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JD.com, Inc.

Financial and Operational Highlights

Mar 2024



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This document also contains non-GAAP financial measures, the document of which is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with accounting principles generally accepted in the United States of America. In addition, the Company's calculation of these non-GAAP financial measures may be different from the calculation used by other companies, and therefore comparability may be limited. The reconciliation of those measures to the most comparable GAAP measures is contained within this document or available at our website <http://ir.jd.com>.

This document speaks as of December 31, 2023. Neither the delivery of this document nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.

Solid Growth Momentum

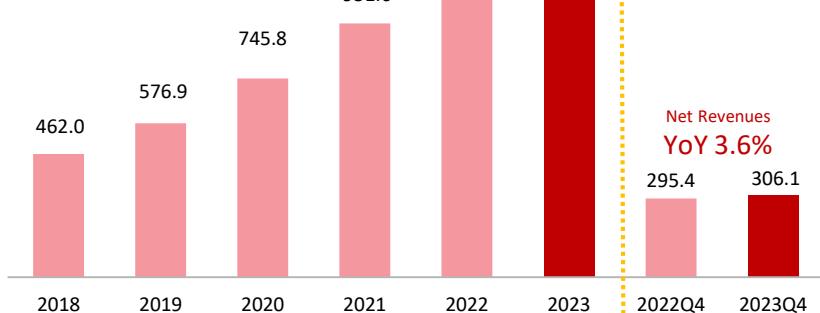


Net Revenues

(RMB Billions)

19%

2018 – 2023 CAGR



Net Revenues
YoY 3.6%

16%

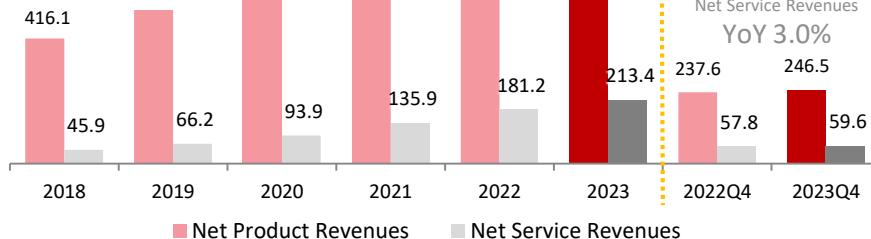
2018 – 2023 CAGR

Net Revenues Breakdown

(RMB Billions)

36%

2018 – 2023 CAGR



Net Product Revenues
YoY 3.7%

Net Service Revenues
YoY 3.0%

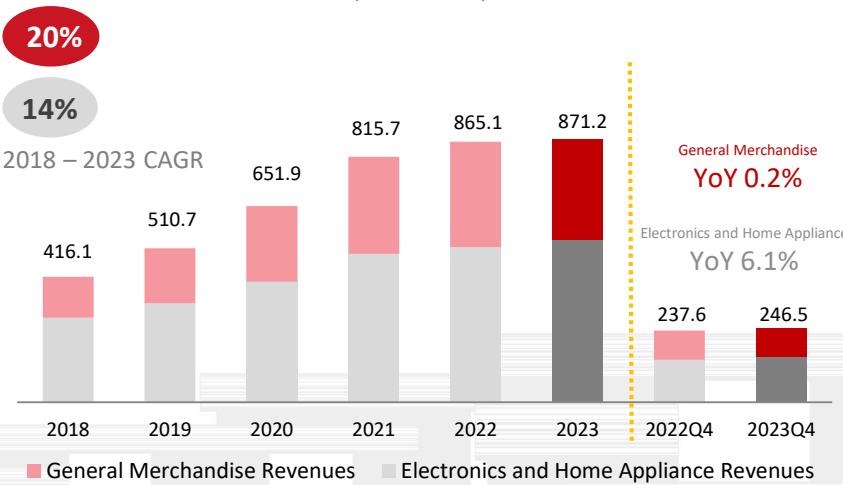
Net Product Revenues Breakdown

(RMB Billions)

20%

14%

2018 – 2023 CAGR



General Merchandise
YoY 0.2%

Electronics and Home Appliance
YoY 6.1%

20%

60%

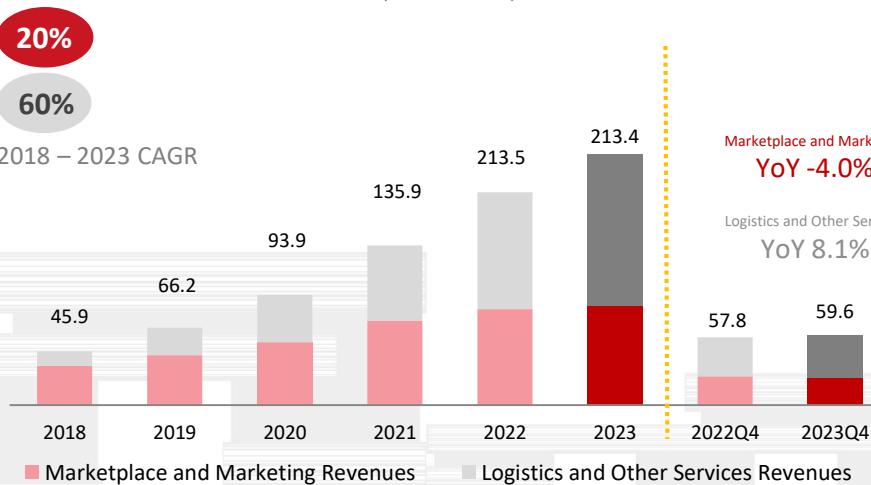
2018 – 2023 CAGR

Net Service Revenues Breakdown

(RMB Billions)

Marketplace and Marketing
YoY -4.0%

Logistics and Other Services
YoY 8.1%



■ General Merchandise Revenues

■ Electronics and Home Appliance Revenues

■ Marketplace and Marketing Revenues

■ Logistics and Other Services Revenues

Diversified Businesses in a Wide Spectrum of Sectors



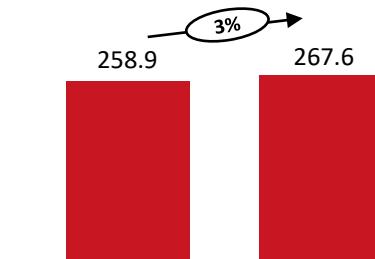
JD Retail



258.9 → 267.6

Revenues

(RMB Billions)



Operating Income/(Loss)

(RMB Billions)



2022Q4 2023Q4

JD Logistics



43.0 → 47.2

0.9 → 1.3

2022Q4 2023Q4



Others⁽²⁾



7.4 → 6.8

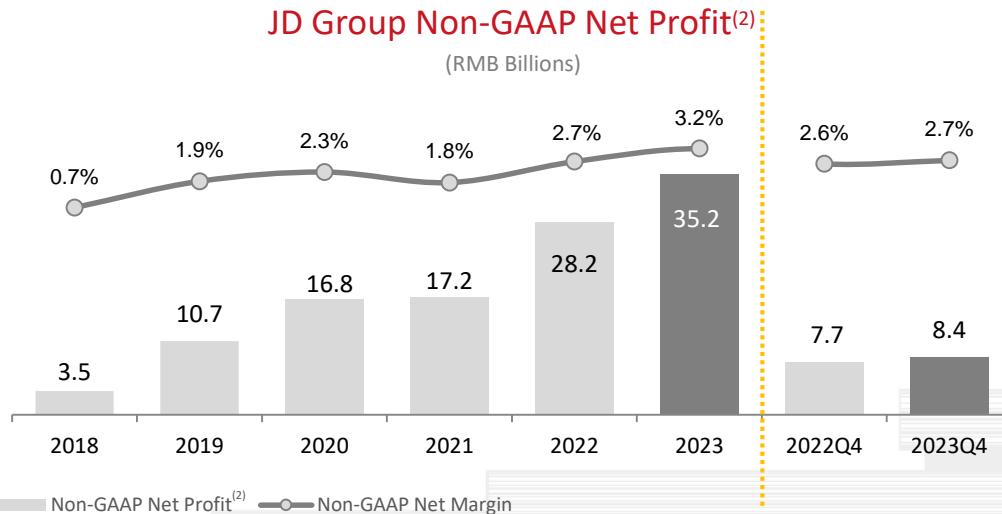
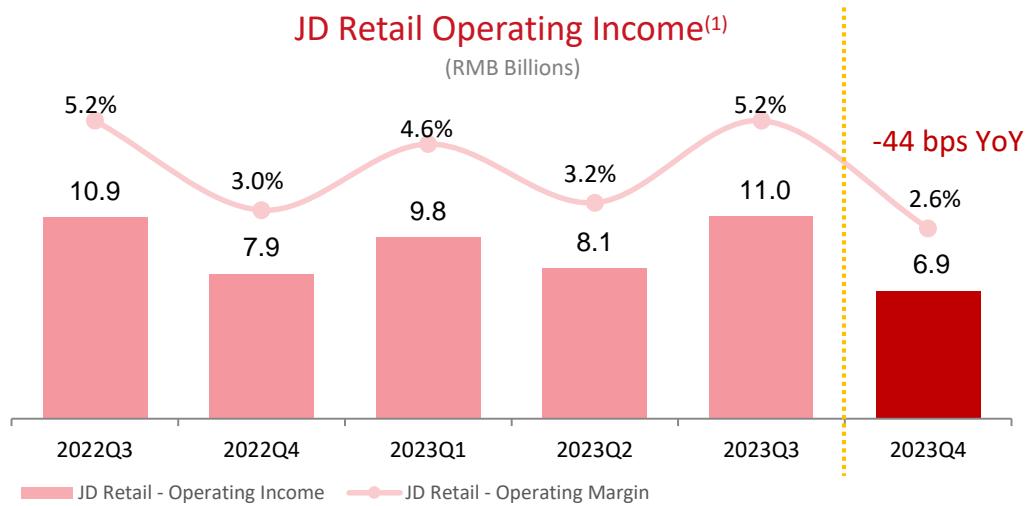
-1.4 → -0.8

2022Q4 2023Q4

(1) The company reports four segments, JD Retail, JD Logistics, Dada and New businesses. JD Retail, including JD Health and JD Industrials, among other components, mainly engage in online retail, online marketplace and marketing services in China. JD Logistics includes both internal and external logistics businesses. Dada is a local on-demand delivery and retail platform in China. New businesses mainly include JD Property, Jingxi and overseas businesses.

(2) For the fourth quarter of 2023, the company aggregated the results of Dada and New Businesses, which were two separate reporting segments previously, under "Others" for the purpose of the company's earnings announcement. The company reversed Dada's overstated net revenues of approximately RMB499 million and associated costs in the first three quarters of 2023 as described in Dada's press release titled "Dada Announces Findings of Independent Review" from the results of "Others" in the fourth quarter of 2023. For details, please see the company's fourth quarter and full year 2023 earnings announcement on its IR website <https://ir.jd.com/>.

Resilient Core Profitability with the Benefits of Scale



Drivers of Profitability

Improving operating efficiency & economies of scale in core business over the long term

Continuous efforts in driving growth of marketplace and marketing services

Financial discipline in investment and spending

(1) JD Logistics and other subsidiaries within JD Group (including JD Retail), on an annual basis, engage an industry consultant or conduct researches on comparable companies to determine the applicable market rates for the services provided under the Supply Chain Solutions and Logistics Services Framework Agreement.

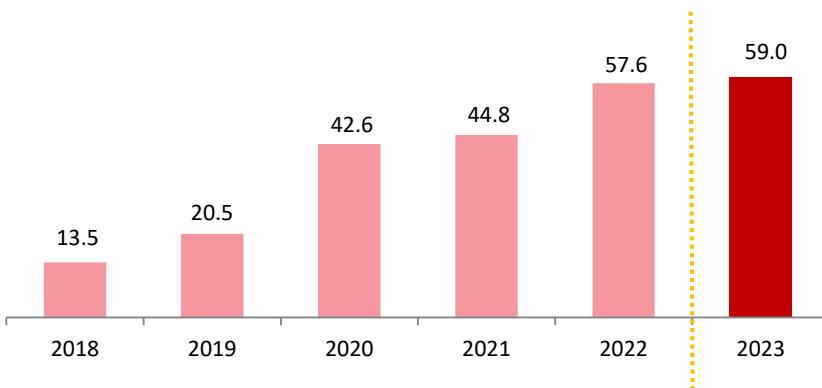
(2) Non-GAAP net income attributable to ordinary shareholders; refer to the company's quarterly results for Non-GAAP adjustments.

Robust Cash Flow Generation



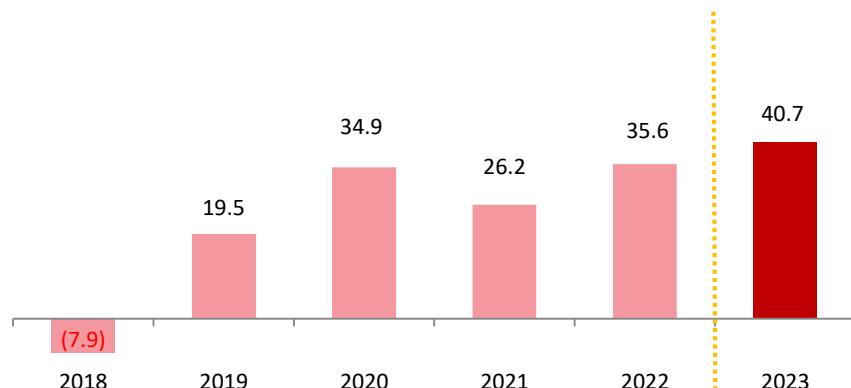
Adjusted Operating Cash Flow

(RMB Billions)



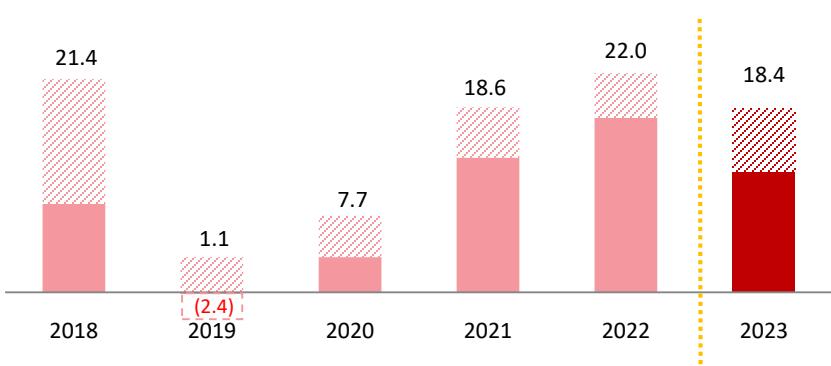
Free Cash Flow

(RMB Billions)



Capital Expenditures

(RMB Billions)



■ Capital expenditures for development properties, net of related sales proceeds
▨ Other Capex

Free Cash Flow Characteristics

Outstanding cash conversion cycle results in operating cash flow greater than net profit

Development properties as a long-term cash flow positive business

Unaudited Selected Financial Data



Unaudited Selected Financial Data (RMB Millions)	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4
Net revenues	295,446	242,956	287,931	247,698	306,077
Non-GAAP operating expenses					
Cost of revenues	-253,866	-206,901	-246,471	-208,912	-262,541
Fulfillment	-16,512	-15,067	-16,444	-14,883	-17,053
Marketing	-11,615	-7,651	-10,760	-7,623	-12,793
Research and development	-3,875	-3,763	-3,834	-3,525	-4,106
General and administrative	-2,326	-1,699	-1,746	-1,658	-1,791
Non-GAAP income from operations ⁽¹⁾	7,252	7,875	8,676	11,097	7,793
Non-GAAP net income attributable to ordinary shareholders ⁽¹⁾	7,659	7,591	8,557	10,637	8,415
Non-GAAP operating margin ⁽¹⁾	2.5%	3.2%	3.0%	4.5%	2.5%
GAAP operating margin	1.6%	2.6%	2.9%	3.8%	0.7%
Non-GAAP net margin ⁽¹⁾	2.6%	3.1%	3.0%	4.3%	2.7%
GAAP net margin	1.0%	2.6%	2.3%	3.2%	1.1%

(1) Refer to public disclosures for Non-GAAP adjustment items.

Supplemental Financial Information and Business Metrics



Supplemental Information	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4
Inventory turnover days ⁽¹⁾ – TTM	33.2	32.4	31.7	30.8	30.3
Accounts payable turnover days ⁽¹⁾ – TTM	52.5	51.3	52.8	52.6	53.2
Accounts receivable turnover days ⁽¹⁾ – TTM	4.5	4.8	5.0	5.4	5.6
Free Cash Flow ⁽²⁾ – TTM (RMB Billions)	35.6	19.0	33.5	39.4	40.7

(1) Refer to public disclosures for definitions of turnover days.

(2) Free cash flow is defined as operating cash flow adding back or subtracting the impact JD Technology related credit products included in the operating cash flow, and less capital expenditures, net of proceeds from disposals of long-lived assets.



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