,885	3,612,692
Total assets		**8,800,621**	7,294,506
EQUITY			
Equity attributable to owners of the Company			
Share capital	24	**18**	18
Share premium	24, 26	**9,061,736**	9,061,736
Treasury shares	26	**(64,568)**	(19,420)
Other reserves	26	**(13,860)**	(190,781)
Accumulated losses		**(5,828,095)**	(6,026,240)
		3,155,231	2,825,313
Non-controlling interests		**(311,063)**	(302,765)
Total equity		**2,844,168**	2,522,548

	Note	As at 31 December 2025 USD'000	2024 USD'000
LIABILITIES			
Non-current liabilities			
Borrowings	27	**1,595,286**	1,320,550
Lease liabilities	15	**330,962**	296,728
Employee benefit obligations		**8,757**	6,350
Financial liabilities – redemption liabilities of shares of JNT KSA	28	**72,233**	65,958
Financial liabilities at fair value through profit or loss	28	**425,443**	649,161
Deferred grants		**45,630**	–
Deferred tax liabilities	29	**22,698**	15,312
		2,501,009	2,354,059
Current liabilities			
Trade payables	30	**741,090**	589,860
Advances from customers	31	**345,621**	322,333
Accruals and other payables	32	**1,361,419**	1,023,909
Current income tax liabilities		**22,876**	35,381
Borrowings	27	**813,702**	262,642
Lease liabilities	15	**165,870**	172,442
Financial liabilities at fair value through profit or loss	28	**4,866**	11,332
		3,455,444	2,417,899
Total liabilities		**5,956,453**	4,771,958
Total equity and liabilities		**8,800,621**	7,294,506

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

The consolidated financial statements on pages 233 to 333 were approved by the Board of Directors on 30 March 2026 and were signed on its behalf.

Alice Yu-fen Cheng
Director

Jet Jie Li
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

		Attributable to owners of the Company							
	Note	Share capital USD'000	Share premium USD'000	Treasury shares 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 year		–	–	–	–	100,559	100,559	13,145	113,704
Other comprehensive loss:									
Items that may be reclassified subsequently to profit or loss									
Currency translation differences		–	–	–	(85,940)	–	(85,940)	991	(84,949)
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	28	–	–	–	(43)	–	(43)	–	(43)
Others		–	–	–	6,118	–	6,118	152	6,270
Total comprehensive income		–	–	–	(79,865)	100,559	20,694	14,288	34,982
Transactions with owners in their capacity as owner:									
Capital injection from non-controlling shareholders		–	–	–	–	–	–	(66)	(66)
Transactions with non-controlling interests	34	–	–	–	(22,662)	–	(22,662)	(19,978)	(42,640)
Dividends of subsidiaries		–	–	–	–	–	–	(26,926)	(26,926)
Employee benefit expenses – Share-based compensation expenses	25	–	–	–	86,629	–	86,629	–	86,629
Repurchase of ordinary shares	24, 25, 28	–	–	(19,420)	–	–	(19,420)	–	(19,420)
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	25	–	–	–	10,390	–	10,390	–	10,390
Total transactions with owners in their capacity as owner		–	–	(19,420)	74,357	–	54,937	(46,970)	7,967
Balance as at 31 December 2024		18	9,061,736	(19,420)	(190,781)	(6,026,240)	2,825,313	(302,765)	2,522,548

	Note	Attributable to owners of the Company							
		Share capital USD'000	Share premium USD'000	Treasury shares 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 2025		18	9,061,736	(19,420)	(190,781)	(6,026,240)	2,825,313	(302,765)	2,522,548
Comprehensive income									
Profit for the year		–	–	–	–	198,412	198,412	26,922	225,334
Other comprehensive income:									
Items that may be reclassified subsequently to profit or loss									
Currency translation differences		–	–	–	34,877	–	34,877	(11,036)	23,841
Item that will not be reclassified subsequently to profit or loss									
Other comprehensive income – resulted from change of credit risk of financial liabilities measured at fair value	28	–	–	–	85	–	85	–	85
Others		–	–	–	(58)	–	(58)	5	(53)
Total comprehensive income		–	–	–	34,904	198,412	233,316	15,891	249,207
Transactions with owners in their capacity as owner:									
Capital injection from non-controlling shareholders		–	–	–	–	–	–	315	315
Transactions with non-controlling interests	34	–	–	–	25,361	–	25,361	(24,497)	864
Employee benefit expenses – Share-based compensation expenses	25	–	–	–	112,551	–	112,551	–	112,551
Repurchase of ordinary shares	24, 25, 28	–	–	(45,148)	–	–	(45,148)	–	(45,148)
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	25	–	–	–	3,838	–	3,838	–	3,838
Transfer of loss on repurchase of financial liabilities at FVPL to retained earnings (net of tax)		–	–	–	267	(267)	–	–	–
Others		–	–	–	–	–	–	(7)	(7)
Total transactions with owners in their capacity as owner		–	–	(45,148)	142,017	(267)	96,602	(24,189)	72,413
Balance as at 31 December 2025		18	9,061,736	(64,568)	(13,860)	(5,828,095)	3,155,231	(311,063)	2,844,168

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Note	Year ended 31 December 2025 USD'000	2024 USD'000
Cash flows generated from operating activities			
Cash generated from operations	33	**1,112,535**	831,179
Interest received		**49,086**	40,721
Income tax paid		**(73,591)**	(64,472)
Net cash flows generated from operating activities		**1,088,030**	807,428
Cash flows used in investing activities			
Purchase of financial assets at fair value through profit or loss		**(904,543)**	(758,418)
Redemption of financial assets at fair value through profit or loss		**785,491**	826,080
Proceeds from sales of derivative financial liabilities		**5,154**	–
Investment in associates		**(226)**	(21)
Loans to related parties	35	**(16,000)**	–
Loans to third parties		**(61,996)**	(169,010)
Repayment of loans by third parties and interests received		**81,847**	19,802
Purchase of property, plant and equipment		**(589,180)**	(553,864)
Purchases of investment properties		**–**	(355)
Proceeds from disposal of long-term assets		**46,818**	51,543
Purchases of intangible assets		**(4,450)**	(1,071)
Acquisition of subsidiaries, net of cash paid		**(6,726)**	11,467
Disposals of subsidiaries and associates		**–**	218
Net cash flows used in investing activities		**(663,811)**	(573,629)

	Note	Year ended 31 December 2025 USD'000	2024 USD'000
Cash flows generated from financing activities			
Restricted cash placed		**(19,036)**	(1,058)
Restricted cash withdrawn		**12,830**	1,382
Proceeds from borrowings		**2,432,778**	1,737,712
Repayment of borrowings		**(1,677,070)**	(1,421,264)
Interest paid for borrowings		**(112,128)**	(84,350)
Dividends paid		**–**	(27,608)
Repayment of convertible loans of JNT KSA	28	**(11,332)**	–
Repurchase of the Preferred Shares of JET Global	28	**(311,135)**	–
Principal elements of lease payments		**(241,143)**	(246,501)
Interest elements of lease payments		**(30,595)**	(31,330)
Capital injection from non-controlling interests		**315**	–
Capital withdrawal of non-controlling interests		**–**	(103)
Repurchase of ordinary shares	26(b)	**(45,148)**	(19,420)
Cash received/(paid) in transactions with non-controlling interests	34	**864**	(7,424)
Net cash flows used in financing activities		**(800)**	(99,964)
Net increase in cash and cash equivalents		**423,419**	133,835
Cash and cash equivalents at the beginning of the year		**1,596,931**	1,483,198
Effects of foreign exchange rate changes on cash and cash equivalents		**(10,851)**	(20,102)
Cash and cash equivalents at the end of the year		**2,009,499**	1,596,931

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

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, as set out in Note 17 (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 countries including Saudi Arabia, UAE, Mexico, Brazil and Egypt. (collectively, "New Markets").

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

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

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates respectively ("the functional currency"). The consolidated financial statements are presented in United States Dollars ("USD"), which is the Company's functional and presentation currency.

These consolidated financial statements have been approved for issue by the Board of Directors on 30 March 2026.

The regulations in certain jurisdictions have certain restrictions on foreign ownership of companies that provide express delivery services. In order to comply with relevant local regulations, the Company controls relevant subsidiaries in the PRC and Indonesia through certain contractual arrangements.

(a) Contractual agreements with the VIE in the PRC

In accordance with a series of contractual arrangements effective from 1 January 2020, entered into among a wholly owned subsidiary of the Company (the "HK Holding"), another wholly owned subsidiary and the parent company (the "China VIE") of the express delivery service licence holding company in the PRC and equity holders, the HK Holding and the Company were able to:

- exercise equity holders' voting rights of the China VIE;
- receive substantially all of the economic interest returns generated by the China VIE in consideration for the business support, technical and consulting services provided by the HK Holding;
- obtain an irrevocable and exclusive right to purchase all of the equity interests in the China VIE from its respective equity holders at a minimum purchase price when it is permitted under laws and regulations in the PRC, and the HK Holding may exercise such options at any time until it has acquired all equity interests of the China VIE; and
- obtain a pledge over the entire equity interests of the China VIE from its respective equity holders as collateral security for the due payment and timely performance by the China VIE and its equity holders in accordance with the terms in the contractual arrangements.

1. GENERAL INFORMATION (Continued)

(a) Contractual agreements with the VIE in the PRC (Continued)

The abovementioned arrangements were terminated on 22 April 2020 and in accordance with a series of contractual arrangements effective since then, entered into among a wholly owned subsidiary of the Company (the "China WFOE", a wholly foreign-owned enterprise in China), the China VIE and its equity holders, the China WFOE and the Company are able to:

- exercise equity holders' voting rights of the China VIE;
- receive substantially all of the economic interest returns generated by the China VIE in consideration for the business support, technical and consulting services provided by the China WFOE;
- obtain an irrevocable and exclusive right to purchase all of the equity interests in the China VIE from the respective equity holders at a minimum purchase price when it is permitted under laws and regulations in the PRC and the China WFOE may exercise such options at any time until it has acquired all equity interests of the China VIE; and
- obtain a pledge over the entire equity interests of the China VIE from its respective equity holders as collateral security for the due payment and timely performance by the China VIE and its equity holders in accordance with the terms in the contractual arrangements.

As a result of such contractual arrangements, the Company has the rights to exercise power over the China VIE and its subsidiaries, the right to receive variable returns from its involvement in the China VIE and its subsidiaries, and the ability to affect those returns through its power over the China VIE and its subsidiaries, and is therefore considered to control the China VIE and its subsidiaries. Consequently, the Company regards the China VIE and its subsidiaries as controlled entities and consolidated the assets, liabilities, and results of operations of the China VIE and its subsidiaries in the consolidated financial information of the Group.

1. GENERAL INFORMATION (Continued)

(b) Contractual agreements with the VIE in Indonesia

In accordance with a series of contractual arrangements effective from 15 August 2016, entered into among the HK Holding, the local holding companies of the relevant businesses in Indonesia (collectively, the "Indonesia VIE") and their equity holders, the HK Holding and the Company are able to:

- exercise substantially all the powers and rights associated to the portion of contributed capital held by equity holders of the Indonesia VIE;

- receive substantially all of the economic interest returns generated by the Indonesia VIE in consideration for the business support, technical and consulting services provided by the HK Holding;

- obtain an irrevocable and exclusive right to purchase all or part of the equity interests in the Indonesia VIE from its respective equity holders when it is permitted under laws and regulations in Indonesia. The HK Holding may exercise such options at any time until it has acquired all equity interests of the Indonesia VIE. The purchase price is set at HK Holding's discretion, subject to any restrictions imposed by Indonesian law; and

- obtain a pledge over the entire equity interests of the Indonesia VIE from its respective equity holders as collateral security for the due payment and timely performance by the Indonesia VIE and its equity holders in accordance with the terms in the contractual arrangements.

Starting from 29 March 2022, the abovementioned contractual arrangements were terminated, and as per a new series of contractual arrangements entered into among an Indonesian subsidiary of the HK Holding (the "Indonesia Holding"), the Indonesia VIE and their equity holders, with similar terms and clauses, the Indonesia Holding was able to exercise similar power and to be exposed to similar returns from the Indonesia VIE.

As a result of such arrangements, the Company has the rights to exercise power over the Indonesian VIE and its subsidiaries, the rights to receive variable returns from its involvement in the Indonesian VIE and its subsidiaries, and the ability to affect those returns through its power over the Indonesian VIE and its subsidiaries, and is therefore considered to control the Indonesian VIE and its subsidiaries. Consequently, the Company regards the Indonesian VIE and its subsidiaries as controlled entities and consolidated the assets, liabilities and results of operations of the Indonesian VIE and its subsidiaries in the consolidated financial information of the Group.

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

2.1 Basis of preparation

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

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

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

2.2 New or amended standards or interpretations

An amended standard became applicable for the current reporting period. The adoption of the new amendment 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 21	Lack of Exchangeability	1 January 2025

Certain new accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2025 and have not been early adopted by the Group. Those new standards, amendments of standards and interpretations are as follows:

		Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts-referencing nature-dependent electricity	1 January 2026
Annual improvements project	Annual improvements to IFRS Accounting Standards-volumes 11	1 January 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

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

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's operating activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

(a) Market risk

(i) Foreign exchange risk

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

For the Group's subsidiaries whose functional currency is RMB, if RMB had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024, would have been approximately USD3,683,000 lower/higher and USD4,260,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is IDR, if IDR had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD4,661,000 lower/higher and USD7,708,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is THB, if THB had strengthened/weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD22,910,000 higher/lower and USD22,687,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is VND, if VND had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD8,582,000 higher/lower and USD9,986,000 higher/lower, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is MYR, if MYR had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the year ended 31 December 2025 and 2024 would have been approximately USD7,528,000 higher/lower and USD5,509,000 higher/lower as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

For the Group's subsidiaries whose functional currency is SGD, if SGD had strengthened/weakened by 5% against USD with all other variables held constant, the loss before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD1,639,000 higher/lower and USD1,715,000 lower/higher respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

For the Group's subsidiaries whose functional currency is PHP, if PHP had strengthened/weakened by 5% against USD with all other variables held constant, the profit before income tax for the years ended 31 December 2025 and 2024 would have been approximately USD9,320,000 higher/lower and USD5,260,000 higher/lower respectively, as a result of net foreign exchange gains/losses on translation of net monetary assets/liabilities denominated in USD.

(ii) Interest rate risk

The Group's interest rate risk primarily arose from borrowings, loans to third parties, and cash and cash equivalents. Those carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk.

The Group has limited cash flow interest rate risk as at 31 December 2025 and 2024.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Year ended 31 December 2025 USD'000	**% of total loans**	Year ended 31 December 2024 USD'000	% of total loans
Variable rate borrowings	**1,965,777**	**82%**	992,769	63%
Fixed rate borrowings – repricing or maturity dates:				
Less than one year	**425,451**	**18%**	247,916	15%
1–2 years	**1,383**	**0%**	27,965	2%
2–5 years	**16,377**	**0%**	294,781	19%
Over 5 years	**–**	**–**	19,761	1%
	443,211	**18%**	590,423	37%
	2,408,988	**100%**	1,583,192	100%

The Group regularly monitors its interest rate risk to ensure there is no undue exposure to significant interest rate movements.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, restricted cash, financial assets measured at fair value through profit or loss, other receivables and other assets.

(i) Risk management

The Group manages risk arising from cash and cash equivalents, restricted cash and bank wealth management products by only conducting transacts with state-owned or reputable financial institutions, which have no recent history of default.

The Group manages risk arising from trade receivables and financial assets included in other receivables and other assets by only conducting transactions with recognized and creditworthy third parties, or with other customers who passed the Group's creditability assessment. It is the Group's policy that all customers who wish to trade on credit terms or carry out other transactions need to be subject to certain creditability assessment.

The Group manages risk arising from investments included in financial assets measured at fair value through profit or loss by regularly monitoring of the financial performance and balance sheet positions of relevant significant investees, and conduct independent creditability assessment.

(ii) Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables from the provision of express delivery services, cross-border services, sales of accessories, rentals and others; and

- other receivables and other non-current asset

While restricted cash and cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on aging and shared credit characteristics, which typically vary across countries or regions.

The expected loss rates are based on the historical credit losses and adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product ("GDP") and Consumer Price Index ("CPI") of the countries in which it provides its services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

On that basis, the loss allowance as at 31 December 2025 and 2024 was determined as follows for trade receivables:

China

As at 31 December 2025	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate						
Reputable customers (i)	**0.02%**	**0.84%**	**N/A**	**N/A**	**N/A**	
Other customers (i)	**3.54%**	**26.13%**	**47.02%**	**88.58%**	**100.00%**	
Gross amount						
Reputable customers	**36,568**	**12,328**	**–**	**–**	**–**	**48,896**
Other customers	**71,558**	**3,624**	**1,827**	**893**	**2,385**	**80,287**
Total gross amount	**108,126**	**15,952**	**1,827**	**893**	**2,385**	**129,183**
Loss allowance						
Reputable customers	**9**	**104**	**–**	**–**	**–**	**113**
Other customers	**2,534**	**947**	**859**	**791**	**2,385**	**7,516**
Total loss allowance	**2,543**	**1,051**	**859**	**791**	**2,385**	**7,629**

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

China (Continued)

As at 31 December 2024	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate						
Reputable customers (i)	1.10%	2.19%	7.83%	72.21%	N/A	
Other customers (i)	3.39%	29.78%	60.50%	82.06%	100.00%	
Terminated customers (credit impaired) (ii)	100.00%	100.00%	100.00%	N/A	N/A	
Gross amount						
Reputable customers	79,151	64,354	2,696	2,159	–	148,360
Other customers	46,598	3,895	1,681	1,477	2,468	56,119
Terminated customers (credit impaired)	1,666	122	84	–	–	1,872
Total gross amount	127,415	68,371	4,461	3,636	2,468	206,351
Loss allowance						
Reputable customers	870	1,412	211	1,559	–	4,052
Other customers	1,578	1,160	1,017	1,212	2,468	7,435
Terminated customers (credit impaired)	1,666	122	84	–	–	1,872
Total loss allowance	4,114	2,694	1,312	2,771	2,468	13,359

(i) In China, the Group categorised the customers as per the size of their capitals, transaction volumes, as well as historical settlement and etc.

(ii) For the year ended 31 December 2024, the Group terminated business relationships with certain customers and the Group assessed the credit loss for such customers separately as the credit risk profile is different from other customers.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

South-East Asia

As at 31 December 2025	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate	**0.55%**	**26.68%**	**74.32%**	**96.09%**	**100.00%**	
Gross amount	**531,377**	**626**	**440**	**128**	**366**	**532,937**
Loss allowance	**2,928**	**167**	**327**	**123**	**366**	**3,911**

As at 31 December 2024	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate	0.72%	28.65%	56.94%	92.40%	100.00%	
Gross amount	362,905	2,304	1,433	895	1,537	369,074
Loss allowance	2,628	660	816	827	1,537	6,468

Other regions

As at 31 December 2025	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate	**1.70%**	**15.47%**	**90.12%**	**91.72%**	**100.00%**	
Gross amount	**290,100**	**19,195**	**8,475**	**1,148**	**1,004**	**319,922**
Loss allowance	**4,943**	**2,970**	**7,638**	**1,053**	**1,004**	**17,608**

As at 31 December 2024	Within 3 months USD'000	3-6 months USD'000	6-9 months USD'000	9-12 months USD'000	Above 12 months USD'000	Total USD'000
Expected loss rate	2.16%	24.42%	89.73%	100.00%	100.00%	
Gross amount	122,817	5,664	1,314	593	1,572	131,960
Loss allowance	2,651	1,383	1,179	593	1,572	7,378

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

	Trade receivables	
	2025 USD'000	2024 USD'000
Opening loss allowance as at 1 January	**27,205**	36,909
Impairment losses recognized, net of reversal	**7,836**	5,527
Bad debt write-offs	**(6,401)**	(15,182)
Exchange difference	**508**	(49)
Closing loss allowance as at 31 December	**29,148**	27,205

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Impairment losses on trade receivables are presented as net impairment losses within operating loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other receivables and other non-current assets

The Group determines the credit risk of its other receivables and other non-current assets (if applicable) basing on factors including historical experience, internal/external credit rating, overdue status and nature of relevant other receivables and other non-current assets, and also other forward-looking information including macroeconomic factors.

Impairment on other receivables and other non-current assets is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Other receivables and other non-current assets (Continued)

On that basis, the loss allowance as at 31 December 2025 and 2024 was determined as follows for other receivables and other non-current assets:

Risk rating as at 31 December 2025	**Expected credit loss rate**	**Gross carrying amount at default (stage 1)**	**Gross carrying amount at default (stage 2)**	**Gross carrying amount at default (stage 3)**
Low risk	**1.22%**	**481,075**	**N/A**	**N/A**
Moderate risk	**N/A**	**N/A**	**N/A**	**N/A**
High risk and credit impaired	**100.00%**	**N/A**	**N/A**	**10,989**

Risk rating as at 31 December 2024	Expected credit loss rate	Gross carrying amount at default (stage 1)	Gross carrying amount at default (stage 2)	Gross carrying amount at default (stage 3)
Low risk	0.72%	465,947	N/A	N/A
Moderate risk	N/A	N/A	N/A	N/A
High risk and credit impaired	100.00%	N/A	N/A	5,165

Based on the management's experience and expectation, the deposits were exposed to minimal credit risk as at 31 December 2025 and 2024.

The above receivables with minimal credit risk are classified as stage one.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Other receivables and other non-current assets (Continued)

The loss allowance for other receivables and other non-current assets at amortised cost as at 31 December reconciles to the opening loss allowance as follows:

	Loans to third parties USD'000	Others USD'000	Total USD'000
Opening loss allowance as at 1 January 2024	3,277	1,928	5,205
(Decrease)/increase in the allowance recognized in profit or loss during the year	(3,226)	8,965	5,739
Write-offs	–	(2,354)	(2,354)
Exchange difference	(50)	(22)	(72)
Closing loss allowance as at 31 December 2024	1	8,517	8,518
Increase in the allowance recognized in profit or loss during the year	**63**	**18,976**	**19,039**
Write-offs	**–**	**(10,649)**	**(10,649)**
Exchange difference	**(20)**	**(10)**	**(30)**
Closing loss allowance as at 31 December 2025	**44**	**16,834**	**16,878**

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Net impairment losses on financial assets recognized in profit or loss
The following losses were recognized in profit or loss in relation to impaired financial assets for the year ended 31 December 2025 and 2024:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Impairment losses		
Movement in loss allowance for trade receivables	**7,836**	5,527
Movement in loss allowance for other receivables and other non-current assets	**19,039**	5,739
Impairment losses on financial assets at amortised cost	**26,875**	11,266

(iii) Financial assets at fair value through profit or loss

The entity is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents or adjust financing arrangements to meet the Group's liquidity requirements.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, except for financial liabilities at fair value through profit or loss that are disclosed at fair value.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Non-derivatives	Less than 1 year USD'000	Between 1 and 2 years USD'000	Between 2 and 5 years USD'000	More than 5 years USD'000	Total USD'000
As at 31 December 2025					
Borrowings and interest payables	**851,328**	**29,253**	**1,776,509**	**139,228**	**2,796,318**
Trade payables	**741,090**	**–**	**–**	**–**	**741,090**
Accrued and other payables (excluding salary and welfare payables and other tax payables)	**853,727**	**–**	**–**	**–**	**853,727**
Advances from customers	**345,621**	**–**	**–**	**–**	**345,621**
Lease liabilities	**169,833**	**138,854**	**104,606**	**95,408**	**508,701**
Financial liabilities at fair value through profit or loss	**–**	**136,454**	**545,815**	**–**	**682,269**
Financial liabilities – redemption liabilities of shares of JNT KSA	**–**	**35,000**	**70,000**	**–**	**105,000**
Total	**2,961,599**	**339,561**	**2,496,930**	**234,636**	**6,032,726**

Non-derivatives	Less than 1 year USD'000	Between 1 and 2 years USD'000	Between 2 and 5 years USD'000	More than 5 years USD'000	Total USD'000
As at 31 December 2024					
Borrowings and interest payables	266,386	63,460	1,375,658	97,752	1,803,256
Trade payables	589,860	–	–	–	589,860
Accrued and other payables (excluding salary and welfare payables and other tax payables)	655,697	–	–	–	655,697
Advances from customers	322,333	–	–	–	322,333
Lease liabilities	176,562	114,217	95,929	93,671	480,379
Financial liabilities at fair value through profit or loss	11,332	649,161	–	–	660,493
Financial liabilities – redemption liabilities of shares of JNT KSA	–	105,000	–	–	105,000
Total	2,022,170	931,838	1,471,587	191,423	4,617,018

Details of the description of financial liabilities at fair value through profit or loss are presented in Note 28.

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long-term.

The Group monitors capital (including share capital, share premium and convertible preferred shares on an as-if-converted basis) by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is relatively low.

The asset-liability ratios of the Group as at 31 December 2025 and 2024 are as follows:

	As at 31 December	
	2025	2024
	USD'000	USD'000
Total assets	**8,800,621**	7,294,506
Total liabilities	**5,956,453**	4,771,958
Asset-liability ratio	**67.7%**	65.4%

Asset-liability ratio is calculated by dividing total liabilities by total assets and multiplying by 100%. The asset-liability ratio in 2025 basically remains stable.

3.3 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).

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value on 31 December 2025:

	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)	**26,042**	**–**	**631,565**	**657,607**
Current financial assets at fair value through profit or loss (Note 22)	**57,589**	**–**	**–**	**57,589**
Short-term investments measured at fair value through profit or loss (Note 22)	**–**	**63,451**	**–**	**63,451**
	83,631	**63,451**	**631,565**	**778,647**
Liabilities				
Financial liabilities at fair value through profit or loss (Note 28)	**–**	**4,866**	**425,443**	**430,309**

The following table presents the Group's assets and liabilities that are measured at fair value on 31 December 2024:

	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)	41,174	–	531,596	572,770
Current financial assets at fair value through profit or loss (Note 22)	57,373	–	–	57,373
Short-term investments measured at fair value through profit or loss (Note 22)	–	43,823	–	43,823
	98,547	43,823	531,596	673,966
Liabilities				
Financial liabilities at fair value through profit or loss (Note 28)	–	–	660,493	660,493

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (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 31 December 2025, level 1 instruments of the Group's assets included the Group's other investments classified as current assets and certain investments in Windfall T&L SPC (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.

For the years ended 31 December 2025 and 2024, 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 31 December 2025 and 2024, level 3 instruments of the Group's assets included the Group's certain investments in Windfall T&L SPC, the convertible bonds of Yimi Global Limited and other investments classified as non-current assets (Note 22), and liabilities mainly include preferred shares of JET Global (Note 28).

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the years ended 31 December 2025 and 2024.

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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Consolidation of affiliated entities

The Group conducts a substantial part of the business in countries including the PRC, Indonesia, Thailand, the Philippines, and Vietnam, where there are certain regulatory restrictions on foreign ownerships in express delivery and relevant businesses. The Group has entered into certain contractual arrangements with relevant local entities and their respective registered shareholders. The directors of the Company determine that the Group is able to control such entities by assessing and concluding that the Group has the rights to exercise power over such entities, to receive variable returns from its involvement in such entities, and has the ability to affect those returns through its power over such entities. Consequently, the Company consolidates the assets, liabilities and results of operations of such entities in the consolidated financial information of the Group.

Nevertheless, uncertainties presented by the local legal system could impede the Group's beneficiary rights in the results, assets and liabilities of the local entities. The directors of the Company, based on the advice of its legal counsels, have exercised judgement and consider that the abovementioned contractual arrangements, relevant agreements or constitutional documents are in compliance with relevant local laws and regulations, and are legally binding and enforceable.

(b) Fair value of financial assets and liabilities at fair value through profit or loss

The Group's financial assets and liabilities at fair value through profit or loss are not traded in an active market and the respective fair value is substantially determined by using valuation techniques. During the reporting period, the Company appointed an external valuer to provide assistance in the valuation of the fair value of relevant financial assets and liabilities at fair value through profit or loss. The discounted cash flow method is normally adopted to determine the underlying equity value of relevant business, and equity allocation model is adopted to determine the fair value of the convertible bonds of Yimi Global Limited. Key assumptions, such as discount rate, lack of marketability discount and volatility are disclosed in Note 22 and Note 28.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Current and deferred income taxes

The Group is subject to income taxes in different jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

For temporary differences which give rise to deferred tax assets, the Group assesses the likelihood that the deferred income tax assets could be recovered. Deferred tax assets are recognized based on the Group's estimates and assumptions that they will be recovered from taxable income arising from continuing operations in the foreseeable future.

(d) Impairment of goodwill and other non-financial assets

The Group tests annually, or more frequently if events or changes in circumstances indicate that they might be impaired, whether goodwill has suffered any impairment. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is determined as higher of fair value less costs of disposal and value in use amount. These calculations require use of estimates.

For the purposes of determining the value in use of cash-generating unit or group of cash-generating units, expected cash flows generated by relevant assets are discounted to their present value, which requires significant estimates related to growth rate, gross margin, discount rate and other factors in the cash flow projection. Fair value less costs of disposal is calculated by benchmarking against the price quotation of a comparable model in the second-hand market, adjusting the estimated disposal costs.

The revision to the major assumptions adopted may result in recognition of impairment against goodwill, and recognition or reversal of impairment against other non-financial assets.

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), adjusted segment EBITDA and adjusted segment EBIT.

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
- Other gains, expenses or losses the Group and the CEO deem to be one-off

The abovementioned adjusted EBIT is defined as adjusted segment EBITDA to include relevant depreciation and amortisation.

During the reporting period, items including certain expenses, gains and losses incurred at corporate and holding companies' level including the Company, the BVI Holdco, the HK Holding and etc., 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 years ended 31 December 2025 and 2024 is as follows:

	Year ended 31 December 2025					
	South-East Asia USD'000	**China USD'000**	**New Markets USD'000**	**Cross-border USD'000**	**Unallocated USD'000**	**Total USD'000**
Segment revenue	**4,501,804**	**6,709,703**	**870,222**	**76,077**	**–**	**12,157,806**
Segment cost of revenue	**(3,640,660)**	**(6,263,140)**	**(721,852)**	**(69,479)**	**–**	**(10,695,131)**
Segment gross profit	**861,144**	**446,563**	**148,370**	**6,598**	**–**	**1,462,675**
Adjusted segment EBITDA	**705,523**	**363,301**	**48,491**	**4,477**	**(72,734)**	**1,049,058**
Adjusted segment EBIT	**537,511**	**93,855**	**3,777**	**3,929**	**(72,957)**	**566,115**

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

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Adjusted EBITDA		
South-East Asia	**705,523**	455,630
China	**363,301**	427,290
New Markets	**48,491**	(42,997)
Cross-border	**4,477**	(28,972)
Un-allocated	**(72,734)**	(32,672)
Total adjusted EBITDA	**1,049,058**	778,279
Adjustments:		
Depreciation and amortization	**(482,943)**	(476,996)
Share-based compensation expenses – related to employee benefit expenses (Note 8)	**(112,551)**	(86,629)
Fair value change of the financial liabilities of preferred shares (Note 28(a)) (i)	**(87,502)**	N/A
Finance income	**45,579**	40,671
Finance costs	**(148,217)**	(126,175)
Income tax expense	**(38,090)**	(15,446)
Profit for the year	**225,334**	113,704

(i) During the year ended 31 December 2025, as the CEO of the Company assesses the performance of the abovementioned segments, fair value change of the financial liabilities of preferred shares is deemed to be one-off.

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 31 December	
	2025 USD'000	2024 USD'000
China	**2,098,812**	1,737,864
South-East Asia	**1,060,744**	923,208
Cross-border	**5,138**	15,665
New Markets	**339,134**	333,681
	3,503,828	3,010,418

During the year ended 31 December 2025 and 2024, the revenue which derived from an international e-commerce platform accounted for 31% and 19% respectively of the Group's revenue.

(c) Revenue during the year ended 31 December 2025 and 2024

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Type of revenue:		
Express delivery services	**11,811,258**	9,980,319
Others	**346,548**	278,785
	12,157,806	10,259,104
Timing of revenue recognition:		
Overtime	**11,796,920**	9,926,530
At a point in time	**295,725**	261,396
Rental income	**65,161**	71,178
	12,157,806	10,259,104

5. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Accounting policies of revenue recognition

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer.

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognized at a point in time when the customer obtains control of the distinct goods or services.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

5. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Accounting policies of revenue recognition (Continued)

Express delivery services

(i) Services provided to pick-up outlets of network partners in China and other countries

The Group offers an integrated express delivery service to pick-up outlets of network partners in China and other countries, such service includes parcel sorting, line-haul transportation, dispatching and other relevant network management services. The Group generally involves other outlets of network partners in dispatching. The Group is acting as principal in providing the entire express delivery service as the Group controls the dispatching services from other outlets of network partners to integrate into one complete express delivery service and is primarily responsible for the fulfilment of the express delivery service.

The Group charges pick-up outlets fees based on the parcel's size, weight, route to the end recipient's destination and other factors. The Group satisfies the performance obligation of express delivery service and recognises revenue over time and uses an output method of progress based on time-in-transit for express delivery service. The Group generally requires prepayment of such service fees.

In addition, the Group also earns non-refundable fees for initial operating training and other initial services to outlets of network partners, and such fees are generally recognized as revenue when the services are completed.

(ii) Services provided to enterprise customers/individual customers

The Group also provides an integrated express delivery service directly to certain enterprise/individual customers in China, Indonesia, Philippines, Thailand, Malaysia, Vietnam and other countries. The Group involves other outlets of network partners in pick-up, dispatching and other services. The Group is acting as principal in providing the entire express delivery service as the Group controls relevant services from other outlets of network partners or operating entities of regional sponsors to integrate into one complete express delivery service and is primarily responsible for the fulfilment of the express delivery service.

The Group charges the customers based on parcel's size, weight, route to the end recipient's destination and other factors. The Group generally issues billings on a regular basis and grants certain credit periods to such customers. The Group satisfies the performance obligation of such express delivery service and recognises revenue over time and uses an output method of progress based on time-in-transit for the express delivery service.

(iii) Cash on delivery services

For cash on delivery services, the Group is generally engaged by its customers (normally on-line shopping platforms or on-line merchants) to collect cash payment for the merchandise from end-users, then disburse the cash payment to such customers, and charges certain proportion of the cash payments as service fees as a value-added service on top of the express delivery services. Generally, all of such service contracts include only one performance obligation as normally the abovementioned or other relevant promises contained in the service contracts are considered to be not separately identifiable due to the fact that such promises are highly interrelated, and generally the customer expects the Group to deliver services with integration of such promises.

For cash on delivery services, the Group generally satisfies a performance obligation and recognises revenue at a point in time once such services are completed.

5. REVENUE AND SEGMENT INFORMATION (Continued)

(d) Accounting policies of revenue recognition (Continued)

Express delivery services (Continued)

(iii) Cash on delivery services (Continued)

The Group provides customers with certain volume-based incentives in relation to express delivery services, which represent variable considerations and are recorded as reductions to the related revenue. The Group estimates the variable considerations to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As the incentives are generally determined on a monthly basis, the uncertainty in estimating the variable considerations to be recorded is very limited.

Cross-border services

For its cross-border services provided to its customers, the Group is generally acting as principal in providing cargo or parcel collection, transportation and warehousing, customs clearances, dispatching and other relevant services to such customers as the Group is primarily responsible for and has control over the services. A substantial part of such service contracts includes only one performance obligation as normally the abovementioned or other relevant promises contained in the service contracts are considered to be not separately identifiable due to the fact that such promises are highly interrelated, and generally the customer expects the Group to deliver services with integration of such promises.

For such service, the Group generally satisfies a performance obligation and recognises revenue over time as it transfers control of such service over time, since the customers receive the benefit of the service as the goods are transported from one location to another. Revenue is recognized based on the extent of progress towards completion of the performance obligation. The Group uses an output method of progress based on time-in-transit as it best depicts the transfer of control to the customers.

The Group's revenue also includes sales of accessories, such as J&T-branded packing supplies and apparels. Revenue from sales of accessories is recognized when control of the product is transferred to the customer and in an amount the Group expects to earn in exchange for the product.

6. OTHER INCOME

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Subsidy income	**7,287**	4,748
Interest income on loans to third parties	**5,111**	5,479
	12,398	10,227

7. OTHER (LOSSES)/GAINS – NET

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Exchange (losses)/gains – net	**(26,198)**	4,228
Net (losses)/gains on disposal of property, plant and equipment	**(22,594)**	5,425
Taxes and surcharges	**(10,699)**	(9,623)
Others	**13,654**	8,941
	(45,837)	8,971

8. EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Salaries and bonuses	**1,452,166**	1,165,121
Pension cost – defined contribution plans (i)	**69,695**	48,908
Share-based compensation expenses (Notes 25 (i), (ii))	**112,551**	86,629
Medical and other benefits	**116,497**	84,625
	1,750,909	1,385,283

(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

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Fulfilment costs	**5,842,281**	5,069,992
Line-haul costs	**2,167,133**	1,841,330
Employee benefit expenses (Note 8)	**1,750,909**	1,385,283
Other labour costs	**752,034**	647,684
Depreciation and amortization (Note 33 (a))	**482,943**	476,996
Short-term leases and service costs	**179,352**	194,693
Materials	**124,723**	115,892
Impairment of property, plant and equipment	**30,576**	–
Advertising and marketing expenses	**11,922**	13,810
Auditors' remuneration	**2,170**	2,650
Others	**280,936**	308,163
	11,624,979	10,056,493

10. FINANCE COSTS – NET

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Finance income		
Interest income from bank deposits	**45,579**	40,671
Finance costs		
Interest expenses on lease liabilities (Note 15)	**(30,595)**	(31,330)
Interest expenses on borrowings		
Includes: Interest expense on borrowings from financial institutions	**(103,160)**	(78,560)
Interest expense on borrowings from third parties	**(14,462)**	(16,285)
Total finance costs	**(148,217)**	(126,175)
Finance costs – net	**(102,638)**	(85,504)

11. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Impairment losses recognized, net of reversal, on:		
– trade receivables	**7,836**	5,527
– other receivables and other non-current assets	**19,039**	5,739
	26,875	11,266

12. INCOME TAX EXPENSE

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Current tax on profits for the year	**62,599**	37,624
Deferred income tax (Note 29)	**(24,509)**	(22,178)
	38,090	15,446

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial information. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

12. INCOME TAX EXPENSE (Continued)

(b) Deferred income tax (Continued)

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The Group considers the lease as a single transaction in which the assets and liabilities are integrally linked. There is no net temporary difference at inception. Subsequently, when differences on settlement of the liabilities and the amortisation of right-of-use assets arise, there will be a net temporary difference on which deferred tax is recognized.

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

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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.

12. INCOME TAX EXPENSE (Continued)

(b) Deferred income tax (Continued)

(iv) PRC corporate income tax ("PRC CIT") (Continued)

Besides, certain Group's subsidiaries benefit from 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%.

(v) 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.

(vi) 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.

(vii) 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.

(viii) 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.

(ix) 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.

(x) Mexico corporate income tax ("Mexico CIT")

The Group's subsidiaries in Mexico are subject to Mexico CIT which is calculated based on the applicable tax rate of 30% on the assessable profits of the subsidiaries in accordance with Mexico tax laws and regulations for the reporting period.

(xi) Brazil corporate income tax ("Brazil IRPJ") and Social Contribution on Net Income ("CSLL")

The Group's subsidiary in Brazil is subject to Brazil IRPJ and CSLL which are calculated based on the effective rates (15% for the corporate income tax, plus a 10% surtax on taxable income exceeding BRL 240,000 in the year and 9% for social contribution).

12. INCOME TAX EXPENSE (Continued)

(b) Deferred income tax (Continued)

(xii) Withholding income tax

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 years ended 31 December 2025 and 2024, no dividend 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 31 December 2025 and 2024 in the foreseeable future. Unremitted earnings that deferred income tax liabilities have not been recognized totalled USD281,402,452 and USD277,459,829 as at 31 December 2025 and 2024, 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 the years ended 31 December 2025 and 2024.

During the years ended 31 December 2025 and 2024, 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 31 December 2025 and 2024 in the foreseeable future. Unremitted earnings that deferred income tax liabilities have not been recognized totalled USD115,720,011 and USD77,055,661 as at 31 December 2025 and 2024, respectively.

The difference between the actual income tax expense charged to the consolidated income statement and the amounts which would result from applying the enacted tax rates to profit before income tax can be reconciled as follows:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Profit before income tax	**263,424**	129,150
Income tax expenses calculated at applicable tax rates	**117,709**	27,123
Additional deduction of research and development expense	**(6,366)**	(4,206)
Costs, expenses and losses not deductible for tax purposes	**41,511**	22,175
Previously unrecognized tax losses and deductible temporary differences utilised	**(147,278)**	(60,844)
Previously unrecognized tax losses and deductible temporary differences recognized as deferred tax assets	**(77,577)**	(47,179)
Deductible temporary differences for which no deferred tax asset was recognized	**16,562**	2,859
Tax losses for which no deferred tax asset was recognized	**93,529**	75,518
	38,090	15,446

12. INCOME TAX EXPENSE (Continued)

(b) Deferred income tax (Continued)

(xii) Withholding income tax (Continued)

The Group is within the scope of the OECD Pillar Two model rules, and it applies the IAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Pillar Two legislation came into effect from 1 January 2024 in certain countries, including Vietnam and certain European countries. From 1 January 2025, Pillar 2 legislation came into effect in more tax jurisdictions, including Hong Kong SAR in China, Singapore, Malaysia, Indonesia and Thailand.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the Global Anti-Base Erosion Proposal ('GloBE') effective tax rate for each jurisdiction and the 15% minimum rate. The Group has estimated that they might not be exposed to pay Pillar Two income taxes in the jurisdictions in which it operates with effective Pillar Two legislation.

Based on management's assessment, the application of the Pillar Two legislation will not be expected to increase the Group's annual effective tax rate for the fiscal year of 2025. In addition, based on the current assessment there is no material impact from exposure to Pillar Two legislation on the going concern assessment or on any asset impairment.

13. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding relevant treasury shares if applicable.

	Year ended 31 December	
	2025	2024
Net profit attributable to owners of the Company (USD'000)	**198,412**	100,559
Weighted average number of ordinary shares (thousands):		
Class A Shares outstanding	**917,981**	892,534
Class B Shares outstanding	**7,821,840**	7,817,178
Total weighted average number of shares outstanding	**8,739,821**	8,709,712
Basic earnings per share (USD cent)	**2.3**	1.2

13. EARNINGS PER SHARE (Continued)

(b) Diluted

The calculation of the diluted earnings per share is based on the profit 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 per share is the weighted average number of ordinary shares, as used in the basic earnings per share calculation, and the weighted average number of relevant dilutive ordinary shares assumed to have been issued on the deemed earliest exercise or conversion date.

	Year ended 31 December	
	2025	2024
Net profit attributable to owners of the Company (USD'000)	**198,412**	100,559
Adjustment for fair value change of JET Global's convertible preferred shares through profit or loss	**–**	(41,119)
Adjustment for fair value change of JET Global's convertible note through profit or loss	**–**	4
Net profit attributable to owners of the Company (USD'000)	**198,412**	59,444
Weighted average number of shares (thousands):		
Weighted average number of shares outstanding	**8,739,821**	8,709,712
Adjustment for convertible preferred shares of JET Global	**–**	426,763
Adjustment for convertible note of JET Global	**–**	57,235
Adjustment for ordinary shares with vesting schedules	**100,320**	131,176
Weighted average number of shares for calculation of diluted earnings per share	**8,840,141**	9,324,886
Diluted earnings per share (USD cent)	**2.2**	0.6

For the year ended 31 December 2025, the Group had potential ordinary shares of the Company including ordinary shares with vesting schedules (Note 25), which were dilutive with relevant impact described above.

For the year ended 31 December 2024, the Group had potential ordinary shares of the Company including Series A Preferred Shares of JET Global (Note 28), convertible notes of JET Global (Note 28), redemption liabilities of shares of JNT KSA (Note 28), convertible loans of JNT KSA (Note 28) and ordinary shares with vesting schedules (Note 25), among which Series A Preferred Shares of JET Global, convertible notes of JET Global and ordinary shares with vesting schedules were dilutive with relevant impact described above, and redemption liabilities of shares of JNT KSA and convertible loans of JNT KSA were anti-dilutive mainly due relevant interest expenses incurred.

14. 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
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
Acquisition of subsidiaries	–	–	6,108	16	2,448	–	–	505	9,077
Transfer from investment properties	133	–	–	–	–	–	–	–	133
Transfer to investment properties	(461)	–	–	–	–	–	–	–	(461)
Transfer upon completion	57,991	134,890	55,749	14,555	4,269	–	–	(267,454)	–
Other additions	–	15,780	120,281	18,672	16,607	–	–	346,223	517,563
Other disposals	(610)	(48,643)	(46,527)	(6,385)	(9,217)	–	–	(1,434)	(112,816)
Exchange differences	(3,928)	(17,349)	(13,682)	(3,691)	(5,707)	(172)	(26)	(1,944)	(46,499)
As at 31 December 2024	122,243	969,502	587,897	126,238	148,443	91,075	983	216,406	2,262,787
Acquisition of subsidiaries	**–**	**–**	**3**	**–**	**–**	**–**	**–**	**69,744**	**69,747**
Transfer to intangible assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(523)**	**(523)**
Transfer upon completion	**190,217**	**256,709**	**15,298**	**19,490**	**5,704**	**–**	**–**	**(487,418)**	**–**
Other additions	**6,331**	**70,266**	**118,124**	**11,654**	**19,669**	**–**	**–**	**417,043**	**643,087**
Other disposals	**(7,700)**	**(89,286)**	**(32,827)**	**(17,135)**	**(12,609)**	**–**	**(931)**	**(1,780)**	**(162,268)**
Exchange differences	**(1,432)**	**30,814**	**11,013**	**4,840**	**1,691**	**1,871**	**24**	**2,103**	**50,924**
As at 31 December 2025	**309,659**	**1,238,005**	**699,508**	**145,087**	**162,898**	**92,946**	**76**	**215,575**	**2,863,754**
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)
Transfer to investment properties	375	–	–	–	–	–	–	–	375
Charge for the year	(6,698)	(86,102)	(94,270)	(25,267)	(28,300)	–	(244)	–	(240,881)
Other disposals	–	15,134	25,070	4,465	4,214	–	–	–	48,883
Exchange differences	732	4,768	3,357	1,883	2,804	–	4	–	13,548
As at 31 December 2024	(20,489)	(213,340)	(278,106)	(67,488)	(88,061)	–	(739)	–	(668,223)
Charge for the year	**(9,997)**	**(80,734)**	**(98,735)**	**(29,037)**	**(25,476)**	**–**	**(183)**	**–**	**(244,162)**
Other disposals	**968**	**22,654**	**12,719**	**16,818**	**7,853**	**–**	**917**	**–**	**61,929**
Exchange differences	**311**	**(8,760)**	**(5,511)**	**(2,936)**	**(680)**	**–**	**(6)**	**–**	**(17,582)**
As at 31 December 2025	**(29,207)**	**(280,180)**	**(369,633)**	**(82,643)**	**(106,364)**	**–**	**(11)**	**–**	**(868,038)**
Impairment									
As at 1 January 2024	(1,353)	(174,277)	(127)	(15,307)	(3,714)	–	–	(32,227)	(227,005)
Transfer upon completion	–	(5,428)	–	–	–	–	–	5,428	–
Other disposals	228	15,123	–	–	147	–	–	–	15,498
Currency translation differences	490	1,744	9	113	87	–	–	38	2,481
As at 31 December 2024	(635)	(162,838)	(118)	(15,194)	(3,480)	–	–	(26,761)	(209,026)
Transfer upon completion	**–**	**4,362**	**–**	**–**	**–**	**–**	**–**	**(4,362)**	**–**
Charge for the year	**–**	**(29,734)**	**–**	**(774)**	**(38)**	**–**	**–**	**(30)**	**(30,576)**
Other disposals	**–**	**16,906**	**61**	**–**	**204**	**–**	**–**	**1,392**	**18,563**
Currency translation differences	**–**	**(3,469)**	**(3)**	**(190)**	**(130)**	**–**	**–**	**(78)**	**(3,870)**
As at 31 December 2025	**(635)**	**(174,773)**	**(60)**	**(16,158)**	**(3,444)**	**–**	**–**	**(29,839)**	**(224,909)**
Net book amount									
As at 31 December 2025	**279,817**	**783,052**	**329,815**	**46,286**	**53,090**	**92,946**	**65**	**185,736**	**1,770,807**
As at 31 December 2024	101,119	593,324	309,673	43,556	56,902	91,075	244	189,645	1,385,538

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives as follows:

Buildings and warehouses	10-20 years
Logistic equipment	3-10 years
Vehicles	3-10 years
Office equipment	2-5 years
Freehold Land	Infinite useful life
Leasehold improvements	Estimated useful lives or remaining lease terms, whichever is shorter

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

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Cost of revenue	**221,602**	217,187
Selling, general and administrative expenses	**22,209**	23,178
Research and development expenses	**351**	516
	244,162	240,881

As at 31 December 2025 and 2024, property, plant and equipment with carrying amount of USD104,637,000 and USD108,588,000 were pledged as securities for the Group's borrowings from financial institutions (Note 27) respectively.

For the year ended 31 December 2025, the Group formulated certain relocation plans for certain distribution centres as a result of its effort to optimize its line-haul network, and impairment charges amounting to around USD30,576,000 were recognised, representing the difference between the recoverable amount of relevant assets and relevant carrying amount.

15. LEASES

(i) Relevant right-of-use assets and lease liabilities recognized in the consolidated balance sheet are as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
Right-of-use assets		
Buildings and warehouses	**469,497**	416,773
Vehicles	**1,569**	850
Land	**94,501**	58,466
Equipment and others	**90**	1,118
	565,657	477,207
Lease liabilities		
Current lease liabilities	**165,870**	172,442
Non-current lease liabilities	**330,962**	296,728
	496,832	469,170

Additions to the right-of-use assets during the financial years ended 31 December 2025 and 2024 were USD243,118,000 and USD209,091,000 respectively.

(ii) Relevant depreciation charge of right-of-use assets, interest expense, expenses relating to short-term leases recognized in the consolidated income statement are as follows:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Depreciation charge of right-of-use assets		
Buildings and warehouses	**213,069**	207,850
Vehicles	**1,146**	1,467
Land	**2,712**	1,188
Equipment and others	**1,106**	4,949
	218,033	215,454
Interest expense (Note 10)	**30,595**	31,330
Expense relating to short-term leases (included in cost of revenue, selling, general and administrative expenses, research, and development expenses)	**134,188**	142,600

15. LEASES (Continued)

(ii) Relevant depreciation charge of right-of-use assets, interest expense, expenses relating to short-term leases recognized in the consolidated income statement are as follows: (Continued)

For the year ended 31 December 2025, around USD1,110,000 of the depreciation charge of right-of-use assets was included in property, plant and equipment. (2024: USD1,021,000)

The total cash outflows for leases payments for the years ended 31 December 2025 and 2024 were USD407,109,000 and USD422,253,000 respectively. For the years ended 31 December 2025 and 2024, among the cash outflow for lease payments, cash outflow for the principal elements of lease payments were USD241,143,000 and USD246,501,000 respectively, which is presented in cash flows from financing activities. The lease payments related to short-term leases were USD165,966,000 and USD175,752,000 for the years ended 31 December 2025 and 2024, which are presented in cash flows from operating activities.

As at 31 December 2025, right-of-use assets with carrying amount of USD8,282,000 was pledged as securities for the Group's borrowings from financial institutions (Note 27). (2024: USD8,284,000)

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices, warehouses, vehicles, land and equipment. Lease contracts are typically made for fixed periods of 1 year to 6 years but may have extension options as described in (v) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Under certain circumstances, certain amount of deposits is required to be paid to the lessors. Generally leased assets may not be used as security for borrowing purposes.

(iv) Variable lease payments

The Group's property leases generally do not contain material variable payment terms that are linked to sales generated.

(v) Extension and termination options

The majority of extension and termination options held are exercisable by mutual agreement of the Group and the respective lessors.

(vi) Residual value guarantees

The Group generally does not provide residual value guarantees in relation to equipment leases.

16. INTANGIBLE ASSETS

	Software USD'000	Goodwill USD'000	Customer relationship USD'000	Trademark USD'000	License and others USD'000	Total USD'000
Cost						
As at 1 January 2024	19,005	955,177	165,956	1,350	1,791	1,143,279
Acquisition of subsidiaries (b)	41	127,917	53,000	–	–	180,958
Other additions	1,085	–	–	–	–	1,085
Other disposals	(252)	–	–	(122)	–	(374)
Exchange differences	(303)	(15,001)	(3,825)	(27)	(21)	(19,177)
As at 31 December 2024	**19,576**	**1,068,093**	**215,131**	**1,201**	**1,770**	**1,305,771**
Acquisition of subsidiaries	**–**	**10,133**	**–**	**–**	**–**	**10,133**
Transfer upon completion	**523**	**–**	**–**	**–**	**–**	**523**
Other additions	**2,782**	**–**	**–**	**–**	**1,668**	**4,450**
Other disposals	**(1,333)**	**–**	**–**	**–**	**(876)**	**(2,209)**
Exchange differences	**592**	**6,295**	**(2,285)**	**12**	**59**	**4,673**
As at 31 December 2025	**22,140**	**1,084,521**	**212,846**	**1,213**	**2,621**	**1,323,341**
Amortization						
As at 1 January 2024	(13,875)	–	(34,260)	(602)	(986)	(49,723)
Additions	(1,788)	–	(18,834)	(392)	(281)	(21,295)
Other disposals	147	–	–	81	–	228
Exchange differences	146	–	752	7	20	925
As at 31 December 2024	**(15,370)**	**–**	**(52,342)**	**(906)**	**(1,247)**	**(69,865)**
Additions	**(2,154)**	**–**	**(19,193)**	**(139)**	**(363)**	**(21,849)**
Other disposals	**746**	**–**	**–**	**–**	**55**	**801**
Exchange differences	**(512)**	**–**	**406**	**(9)**	**(28)**	**(143)**
As at 31 December 2025	**(17,290)**	**–**	**(71,129)**	**(1,054)**	**(1,583)**	**(91,056)**
Impairment						
As at 1 January 2024	–	(115,543)	(3,488)	–	–	(119,031)
Exchange differences	–	1,699	114	–	–	1,813
As at 31 December 2024	**–**	**(113,844)**	**(3,374)**	**–**	**–**	**(117,218)**
Exchange differences	**–**	**(2,585)**	**(177)**	**–**	**–**	**(2,762)**
As at 31 December 2025	**–**	**(116,429)**	**(3,551)**	**–**	**–**	**(119,980)**
Carrying values						
As at 31 December 2025	**4,850**	**968,092**	**138,166**	**159**	**1,038**	**1,112,305**
As at 31 December 2024	4,206	954,249	159,415	295	523	1,118,688

The above mentioned software was all externally acquired rather than internally developed.

16. INTANGIBLE ASSETS (Continued)

Goodwill is measured as described in Note 43.2 Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over the estimated life. The Group's customer relationships were mainly related to several business combinations, representing relevant customers acquired. Because the annual churn rate of such customers was around 9% historically prior to relevant business combinations, the same assumptions were applied for the Company (i.e., customers would keep exiting the network at a rate of 9% each year), which means it will take around 10-12 years for such customers to exit completely.

(a) During the year ended 31 December 2025 and 2024, no development costs were capitalised as intangible assets.

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Software	2-5 years
Customer relationship	10-12 years
Trademark	10-20 years
Licence	5-7 years

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

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Cost of revenue	**225**	381
Selling, general and administrative expenses	**21,624**	20,914
	21,849	21,295

(b) Impairment test for goodwill

A cash-generating unit (CGU) is the smallest group of assets that independently generates cash flow and whose cash flow is largely independent of the cash flows generated by other assets.

Goodwill is allocated to cash-generating units or groups of CGUs for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

16. INTANGIBLE ASSETS (Continued)

(b) Impairment test for goodwill (Continued)

Goodwill is allocated to the Group's CGUs or groups of CGUs identified according to the territories in which the Group operates:

	As at 31 December	
	2025	2024
	USD'000	USD'000
China	**499,876**	478,715
Indonesia	**185,133**	195,588
Mexico	**130,968**	127,917
Thailand	**99,545**	93,013
Brazil	**50,111**	56,569
Others	**2,459**	2,447
	968,092	954,249

The movement of carrying amount of goodwill for each respective CGUs is set out below:

	China	**Indonesia**	**Mexico**	**Thailand**	**Brazil**
	USD'000	USD'000	USD'000	USD'000	USD'000
As at 31 December 2023	485,859	202,695	–	92,058	56,569
Acquisition of subsidiaries	–	–	127,917	–	–
Exchange differences	(7,144)	(7,107)	–	955	–
As at 31 December 2024	478,715	195,588	127,917	93,013	56,569
Acquisition of subsidiaries	**10,133**	**–**	**–**	**–**	**–**
Exchange differences	**11,028**	**(10,455)**	**3,051**	**6,532**	**(6,458)**
As at 31 December 2025	**499,876**	**185,133**	**130,968**	**99,545**	**50,111**

The recoverable amount of a CGU or a group of CGUs is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on certain assumptions made by management covering a five-year period (the "Period"). The key assumptions used for value-in-use calculations for the reporting period (if applicable) are as follows:

16. INTANGIBLE ASSETS (Continued)

(b) Impairment test for goodwill (Continued)

2025

	China	Indonesia	Mexico	Thailand	Brazil
Annual growth rate within the Period	**3.7%~15.2%**	**9.8%~25.4%**	**10.0%~38.6%**	**2.2%~12.9%**	**10.0%~29.9%**
Growth rate to extrapolate cash flows beyond the Period	**2.0%**	**2.5%**	**3.0%**	**1.8%**	**3.0%**
Gross margin	**6.0%~8.3%**	**7.1%~12.9%**	**17.4%~23.3%**	**9.6%~13.0%**	**21.7%~22.7%**
Pre-tax discount rate	**17.06%**	**17.79%**	**25.23%**	**19.38%**	**28.42%**
Excess of recoverable amount over carrying value (USD 000)	**683,374**	**555,776**	**60,068**	**133,946**	**36,257**

2024

	China	Indonesia	Mexico	Thailand	Brazil
Annual growth rate within the Period	4.4%-19.1%	9.8%-14.8%	10.0%-181.1%	2.4%-31.0%	10.0%-97.1%
Growth rate to extrapolate cash flows beyond the Period	2.0%	2.5%	3.0%	2.0%	3.0%
Gross margin	7.0%-7.6%	21.6%-23.6%	24.9%-27.0%	9.5%-16.6%	12.1%-24.1%
Pre-tax discount rate	17.32%	18.05%	26.70%	20.39%	27.59%
Excess of recoverable amount over carrying value (USD 000)	574,371	1,386,711	59,896	140,069	7,869

Management determined budgeted gross margin and growth rates based on past performance and its expectations of market development. The growth rates to extrapolate cash flows beyond the Period are consistent with published forecasted economic data. The discount rates used are pre-tax after reflecting specific risks of the relevant CGUs and groups of CGUs.

16. INTANGIBLE ASSETS (Continued)

(b) Impairment test for goodwill (Continued)

The recoverable amount of the following CGUs would equal its carrying amount if the key assumptions were to change relatively as follows:

	As at 31 December 2025				
	China	**Indonesia**	**Mexico**	**Thailand**	**Brazil**
Decrease in annual growth rate within the Period	**(49%)**	**(12%)**	**(25%)**	**(95%)**	**(19%)**
Decrease in growth rate to extrapolate cash flows beyond the Period	**(385%)**	**(1006%)**	**(285%)**	**(1264%)**	**(331%)**
Decrease in gross margin	**(16%)**	**(26%)**	**(11%)**	**(17%)**	**(5%)**
Increase in pre-tax discount rate	**50%**	**57%**	**55%**	**73%**	**12%**

	As at 31 December 2024				
	China	Indonesia	Mexico	Thailand	Brazil
Decrease in annual growth rate within the Period	(25%)	(248%)	(14%)	(112%)	(3%)
Decrease in growth rate to extrapolate cash flows beyond the Period	(283%)	N/A[(i)]	(283%)	(1110%)	(47%)
Decrease in gross margin	(12%)	(51%)	(11%)	(21%)	(1%)
Increase in pre-tax discount rate	38%	193%	57%	43%	3%

(i) As per relevant assessment, the headroom would not decrease to zero even if growth rate in extrapolate cash flows beyond the Period dropped to minus 10%.

As at 31 December 2025 and 2024, it is unlikely that any reasonable possible changes in key assumptions would lead to impairment for the goodwill of the Group.

17. MAJOR SUBSIDIARIES AND CONTROLLED ENTITIES

The Company's investments in subsidiaries are as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
Investment in Onwing Global Limited	**1,084,298**	1,053,676
Investment in J&T International Logistics Limited	**124,506**	124,506
	1,208,804	1,178,182

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Controlled entities of the Group

There are entities controlled by the Company under certain contractual arrangements. The Company does not have legal ownership in equity of these entities or their subsidiaries. There are also entities controlled by the Company where the Company is holding less than 50% of their equity interests respectively due to certain local restrictions on foreign ownership of companies that provide express delivery services. Nevertheless, under certain contractual arrangements or shareholder's agreements entered into with the registered owners or together with other local owners of these entities, the Company and its other legally owned subsidiaries control these entities by way by controlling their major corporate governance and decision-making processes and directing the results of such processes, governing their major operating, investment, and financing policies and etc. In addition, the Company and its other legally owned subsidiaries are also exposed to variable returns in such companies through certain service contracts, which constitute substantially all the net income of such companies, dividend income as a result of its direct shareholding and as per relevant shareholder's agreements, and etc. Therefore, the Group has rights to exercise power over these entities, receives variable returns from its involvement in these entities, and has the ability to affect those returns through its power over these entities. As a result, they are presented as controlled entities of the Group.

17. MAJOR SUBSIDIARIES AND CONTROLLED ENTITIES (Continued)

Controlled entities of the Group (Continued)

As at 31 December 2025 and 2024, and as at the date of this report, the Company had the following major subsidiaries (including controlled structured entities):

			Paid-in capital		Percentage of Attributable equity interest to the Company		
Name of entity	Type of legal entity	Country/Place of operation and date of incorporation	As at 31 December 2025	As at 31 December 2024	As at 31 December 2025	As at 31 December 2024	Principal activities
Indirectly held:							
J&T International Logistics Limited (Note 2)	Limited liability company	The PRC, 10 January 2018	**CNY200,020,000**	CNY200,020,000	**100%**	100%	Cross-border services
Thuan Phong Express Company Limited	Limited liability company	Vietnam, 13 January 2016	**VND112,500,000,000**	VND112,500,000,000	**100%**	100%	Express delivery services
PH Global Jet Express Inc. doing business under the name and style of J&T Express (PH GJE)	Limited liability company	The Philippines, 14 September 2018	**PHP39,375,000**	PHP39,375,000	**99.97%**	99.97%	Express delivery services
J&T Express (Malaysia) Sdn.Bhd.	Limited liability company	Malaysia, 10 January 2018	**MYR3,878,075**	MYR3,878,075	**100%**	100%	Express delivery services
Global Jet Express (Thailand) Co., Ltd.	Limited liability company	Thailand, 17 August 2018	**THB123,507,750**	THB123,507,750		Note 1	Express delivery services
Controlled entities:							
J&T Express China Co., Ltd. (Note 2)	Limited liability company	The PRC, 29 September 2007	**CNY10,000,000**	CNY10,000,000	**100%**	100%	Courier and warehousing services
J&T Express (Jinhua) Supply Chain Co., Ltd. (Note 2)	Limited liability company	The PRC, 28 October 2019	**CNY10,000,000**	CNY10,000,000	**100%**	100%	Courier and warehousing services
J&T Express (Hebei) Acme Supply Chain Management Co., Ltd. (Note 2)	Limited liability company	The PRC, 13 November 2019	**CNY10,000,000**	CNY10,000,000	**85%**	85%	Courier and warehousing services
J&T Express (Shandong) Supply Chain Co., Ltd. (Note 2)	Limited liability company	The PRC, 31 October 2019	**CNY10,000,000**	CNY10,000,000	**85%**	85%	Courier and warehousing services
J&T Express (Henan) Acme Supply Chain Co., Ltd. (Note 2)	Limited liability company	The PRC, 1 November 2019	**CNY10,000,000**	CNY10,000,000	**85%**	85%	Courier and warehousing services
J&T Express (Jieyang) Supply Chain Management Co., Ltd. (Note 2)	Limited liability company	The PRC, 5 November 2019	**CNY6,600,000**	CNY6,600,000	**85%**	85%	Courier and warehousing services
J&T Express (Guangzhou) Supply Chain Co., Ltd. (Note 2)	Limited liability company	The PRC, 18 October 2019	**CNY10,000,000**	CNY10,000,000	**100%**	100%	Courier and warehousing services
J&T Express (Fujian) Supply Chain Management Co., Ltd. (Note 2)	Limited liability company	The PRC, 7 November 2019	**CNY10,000,000**	CNY10,000,000	**85%**	85%	Courier and warehousing services
Pt. Global Jet Express	Limited liability company	Indonesia, 20 December 2006	**IDR3,000,000,000**	IDR3,000,000,000	**100%**	100%	Express delivery services

Notes:

(1) As at 31 December 2025 and 2024, the Company indirectly owns around 74% shareholding of Global Jet Express (Thailand) Co., Ltd., and according to relevant investment agreements, the Company indirectly enjoys substantially 100% of the dividend interests of Global Jet Express (Thailand) Co., Ltd..

(2) The English names of the companies referred above represent the best effort made by the management of the Company to directly translate the Chinese names as they have not registered any official English names.

18. FINANCIAL INSTRUMENTS BY CATEGORY

		As at 31 December	
		2025	2024
Financial Assets	*Note*	**USD'000**	USD'000
Financial assets at amortised cost			
Trade receivables	20	**952,894**	680,180
Other receivables and other assets (excluding prepayments)	21	**449,317**	438,643
Other non-current assets (excluding prepayments)	19	**25,870**	23,951
Restricted cash	23	**130,001**	40,861
Cash and cash equivalents	23	**2,009,499**	1,596,931
Financial assets at fair value through profit or loss	22	**778,647**	673,966
		4,346,228	3,454,532

		As at 31 December	
		2025	2024
Financial Liabilities	*Note*	**USD'000**	USD'000
Financial Liabilities at amortised cost			
Trade payables	30	**741,090**	589,860
Accruals and other payables (excluding salary and welfare payables, tax payables and other non-financial liabilities)	32	**853,728**	653,795
Advances from customers	31	**345,621**	322,333
Borrowings	27	**2,408,988**	1,583,192
Lease liabilities	15	**496,832**	469,170
Financial liabilities – redemption liabilities of shares of JNT KSA	28	**72,233**	65,958
Financial liabilities at fair value through profit or loss	28	**430,309**	660,493
		5,348,801	4,344,801

19. OTHER NON-CURRENT ASSETS

	As at 31 December	
	2025 USD'000	2024 USD'000
Prepayments for constructions	**53,104**	26,599
Loans to related party – non-current portion (Note 35(c))	**16,752**	–
Deposits	**9,109**	23,650
Others	**9**	301
	78,974	50,550

20. TRADE RECEIVABLES

	As at 31 December	
	2025 USD'000	2024 USD'000
Trade receivables	**982,042**	707,385
Less: provision for impairment	**(29,148)**	(27,205)
	952,894	680,180

The majority of the balances of trade receivables are generally due from customers of express delivery 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.

20. TRADE RECEIVABLES (Continued)

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

	As at 31 December	
	2025 USD'000	2024 USD'000
Within 1 month	**532,073**	380,008
1–4 months	**366,510**	261,764
4–6 months	**66,793**	47,704
6–9 months	**10,742**	7,208
9–12 months	**2,169**	5,124
Above 12 months	**3,755**	5,577
Less: provision for impairment	**(29,148)**	(27,205)
Total	**952,894**	680,180

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. Information about the impairment of trade receivables and the Group's exposure to credit risk is described in Note 3.1.

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

21. PREPAYMENTS, OTHER RECEIVABLES, AND OTHER ASSETS

	As at 31 December	
	2025 USD'000	2024 USD'000
Loans to third parties	**83,792**	115,279
Prepaid VAT and other taxes	**704,610**	650,679
Deposits	**99,465**	98,648
Prepaid expenses	**116,876**	82,582
Others	**282,938**	233,234
Less: allowance for credit losses	**(16,878)**	(8,518)
	1,270,803	1,171,904

As at 31 December 2025 and 2024, loans to third parties due within one year were included in current assets.

Terms for loans to third parties were 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 3 months to 16 months, with annual interest rates from 3.1% to 6% per annum and unsecured.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December	
	2025 USD'000	2024 USD'000
Current		
Bank wealth management products (i)	**63,451**	43,823
Other investments (iv)	**57,589**	57,373
	121,040	101,196
Non-current		
Investments in the convertible bonds of Yimi Global Limited (ii)	**479,551**	476,409
Investments in private equity funds of Windfall T&L SPC (iii)	**155,271**	86,539
Other investments (iv)	**22,785**	9,822
	657,607	572,770
	778,647	673,966

(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 invested around USD457,000,000 in 2022 and further invested around USD58,000,000 in May 2023 in the convertible bonds issued by Yimi 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.

The bond matures in seven years after its issuance and may be extended at the holder's discretion, the interest of which is 1.5% per annum. At the discretion of the holder, the entire principal amount may be converted into preferred shares to be issued by the Yimi Global Limited in the event of any of its future equity financing transaction, with the conversion price as 80% of the price at its latest equity financing immediately prior to it.

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 Yimi 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)

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 31 December		Relationship of unobservable inputs to fair value
	2025	2024	
Discount rate	**15.7%**	14.6%	The higher the discount rate, the lower the fair value
Discount of lack of marketability ("DLOM")	**21.0%**	24.0%	The higher the DLOM, the lower the fair value
Expected volatility	**44.4%**	48.3%	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 Yimi Global Limited's projections of future performance were also factored into the determination of the underlying equity value of Yimi Global Limited on the valuation date.

The estimated carrying amount of relevant convertible bonds as at 31 December 2025 and 2024 would have been USD17,310,000 lower/USD23,711,000 higher and USD13,067,000 lower/USD14,844,000 higher, respectively, should the discount rate used in discounted cash flow analysis be higher/lower by 100 basis points from management's estimates.

(iii) During year 2025, the Group invested around USD92,001,000 in certain private equity funds of Windfall T&L SPC, focusing on investing in industries such as logistics and its upstream and downstream industry chains.

Generally, investments in private equity funds of Windfall T&L SPC comprise the financial instruments in level 1 and level 3, respectively (Note 3.3).

Investments in certain private equity funds of Windfall T&L SPC 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.

Investments in certain other private equity funds of Windfall T&L SPC included the relevant investments in level 3 financial instruments, as one or more of the significant inputs are not based on observable market data. The portfolio of the abovementioned private equity funds typically include equity interests or debt issued by private companies and publicly-traded companies.

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

The aggregated movements of investments in relevant private equity funds of Windfall T&L SPC are set out below:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Carrying amount at the beginning of the year	**86,539**	159,054
Investment made	**92,001**	59,500
Redemption of investments	**–**	(112,917)
Changes in fair value – profit or loss	**(23,269)**	(19,098)
Carrying amount at the end of the year	**155,271**	86,539

The Group does not seek control or significant influence over the abovementioned investments and accounts for them as financial assets at fair value through profit or loss.

In determining the fair value of the abovementioned level 3 financial instruments, 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

(iv) Other investments comprise the financial instruments in level 1 and level 3 (Note 3.3) (current and non-current portion)

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.

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

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:

The movements of investments included in other investments (current and non-current portion) are set out below:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Carrying amount at the beginning of the year	**67,195**	83,036
Investments made	**13,161**	76,822
Redemption of investments	**–**	(83,000)
Changes in fair value – profit or loss	**18**	(9,663)
Carrying amount at the end of the year	**80,374**	67,195

In determining the fair value of the abovementioned investments, one or more of the significant inputs of certain investments 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

The Group classifies financial instruments based on the expected holding period. Financial instruments that are intended to be held for the short term are categorized as current assets, while those expected to be held for the long term are classified as other non-current assets.

23. RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

	As at 31 December	
	2025 USD'000	2024 USD'000
Restricted cash		
Cash at banks	**130,001**	40,861
Cash and cash equivalents		
Cash on hand and at banks	**2,009,499**	1,596,931
Total	**2,139,500**	1,637,792

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 31 December 2025 and 2024, restricted cash with a total amount of USD19,037,000 and USD12,830,000, respectively, were pledged as collaterals for the Group's borrowings (Note 27).

As at 31 December 2025 and 2024, restricted cash with a total amount of USD10,235,000 and USD12,772,000, respectively, were placed as collaterals of the Group's certain guarantees and commitments.

As at 31 December 2025 and 2024, restricted cash with a total amount of USD84,816,000 and USD3,874,000, respectively, were pledged as collateral for the Group's bank acceptance notes.

As at 31 December 2025 and 2024, restricted cash with a total amount of USD15,913,000 and USD11,385,000 was placed under restriction, due to a number of on-going legal claims, for which management has made relevant provisions.

24. SHARE CAPITAL

Authorised

	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	Total number of shares ('000)
As at 1 January 2024 and 31 December 2024	979,333	2	24,020,667	48	25,000,000

	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**	**Total number of shares ('000)**
As at 1 January 2025 and 31 December 2025	**979,333**	**2**	**24,020,667**	**48**	**25,000,000**

Issued

	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	Total number of shares ('000)
As at 1 January 2024	979,333	2	7,832,832	16	8,812,165
Issuance of ordinary shares pursuant to the 2024 Incentive Plan[1]	–	–	85,994	–	85,994
Redesignation of Class A and B Shares[2]	(1,574)	–	1,574	–	–
As at 31 December 2024	977,759	2	7,920,400	16	8,898,159

	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**	**Total number of shares ('000)**
As at 1 January 2025	**977,759**	**2**	**7,920,400**	**16**	**8,898,159**
Issuance of ordinary shares pursuant to the 2024 Incentive Plan[3][4]	**–**	**–**	**79,458**	**–**	**79,458**
Redesignation of Class A and B Shares[5]	**(6,369)**	**–**	**6,369**	**–**	**–**
As at 31 December 2025	**971,390**	**2**	**8,006,227**	**16**	**8,977,617**

(1) In August 2024, as per J&T Global Express Limited 2024 Share Incentive Plan, the Company granted 85,994,057 Class B Shares to employees of the Group at par value, and the shares granted shall vest within a period between 0 month and 54 months after the grant date (Note 25 (ii)).

(2) In November and December 2024, 1,574,170 Class A shares were converted to Class B shares as per relevant agreement.

(3) In March 2025, as per J&T Global Express Limited 2024 Share Incentive Plan, the Company granted 70,825,173 Class B Shares to employees of the Group at par value, and the shares granted shall vest within a period between 0 month and 48 months after the grant date (Note 25 (ii)).

(4) In September 2025, as per J&T Global Express Limited 2024 Share Incentive Plan, the Company granted 8,632,440 Class B Shares to employees of the Group at par value, and the shares granted shall vest within a period between 0 month and 48 months after the grant date (Note 25 (ii)).

(5) In May and June 2025, 6,369,192 Class A shares were converted to Class B shares as per relevant agreement.

25. 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 provided 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.

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Share-based compensation – related to employee benefit expenses (Note 8):		
Employee benefit expenses – shares granted to employees under "J&T Global Express Limited 2020 Share Incentive Plan" ("2020 Plan") (i)	**35,797**	62,909
Employee benefit expenses – shares granted to employees under "J&T Global Express Limited 2024 Share Incentive Plan" ("2024 Plan") (ii)	**76,754**	23,720
	112,551	86,629
Issuance of ordinary shares to network partners and regional sponsors under "J&T Global Express Limited Equity Incentive Plan" ("2022 Incentive Plan") (iii) – deducting revenue	**277**	750
	112,828	87,379

25. SHARE-BASED COMPENSATION (Continued)

(i) Shares granted to employees under 2020 Plan

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 Jie Li at par value. Pursuant to relevant award agreements, the vesting schedule is as follows, on the condition that Mr. Jet Jie 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 Jie 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 year 2023	24,819,372	6.94

25. SHARE-BASED COMPENSATION (Continued)

(i) Shares granted to employees under 2020 Plan (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 consolidated income statement with a corresponding increase in share-based compensation reserve for the abovementioned share-based awards granted were USD35,797,000 and USD62,909,000 for the years ended 31 December 2025 and 2024, respectively. Except for the abovementioned 24,557,934 Class B Ordinary Shares granted to Mr. Jet Jie Li, all shares were vested upon the grant date without any outstanding unvested shares as at 31 December 2025 and 2024.

(ii) Shares granted to employees under 2024 Plan

The 2024 Share Incentive Plan was approved by shareholders at the 2024 annual general meeting. The Share Incentive Plan is designed to align the personal interests of these Grantees to those of the Shareholders, motivate their outstanding performance, attract and retain talents for the continuous operation and development of the Group, with a view to further promote the Group's success and development, enhance values of the Company, and generate returns to the Shareholders.

On 20 August 2024, the Company granted Awards underlying a total of 85,994,057 Class B Shares to 251 Grantees, which are employees of the Group, under the 2024 Share Incentive Scheme. The Class B Shares underlying the Awards granted to the Grantees shall vest within a period from the grant date to 54 months after it pursuant to the vesting schedule specified in the Award Agreement. The fair value at grant date of options was HKD6.8 per option. The total expense recognized in the consolidated income statement in respect of the 2024 Share Incentive Scheme was USD22,757,000, which is included in administrative expenses.

On 18 March 2025, the Company granted Awards relating to a total of 73,089,720 Class B Shares to 668 Grantees, which are employees of the Group, under the 2024 Share Incentive Scheme. The Class B Shares underlying the Awards granted to the Grantees shall vest within a period from the grant date to 48 months after it pursuant to the vesting schedule specified in the Award Agreement. The fair value at grant date of options was HKD6.15 per option. The total expense recognized in the consolidated income statement in respect of the 2024 Share Incentive Scheme was USD45,168,000, which is included in administrative expenses.

On 1 September 2025, the Company granted Awards relating to a total of 12,843,000 Class B Shares to 82 Grantees, which are employees of the Group, under the 2024 Share Incentive Scheme. The Class B Shares underlying the Awards granted to the Grantees shall vest within a period from the grant date to 48 months after it pursuant to the vesting schedule specified in the Award Agreement. The fair value at grant date of options was HKD10.09 per option. The total expense recognized in the consolidated income statement in respect of the 2024 Share Incentive Scheme was USD8,829,000, which is included in administrative expenses.

25. SHARE-BASED COMPENSATION (Continued)

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

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 USD44,579,000. 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%

The unvested portion of ordinary shares shall be returned to the Company, and the Company shall also refund the relevant purchase price, once relevant network partners choose to terminate relationships with the Company and leave the network.

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

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 USD277,000 and USD750,000 was reduced for the year ended 31 December 2025 and 2024 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.

On 28 September 2025, the abovementioned ordinary shares fully vested.

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.

26. SHARE PREMIUM, TREASURY SHARES AND OTHER RESERVES

(a) Share premium

	Total USD'000
As at 1 January 2024 and 31 December 2024	9,061,736
As at 1 January 2025 and 31 December 2025	**9,061,736**

(b) Treasury shares

	Total USD'000
As at 1 January 2025	**19,420**
Repurchase of shares	**45,148**
As at 31 December 2025	**64,568**

On 29 October 2024, the Board of Directors of the Company approved the "Proposed Share Buy-back Plan" to purchase on-market Class B Shares, not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares) as at the date of the Company's annual general meeting held on 18 June 2024. During the year ended 31 December 2025, the Company repurchased 52,622,000 of its own shares from the market, all of which had not been cancelled as at 31 December 2025. The repurchased shares were acquired at prices ranging from HKD4.69 to HKD10.11 per share, with an average price of HKD6.43 per share, and included in treasury shares.

26. SHARE PREMIUM, TREASURY SHARES AND OTHER RESERVES (Continued)

(c) Other reserves

	Share-based compensation reserve USD'000	Translation reserve USD'000	Others USD'000	Total USD'000
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 25)	86,629	–	–	86,629
Transaction with non-controlling interests (Note 34)	–	–	(22,662)	(22,662)
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	–	–	10,390	10,390
Currency translation differences	–	(85,940)	–	(85,940)
Others	–	–	6,118	6,118
As at 31 December 2024	903,110	(348,442)	(745,449)	(190,781)

	Share-based compensation reserve USD'000	**Translation reserve USD'000**	**Others USD'000**	**Total USD'000**
As at 1 January 2025	**903,110**	**(348,442)**	**(745,449)**	**(190,781)**
Other comprehensive loss – resulted from change of credit risk of financial liabilities measured at fair value	**–**	**–**	**85**	**85**
Share-based compensation (Note 25)	**112,551**	**–**	**–**	**112,551**
Transaction with non-controlling interests (Note 34)	**–**	**–**	**25,361**	**25,361**
Issuance of ordinary shares pursuant to the 2022 Incentive Plan	**–**	**–**	**3,838**	**3,838**
Transfer of loss on repurchase of financial liabilities at FVPL to retained earnings (net of tax)	**–**	**–**	**267**	**267**
Currency translation differences	**–**	**34,877**	**–**	**34,877**
Others	**–**	**–**	**(58)**	**(58)**
As at 31 December 2025	**1,015,661**	**(313,565)**	**(715,956)**	**(13,860)**

27. BORROWINGS

	As at 31 December	
	2025 USD'000	2024 USD'000
Non-current		
Borrowings from financial institutions (i)	**1,595,286**	1,320,550
Current		
Borrowings from financial institutions (i)	**813,702**	262,642
Total borrowings	**2,408,988**	1,583,192

(i) As at 31 December 2025, current portion of borrowings from financial institutions of USD813,702,000, were substantially secured by the pledges of bank deposits (Note 23), property, plant and equipment (Note 14), right-of-use assets (Note 15), and the shares the Company holds in certain subsidiaries.

As at 31 December 2024, current portion of borrowings from financial institutions of USD262,642,000, were substantially secured by the pledges of bank deposits (Note 23), property, plant and equipment (Note 14), right-of-use assets (Note 15), and the shares the Company holds in certain subsidiaries.

The Group's syndicated loan facilities contain the consolidated tangible net worth, the ratio of consolidated adjusted EBITDA of the Group to consolidated net finance charges and the ratio of consolidated net debt of the Group to consolidated adjusted EBITDA. As at 31 December 2025, the Group was in compliance with the abovementioned borrowing covenants.

(ii) The weighted average interest rates per annum as at 31 December 2025 and 2024 were 6.01% and 5.67% respectively.

(iii) At 31 December 2025 and 2024, the Group's borrowings were repayable as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
Within 1 year	**813,702**	262,642
Between 1 and 2 years	**28,664**	58,560
Between 2 and 5 years	**1,484,865**	1,197,439
Over 5 years	**81,757**	64,551
	2,408,988	1,583,192

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.

28. FINANCIAL LIABILITIES

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

	As at 31 December	
	2025 USD'000	2024 USD'000
Liabilities of the Company's subsidiaries		
– Series A Preferred Shares of JET Global	**358,765**	539,707
– Series A-1 Preferred Shares of JET Global	**66,678**	–
– Convertible notes of JET Global	**–**	109,454
– Convertible loans of JNT KSA	**–**	11,332
– Derivative financial liabilities	**4,866**	–
	430,309	660,493

Liabilities of the Company's subsidiaries

Series A Preferred Shares of JET Global

JET Global Express Limited ("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 USD283,620,000 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.

Convertible notes of JET Global

On 25 September 2024, JET Global entered into agreements with certain third-party investor ("New Exploration Investment") to issue convertible notes with the principal sum of USD57,514,530, which were accounted for as financial liabilities at fair value through profit or loss.

28. FINANCIAL LIABILITIES (Continued)

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

Liabilities of the Company's subsidiaries (Continued)

On 25 December 2025, all JET Global Series A Preferred Shareholders, New Exploration Investment, JET Global, Onwing Global Limited and the Company entered into a share transfer agreement, pursuant to which Onwing Global Limited agreed to acquire all relevant preferred shares and convertible notes of JET Global held by JET Global Series A Preferred Shareholders and New Exploration Investment (the "JET Global Transfer").

The consideration for the JET Global Transfer, with an estimated aggregated amount of USD933,403,590, was determined with reference to (a) the aggregate investment cost paid by JET Global Series A Preferred Shareholders for their respective initial subscription of equity interests in JET Global; (b) the investment cost paid by New Exploration Investment for its initial subscription of convertible notes in JET Global; and (c) other factors including estimated operating performance etc.

Pursuant to the abovementioned agreement, as at 31 December 2025, the convertible notes held by New Exploration Investment have been converted into 57,514,530 Series A-1 Preferred Shares of JET Global at the price of USD1 per share.

The payment of the consideration for the JET Global Transfer shall be paid in tranches as agreed in the abovementioned agreement, and legal titles of relevant preferred shares will be transferred accordingly, which will be completed in year 2031.

The Group accounted for the abovementioned preferred shares as financial liabilities at fair value through profit or loss and accordingly relevant changes in the fair value were included in statement of profit or loss.

The rights, preferences, and privileges of relevant remaining JET Global Series A Preferred Shares and Series A-1 Preferred Shares (the "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 and Series A-1 Preferred Shares unless and until a dividend is declared and paid on JET Global Series A Preferred Shares.

Voting rights

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

Conversion rights

Each Preferred Share may be converted at any time after the date of issuance of such Preferred Shares into ordinary shares of JET Global when relevant preconditions as per relevant agreements are met or shall automatically be converted into ordinary shares of JET Global upon the closing of an IPO of JET Global.

The conversion ratio for the Preferred Share to the ordinary shares is 1:1 if no adjustments to conversion price have occurred. As at 31 December 2025, each Preferred Shares is convertible into one ordinary share of JET Global.

28. 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 31 December	
	2025 USD'000	2024 USD'000
Carrying amount at the beginning of the year	**660,493**	606,301
Maturity of convertible loans of JNT KSA	**(11,332)**	–
Repurchase of Series A Preferred Shares of JET Global	**(253,620)**	–
Repurchase of Series A-1 Preferred Shares of JET Global	**(57,515)**	–
Issuance of redeemable shares of JNT KSA	**–**	(15,000)
Issuance of convertible notes of JET Global	**–**	109,450
Proceeds from the sales of derivative financial liabilities	**5,154**	–
Changes in fair value – profit or loss	**87,214**	(40,301)
Changes in fair value – other comprehensive loss	**(85)**	43
Carrying amount at the end of the year	**430,309**	660,493

Determination of fair value

With the assistance from an external valuer appointed by the Group, the Group adopted the discounted cash flow method to determine the fair value of the convertible preferred shares. Key assumptions in determining the fair value of Series A and Series A-1 Preferred Shares of JET Global are set out as below:

Series A and Series A-1 Preferred Shares of JET Global

	As at 31 December		Relationship of unobservable inputs to fair value
	2025	2024	
Discount rate	**17.5%-18.2%**	19.0%	The higher the discount rate, the lower the fair value

Discount rate was estimated by credit analysis model as at each valuation date. The redemption cash flow was also factored into the determination of the fair value of the preferred shares on each valuation date.

The estimated carrying amount of relevant preferred shares as at 31 December 2025 would have been USD10,398,000 lower/USD10,826,000 higher, respectively, should the discount rate used in discounted cash flow analysis be higher/lower by 100 basis points from management's estimates. (2024: USD33,385,000 lower/USD35,540,000 higher).

28. FINANCIAL LIABILITIES (Continued)

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

	As at 31 December	
	2025 USD'000	2024 USD'000
Financial liabilities – redemption liabilities of shares of JNT KSA	**72,233**	65,958

On 25 December 2025, Arabia Technology Innovation Limited ("eWTP"), JNT Express KSA LLC ("JNT KSA") and the Company entered into a share transfer agreement, pursuant to which JNT KSA agreed to acquire, and eWTP agreed to sell, equity interests in JNT KSA ("JNT KSA Transfer").

The consideration for the JNT KSA Transfer, with an estimated amount of USD105,000,000, was determined with reference to (a) the aggregate investment cost paid by eWTP for its initial subscription of equity interests in JNT KSA; (b) other factors including estimated operating performance etc.

The payment of the consideration for the JNT KSA Transfer shall be paid in tranches as agreed in the abovementioned agreement, and legal titles of relevant shares will be transferred accordingly, which will be completed by 30 June 2029.

The Company recognised and measured relevant redemption liabilities accordingly. As at 31 December 2025, the carrying amount was USD72,233,000 (as at 31 December 2024: USD65,958,000).

29. DEFERRED INCOME TAX

(i) Deferred income tax assets

	As at 31 December	
	2025 USD'000	2024 USD'000
The balance comprises temporary differences attributable to:		
Deductible tax losses	**83,247**	83,123
Lease liabilities	**116,703**	120,748
Provision and other temporary difference	**48,345**	18,474
Total deferred tax assets	**248,295**	222,345
Net-off with deferred tax liabilities	**(139,864)**	(147,670)
Net deferred tax assets	**108,431**	74,675

Deferred income taxes are calculated in full on temporary differences under the liability method using the tax rates at which are expected to be applied at the time of reversal of the temporary differences. The analysis of deferred income tax assets is as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
Deferred income tax assets		
– to be recovered after 12 months	**130,402**	122,934
– to be recovered within 12 months	**117,893**	99,411
	248,295	222,345

29. DEFERRED INCOME TAX (Continued)

(i) Deferred income tax assets (Continued)

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
As at 1 January 2024	75,556	132,117	6,917	214,590
Credit/(charge) to consolidated income statement	8,344	(10,558)	11,759	9,545
Exchange differences	(777)	(811)	(202)	(1,790)
As at 31 December 2024 and 1 January 2025	83,123	120,748	18,474	222,345
Credit/(charge) to consolidated income statement	**(1,429)**	**(5,136)**	**29,359**	**22,794**
Exchange differences	**1,553**	**1,091**	**512**	**3,156**
As at 31 December 2025	**83,247**	**116,703**	**48,345**	**248,295**

Deferred income tax assets are recognized to the extent that the realisation of the related tax benefit through the future taxable profits is probable. Deferred income tax assets have not been recognized in respect of the following items:

	As at 31 December	
	2025 USD'000	2024 USD'000
Tax losses	**3,261,944**	3,601,351
Deductible temporary differences	**137,596**	230,551
	3,399,540	3,831,902

29. DEFERRED INCOME TAX (Continued)

(i) Deferred income tax assets (Continued)

As at 31 December 2025 and 2024, the unrecognized tax losses primarily arise from the Company's subsidiaries in the PRC, South-East Asia countries and other new market countries.

The expiry dates of the unrecognized tax losses are as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
2024	**–**	3,424
2025	**–**	262,611
2026	**400,868**	655,901
2027	**1,269,074**	1,394,490
2028	**692,691**	676,652
2029	**177,199**	268,364
2030	**388,230**	–
2031	**2,631**	39,812
2032	**17,302**	42,396
2033	**79,314**	7,947
2034	**86,168**	5,126
2035	**11,073**	–
no expiry date	**137,394**	244,628
	3,261,944	3,601,351

(ii) Deferred income tax liabilities

	As at 31 December	
	2025 USD'000	2024 USD'000
The balance comprises temporary differences attributable to:		
Right-of-use assets	**126,321**	121,163
Depreciation and other temporary difference	**36,241**	41,819
Total deferred tax liabilities	**162,562**	162,982
Net-off of deferred tax assets	**(139,864)**	(147,670)
Net deferred tax liabilities	**22,698**	15,312

29. DEFERRED INCOME TAX (Continued)

(ii) Deferred income tax liabilities (Continued)

Deferred income taxes are calculated in full on temporary differences under the liability method using the tax rates at which are expected to be applied at the time of reversal of the temporary differences. The analysis of deferred income tax liabilities is as follows:

	As at 31 December	
	2025	2024
	USD'000	USD'000
Deferred income tax liabilities		
– to be settled after 12 months	**109,528**	113,663
– to be settled within 12 months	**53,034**	49,319
	162,562	162,982

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

	Right-of-use assets	**Depreciation and other temporary difference**	**Total**
	USD'000	USD'000	USD'000
As at 1 January 2024	140,933	35,652	176,585
Credit to consolidated income statement	(18,993)	6,360	(12,633)
Exchange differences	(777)	(193)	(970)
As at 31 December 2024 and 1 January 2025	121,163	41,819	162,982
Credit to consolidated income statement	**4,229**	**(5,944)**	**(1,715)**
Exchange differences	**929**	**366**	**1,295**
As at 31 December 2025	**126,321**	**36,241**	**162,562**

30. TRADE PAYABLES

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

	As at 31 December	
	2025 USD'000	2024 USD'000
Within 3 months	**664,047**	560,942
3 to 6 months	**56,213**	17,778
6 to 9 months	**9,715**	3,437
9 to 12 months	**4,463**	1,992
Above 12 months	**6,652**	5,711
	741,090	589,860

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

31. ADVANCES FROM CUSTOMERS

	As at 31 December	
	2025 USD'000	2024 USD'000
Advances from customers for express delivery services	**345,621**	322,333

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 31 December 2025 and 2024, 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. ACCRUALS AND OTHER PAYABLES

	As at 31 December	
	2025 USD'000	2024 USD'000
Cash on delivery related payables	**432,822**	331,150
Salary and welfare payables	**386,122**	299,716
Deposits	**199,633**	173,134
Tax payables (excluding Corporate Income Tax)	**121,569**	66,345
Payables of long-term assets	**94,918**	51,786
Consideration received pursuant to Network Partner Plan (Note 25(iii))	**–**	4,053
Others	**126,355**	97,725
	1,361,419	1,023,909

33. CASH FLOW INFORMATION

(a) Cash generated from operations

The reconciliation from profit for the year to cash generated from operations is as follows:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Profit for the year	**225,334**	113,704
Adjustments for:		
Income tax expense	**38,090**	15,446
Depreciation of property, plant and equipment	**244,162**	240,881
Depreciation of right-of-use assets	**216,923**	215,454
Depreciation of investment properties	**9**	387
Amortization of intangible assets	**21,849**	21,295
Impairment losses on financial assets	**26,875**	11,266
Accrual of inventory provisions	**41**	47
Impairment of long-term assets	**30,576**	–
Finance income	**(45,579)**	(40,671)
Finance costs	**148,217**	126,175
Other income	**(12,398)**	(10,227)
Other gains – net	**(10,313)**	(1,386)
Share-based compensation	**112,828**	87,379
Net losses/(gains) on disposal of long-term assets	**22,594**	(5,425)
Fair value change of financial assets and liabilities at fair value through profit or loss	**106,197**	(4,463)
Share of results of associates	**254**	352
Foreign exchange(losses)/gains – net	**26,198**	(4,228)
Movements in working capital		
Decrease in inventories	**1,322**	12,670
Increase in trade receivables	**(374,666)**	(91,069)
Increase in prepayments, other receivables, and other assets	**(189,475)**	(163,724)
Increase in trade payables	**184,939**	76,318
Increase in accruals and other payables	**410,395**	188,652
Increase in advances from customers	**41,661**	41,629
(Increase)/Return of restricted cash	**(113,498)**	717
Cash generated from operations	**1,112,535**	831,179

33. CASH FLOW INFORMATION (Continued)

(b) Net debt reconciliation

Net debt

	As at 31 December	
	2025 USD'000	2024 USD'000
Cash and cash equivalents	**2,009,499**	1,596,931
Restricted cash	**130,001**	40,861
Financial assets at fair value through profit or loss	**778,647**	673,966
Borrowings	**(2,408,988)**	(1,583,192)
Lease liabilities	**(496,832)**	(469,170)
Financial liabilities at fair value through profit or loss	**(430,309)**	(660,493)
Financial liabilities – redemption liabilities of shares of JNT KSA	**(72,233)**	(65,958)
Net debt	**(490,215)**	(467,055)
Cash and financial assets at fair value through profit or loss	**2,918,147**	2,311,758
Gross debt – liabilities from financing activities	**(3,408,362)**	(2,778,813)
Net debt	**(490,215)**	(467,055)

33. CASH FLOW INFORMATION (Continued)

(b) Net debt reconciliation (Continued)

This section sets out the movements in net debt for each of the years presented.

	Liabilities from financing activities				Other assets			
	Borrowings	Lease liabilities	Financial liabilities at FVTPL	Financial liabilities – redemption liabilities of shares of JNT KSA	Cash and cash equivalents	Restricted cash	Financial assets at FVTPL	Total
As at 1 January 2024	(1,282,549)	(508,657)	(606,301)	(36,740)	1,483,198	41,921	775,534	(133,594)
Cash flows	(232,098)	277,831	–	–	122,368	(1,060)	(67,662)	99,379
New leases entered	–	(209,091)	–	–	–	–	–	(209,091)
Interest expenses	(80,627)	(31,330)	–	(14,218)	–	–	–	(126,175)
Lease modification	–	16,559	–	–	–	–	–	16,559
Issuance of redeemable shares of JNT KSA	–	–	15,000	(15,000)	–	–	–	–
Settlement of borrowings through issuance of convertible notes of JET Global	9,046	–	–	–	–	–	–	9,046
Issuance of convertible notes of JET Global	–	–	(109,450)	–	–	–	–	(109,450)
Fair Value Change	–	–	40,301	–	–	–	(35,839)	4,462
Fair Value Change – other comprehensive loss	–	–	(43)	–	–	–	–	(43)
Acquisition of subsidiaries	–	(17,222)	–	–	11,467	–	–	(5,755)
Foreign exchange adjustments	3,036	2,740	–	–	(20,102)	–	1,933	(12,393)
As at 31 December 2024 and 1 January 2025	(1,583,192)	(469,170)	(660,493)	(65,958)	1,596,931	40,861	673,966	(467,055)
Cash flows – net	**(643,580)**	**271,738**	**317,313**	**–**	**423,186**	**89,140**	**119,052**	**576,849**
New leases entered	**–**	**(243,118)**	**–**	**–**	**–**	**–**	**–**	**(243,118)**
Interest expenses	**(103,374)**	**(30,595)**	**–**	**(14,248)**	**–**	**–**	**–**	**(148,217)**
Lease modification	**–**	**(28,397)**	**–**	**–**	**–**	**–**	**–**	**(28,397)**
Fair Value Change	**–**	**–**	**(87,214)**	**–**	**–**	**–**	**(18,983)**	**(106,197)**
Fair Value Change – other comprehensive loss	**–**	**–**	**85**	**–**	**–**	**–**	**–**	**85**
Change in Other (losses)/gains – net	**–**	**–**	**–**	**7,973**	**–**	**–**	**–**	**7,973**
Acquisition of subsidiaries	**(59,875)**	**(30)**	**–**	**–**	**233**	**–**	**–**	**(59,672)**
Foreign exchange adjustments	**(18,967)**	**2,740**	**–**	**–**	**(10,851)**	**–**	**4,612**	**(22,466)**
As at 31 December 2025	**(2,408,988)**	**(496,832)**	**(430,309)**	**(72,233)**	**2,009,499**	**130,001**	**778,647**	**(490,215)**

34. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The material transactions with non-controlling interests during the year ended 31 December 2025 are as follows:

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

In December 2025, the Group sold additional 15% of the equity interests of certain subsidiaries in China, with a total cash payment of approximately USD864,000. After the transaction, the Group holds 85% of the equity interests of the abovementioned subsidiaries in China. The Group recognized a decrease in non-controlling interests by USD27,903,000 and an increase in other reserve by USD28,766,000.

The impact of the transactions with non-controlling interests on the equity attributable to the owners of the Company is summarised as follows:

2025	Sale of NCI of the China subsidiaries USD'000	Other transactions USD'000	Total USD'000
Carrying amount of non-controlling interests debited/(credited)	**27,902**	**(3,405)**	**24,497**
Consideration received from non-controlling interests in cash	**864**	**–**	**864**
(Increase)/decrease in other reserve	**(28,766)**	**3,405**	**(25,361)**

35. 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.

(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 Jie Li
Jie Business Sdn Bhd	Controlled by Mr. Jet Jie Li
J&T Courier Service Sdn Bhd	Under significant influence of Mr. Jet Jie Li (Ceased to be related party in 2025)
Yimi Global Limited	Under significant influence of Mr. Jet Jie Li
Windfall T&L SPC	Under significant influence of Mr. Jet Jie Li (Ceased to be related party in 2024)

35. RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties

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

	Year ended 31 December	
	2025	2024
	USD'000	USD'000
(i) Loans to related party		
Yimi Global Limited	**16,000**	–

The Group entered into a loan agreement with Yimi Global Limited with term of 3 years, with annual interest rates of 6%.

(ii) Interest income on loans to related party		
Yimi Global Limited	**752**	–

	Year ended 31 December	
	2025	2024
	USD'000	USD'000
(iii) Rendering of services		
Yimi Global Limited	**3,236**	–
Jie Business Sdn Bhd	**514**	1,656
Jet Commerce Group	**–**	78
Others	**62**	314
	3,812	2,048
(iv) Receiving of services		
Yimi Global Limited	**387**	–
Jie Business Sdn Bhd	**–**	3,780
Jet Commerce Group	**13**	–
	400	3,780

35. RELATED PARTY TRANSACTIONS (Continued)

(c) Balance with related parties

	As at 31 December	
	2025 USD'000	2024 USD'000
(i) Bond receivables		
– Non-trade		
Yimi Global Limited (Note 22)	**479,551**	476,409
(ii) Loan and interest receivables		
Yimi Global Limited	**16,752**	–
(iii) Trade receivables	**989**	258
(iv) Other receivables	**326**	148
(v) Trade payables	**60**	1
(vi) Other payables	**144**	–
(vii) Advances from customers	**119**	–

(d) Key management compensation

Key management includes directors (executive and non-executive) and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

	As at 31 December	
	2025 USD'000	2024 USD'000
Salaries and fees	**4,386**	5,092
Bonuses	**7,381**	7,941
Pension cost – defined contribution plans	**75**	64
Share-based compensation	**54,132**	66,056
	65,974	79,153

36. COMMITMENT

(a) Capital commitments

Capital expenditure contracted for as at 31 December 2025 and 2024 but not yet incurred is as follows:

	As at 31 December	
	2025 USD'000	2024 USD'000
Buildings	**113,718**	52,469
Right-of-use assets	**4,886**	4,039
Vehicles	**35,315**	24,892
	153,919	81,400

(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 31 December	
	2025 USD'000	2024 USD'000
Within one year	**70,560**	81,334

37. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration paid or payable to the directors of the Company (including emoluments for services as employee/directors of the group entities prior to becoming the directors of the Company) during the years ended 31 December 2025 and 2024 was as follows.

	Year ended 31 December 2025					
Name	Fees USD'000	Salaries USD'000	Bonuses USD'000	Pension cost – defined contribution plans USD'000	Share-based compensation USD'000	Total USD'000
Executive Director:						
Mr. Jet Jie Li	–	1,638	1,482	18	35,797	38,935
Non-executive Directors:						
Ms. Alice Yu-fen Cheng	81	–	–	–	–	81
Mr. Yuan Zhang	64	–	–	–	–	64
Ms. Qinghua Liao	64	–	–	–	–	64
Independent Non-executive Directors:						
Mr. Erh Fei Liu	64	–	–	–	–	64
Mr. Peng Shen	64	–	–	–	–	64
Mr. Peter Lai Hock Meng	64	–	–	–	–	64
	401	1,638	1,482	18	35,797	39,336

37. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

	Year ended 31 December 2024					
Name	Fees USD'000	Salaries USD'000	Bonuses USD'000	Pension cost – defined contribution plans USD'000	Share-based compensation USD'000	Total USD'000
Executive Director:						
Mr. Jet Jie Li	–	1,619	2,283	17	62,909	66,828
Non-executive Directors:						
Ms. Alice Yu-fen Cheng	81	–	–	–	–	81
Mr. Yuan Zhang	64	–	–	–	–	64
Ms. Qinghua Liao	64	–	–	–	–	64
Independent Non-executive Directors:						
Mr. Erh Fei Liu	64	–	–	–	–	64
Mr. Peng Shen	64	–	–	–	–	64
Mr. Charles Zhaoxuan Yang (i)	24	–	–	–	–	24
Mr. Peter Lai Hock Meng (i)	40	–	–	–	–	40
	401	1,619	2,283	17	62,909	67,229

Notes:

(i) Mr. Charles Zhaoxuan Yang resigned from his position with effect from 18 May 2024, while Mr. Peter Lai Hock Meng was appointed as the 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 of the Board since then.

(b) Directors' retirement and termination benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries' undertaking during the reporting period.

No payment was made to the directors as compensation for early termination of appointment during the reporting period.

(c) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available directors' services at the end of each reporting period or at any time during the reporting period.

37. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(d) Information about loans, quasi-loans, and other dealings in favour of directors, their controlled bodies, and connected entities

There were no loans, quasi-loans, and other dealings in favour of directors, their controlled bodies corporate and connected entities at the end of each reporting period or at any time during the reporting period.

(e) Directors' material interests in transactions, arrangements, or contracts

There were no significant transactions, arrangements, and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of each reporting period or at any time during the reporting period.

38. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees include one director whose remuneration is set out in Note 37 for each of the years ended 31 December 2025 and 2024. All of these individuals including that director have not received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for the loss of office during the reporting period. None of the directors, the CEO and employees waived or agreed to waive any emoluments during the reporting period. The emoluments payable to the remaining four individuals, who are neither a director nor chief executive of the Company, during the reporting period, are as follows:

	Year ended 31 December	
	2025 USD'000	2024 USD'000
Salaries	**2,121**	4,264
Bonus	**4,530**	7,974
Pension cost – defined contribution plans	**43**	20
Welfare, medical and other benefits	**51**	21
Share-based compensation	**15,966**	5,138
	22,711	17,417

38. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Year ended 31 December	
	2025	2024
Emolument bands (in HK dollar)		
HK$19,000,001 to HK$19,500,000	**–**	1
HK$21,500,001 to HK$22,000,000	**–**	1
HK$32,000,001 to HK$32,500,000	**1**	–
HK$35,000,001 to HK$35,500,000	**1**	–
HK$41,000,001 to HK$41,500,000	**–**	1
HK$50,000,001 to HK$50,500,000	**–**	1
HK$50,500,001 to HK$51,000,000	**1**	–
HK$52,500,001 to HK$53,000,000	**1**	–
	4	4

39. DIVIDENDS

No dividend has been paid or declared by the Company in the years ended 31 December 2025 and 2024.

40. CONTINGENT LIABILITIES

There are no significant contingent liabilities as at 31 December 2025 and 2024.

41. SUBSEQUENT EVENTS

(a) Issuance of Convertible Bonds

On 5 February 2026, the Company's subsidiary, Bolt Innovation Limited, issued zero-coupon convertible bonds guaranteed by the Company, which will mature in 2033, are convertible into the Company's Class B Shares at an initial conversion price of HKD14.55 per share. The issuance raised total proceeds of HKD4,650,000,000. The convertible bonds were listed and commenced trading on the Hong Kong Stock Exchange on 6 February 2026. Relevant liabilities and equity instruments will be recognised accordingly.

(b) Cancellation of Repurchased Class B Shares

Pursuant to resolutions approved by the Company's Board of Directors on 18 June 2025, the Company completed the cancellation of 79,692,600 repurchased Class B Shares on 29 January 2026.

(c) Major transaction in relation to the proposed subscription oh H Shares of S.F. Holding

Pursuant to resolutions approved by the Company's Board of Directors on 14 January 2026, the Company and S.F. Holding entered into the Share Subscription Agreement on 15 January 2026, pursuant to which (i) the Company has conditionally agreed to subscribe for, and S.F. Holding has conditionally agreed to issue, 225,877,669 H Shares of S.F. Holding at the Subscription Price of HKD36.74 per H Share of S.F. Holding; and (ii) the Company has conditionally agreed to issue, and S.F. Holding has conditionally agreed to subscribe for, 821,657,973 Class B Shares at the Issue Price of HKD10.10 per Class B Share. The abovementioned shares to be acquired will be accounted for as financial assets at fair value through other comprehensive income.

42. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

	Note	As at 31 December 2025 USD'000	2024 USD'000
ASSETS			
Non-current assets			
Loans to subsidiaries (i)		**5,699,536**	4,827,438
Financial assets at fair value through profit or loss – non-current		**627,152**	540,463
Investments in subsidiaries	17	**1,208,804**	1,178,182
		7,535,492	6,546,083
Current assets			
Prepayments, other receivables, and other assets		**10,619**	7,040
Cash and cash equivalents		**105,896**	118,974
Financial assets at fair value through profit or loss – current		**46,745**	40,459
		163,260	166,473
Total assets		**7,698,752**	6,712,556
EQUITY			
Equity attributable to owners of the Company			
Share capital		**17**	18
Share premium (ii)		**9,063,062**	9,063,062
Treasury shares (iii)		**(64,568)**	(19,420)
Other reserves (iv)		**697,451**	581,062
Accumulated losses		**(3,030,748)**	(2,917,948)
Total equity		**6,665,214**	6,706,774
LIABILITIES			
Current liabilities			
Accruals and other payables		**1,033,538**	5,782
		1,033,538	5,782
Total liabilities		**1,033,538**	5,782
Total equity and liabilities		**7,698,752**	6,712,556

The balance sheet of the Company was approved by the Board of Directors on 30 March 2026 and was signed on its behalf.

Alice Yu-fen Cheng
Director

Jet Jie Li
Director

42. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(i) Loans to subsidiaries of the Company

During the years ended 31 December 2025 and 2024, loans to subsidiaries were interest free and repayable on demand, without securities. The Company classified such loans as non-current assets as the management does not expect to collect the loans within twelve months as at 31 December 2025 and 2024.

(ii) Share premium movement of the Company

	Total USD'000
As at 1 January 2024 and 31 December 2024	9,063,062
As at 1 January 2025 and 31 December 2025	**9,063,062**

(iii) Treasury shares

	Total **USD'000**
As at 1 January 2025	**19,420**
Repurchase of shares	**45,148**
As at 31 December 2025	**64,568**

42. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(iv) Other reserve movement of the Company

	Share-based compensation reserve USD'000	Others USD'000	Total USD'000
As at 1 January 2024	801,101	(317,058)	484,043
Share-based compensation (Note 25)	86,629	–	86,629
Issuance of ordinary shares pursuant to the 2022 Incentive Plan (Note 25)	–	10,390	10,390
As at 31 December 2024	887,730	(306,668)	581,062
As at 1 January 2025	**887,730**	**(306,668)**	**581,062**
Share-based compensation (Note 25)	**112,551**	**–**	**112,551**
Issuance of ordinary shares pursuant to the 2022 Incentive Plan (Note 25)	**–**	**3,838**	**3,838**
As at 31 December 2025	**1,000,281**	**(302,830)**	**697,451**

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES

43.1 Principles of consolidation

43.1.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 43.2).

Inter-company transactions, balances, and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

43.1.2 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture, or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

43.2 Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

43.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement, within finance costs. All other foreign exchange gains and losses are presented in the consolidated income statement on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognized in other comprehensive income.

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

43.3 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences is re-attributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

43.4 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

43.5 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

43.6 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 21 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

43.7 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables also include bank acceptance notes with trade nature and are due within 12 months.

Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

43.8 Financial liabilities at fair value through profit or loss

Before and during the reporting period, the Group entered into a series of share purchase agreements with certain investors and issued Series Pre-A1 Preferred Shares, Series Pre-A2 Preferred Shares, Series A Preferred Shares, Series B Preferred Shares, Series B+ Preferred Shares, Series C1 Preferred Shares, Series C2 Preferred Shares, Series D Preferred Shares and JET Global Series A Preferred Shares.

The Group designated the convertible preferred shares, which the host contracts are financial liabilities, as financial liabilities at fair value through profit or loss, which are initially recognized at fair value. Any directly attributable transaction costs are recognized as finance costs in profit or loss.

The component of fair value changes relating to the Company's own credit risk is recognized in other comprehensive income/(loss). Amounts recorded in other comprehensive income/(loss) related to credit risk are not subject to recycling in profit or loss, but are transferred to retained earnings when realized. Fair value changes relating to market risk are recognized in profit or loss.

The convertible preferred shares are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

43.9 Financial liabilities – share redemption liabilities

A contract that contains an obligation for the Group to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount.

The financial liability is recognised initially at the present value of the redemption amount, and is reclassified from equity. Subsequently, the financial liability is measured at amortised cost. If the contract expires without delivery, the carrying amount of the financial liability is reclassified to equity. The Group's contractual obligation to purchase its own equity instruments gives rise to a financial liability for the present value of the redemption amount even if the obligation to purchase is conditional on the counterparty exercising a right to redeem.

43. SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES (Continued)

43.10 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

43.11 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

43.12 Provisions

Provisions for legal claims, service warranties and make good obligations are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

XI. Definitions

"2024 Share Incentive Scheme"	the 2024 share incentive scheme of the Company adopted and approved by the Shareholders at the annual general meeting held on 18 June 2024
"Articles" or "Articles of Association"	the Articles of Association of our Company effective on the Listing Date
"Audit Committee"	the audit committee of the Board
"Award(s)"	the award(s) in the form of RSU(s) pursuant to the 2024 Share Incentive Scheme and the award agreement entered into between the Company and the relevant grantees
"Class A Shares"	class A shares of the Company with a par value of US$0.000002 each, following the Reclassification, Redesignation and Share Subdivision, 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, 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, following the Reclassification, Redesignation and Share Subdivision, such that each Class B Share shall entitle its holder to one vote on each resolution subject to a vote at the Company's general meetings
"Companies Act"	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"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
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"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. For further details of these entities, see the section headed "Directors' Report – Contractual Arrangements" of this annual report

"Contractual Arrangements"	the series of contractual agreements entered into by the PRC and Indonesian WFOE, the PRC Holdco, the Indonesian Holdco, the PRC Registered Shareholders and the Individual and Corporate Registered Shareholders of our Indonesian Holdco, please refer to the section headed "Directors' Report – Contractual Arrangements" in this annual report
"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
"Eligible Participant(s)"	the Employee Participant(s), Service Provider(s) and Related Entity Participant(s)
"Employee Participant(s)"	Director(s) and employee(s) of any member of the Group
"ESG"	environmental, social and governance
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group", "the Group", "J&T Express", "Company", "the Company" "we", "us", or "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$", "Hong Kong dollars" or "HK dollars"	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
"Indonesian Opco"	PT Global Jet Express, a limited liability company incorporated under the laws of Indonesia, which obtained its legal entity status on 21 May 2015 and a consolidated affiliated entity of our Company

"Indonesian WFOE"	PT. Cahaya Global Berjaya, a limited liability company incorporated under the laws of the Republic of Indonesia on 11 June 2021 and our wholly-owned subsidiary
"J&T Express China"	J&T Express China Co., Ltd. (極兔速遞有限公司), a limited liability company incorporated under the laws of the PRC on 29 September 2007 and a consolidated affiliated entity of our Company
"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
"MYR"	the lawful currency of Malaysia
"New Markets"	Saudi Arabia, UAE, Mexico, Brazil and Egypt
"Nomination Committee"	the nomination committee of the Board
"PHP"	the lawful currency of the Philippines
"PRC" or "China"	the People's Republic of China, but for the purposes of this annual report only (unless otherwise indicated) excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"PRC Holdco" or "Shanghai Yishangshiye"	Shanghai Yishangshiye Co., Ltd. (上海邑商實業有限公司), a limited liability company incorporated under the laws of the PRC on 8 April 2014 and a holding company of certain PRC subsidiaries
"PRC WFOE" or "Chongqing Yunqing"	Chongqing Yunqing Supply Chain Management Co., Ltd. (重慶紜慶供應鏈管理有限公司), a limited liability company incorporated under the laws of the PRC on 22 April 2020 and our wholly-owned subsidiary

"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
"Related Entity Participant(s)"	includes director(s) and employee(s) of the holding companies, fellow subsidiaries or associated companies of the Company
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	for the year ended 31 December 2025
"Reserved Matters"	those matters with respect to which each Class A Share and each Class B Share shall entitle its holder to one vote on a poll at general meetings of the Company pursuant to the Articles of Association, being: (i) any amendment to the Memorandum or Articles, including the variation of the rights attached to any class of shares, (ii) the appointment, election or removal of any independent non-executive Director, (iii) the appointment or removal of the Company's auditors, or (iv) the voluntary liquidation or winding-up of the Company
"RMB" or "Renminbi"	the lawful currency of the PRC
"Service Provider(s)"	person(s) and/or corporate entity(ies) who provide(s) services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, including: (1) Network Partners: business partners that own and operate pickup and delivery outlets in our network within their respective designated geographic regions; (2) Strategic Consulting Consultants: persons who provide strategic consulting services to the Group whose services will lead, collaborate with or optimize the businesses operated by the Group from time to time, and in the opinion of the Directors, the continuity and frequency of those services are akin to those of employees of the Group; (3) Industry Research Consultants: persons who provide industry research and strategic consulting services to the Group in relation to product, professional technology, research and development, operations, marketing, capital market, experience and other professional areas, and in the opinion of the Directors, the continuity and frequency of those services are akin to those of employees of the Group but excluding (for the avoidance of doubt) (i) placing agents or financial advisers providing advisory services for fund-raising, mergers or acquisitions, and (ii) professional service providers (such as auditors or valuers) who provide assurance, or are required to perform their services with impartiality and objectivity

"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
"Shanghai Jiexiao" or "Technology Company"	Shanghai Jiexiao Information Technology Co., Ltd. (上海捷曉信息技術有限公司), a limited liability company incorporated under the laws of the PRC on 10 September 2019 and a subsidiary of our Company
"Share(s)"	the Class A Shares and/or Class B Shares in the share capital of the Company
"Shareholder(s)"	holder(s) of our Shares
"THB"	the lawful currency of Thailand
"US$", "USD" or "U.S. dollars"	the lawful currency of the United States
"WVR" or "weighted voting rights"	has the meaning ascribed to it under the Listing Rules
"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 Structure"	has the meaning ascribed to it under the Listing Rules
"Yimi"	Yimi Global Limited (formerly known as Huisen Global Limited), an exempted company incorporated in the Cayman Islands with limited liability on 16 April 2021
"Yunyi Transportation" or "Transportation Company"	Yunyi Transportation (Chongqing) Co., Ltd. (紜毅運輸（重慶）有限公司), a limited liability company incorporated under the laws of the PRC on 31 December 2019 and a subsidiary of our Company


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