



**JD.com, Inc.**

***Financial and Operational Highlights***

**Mar 2024**

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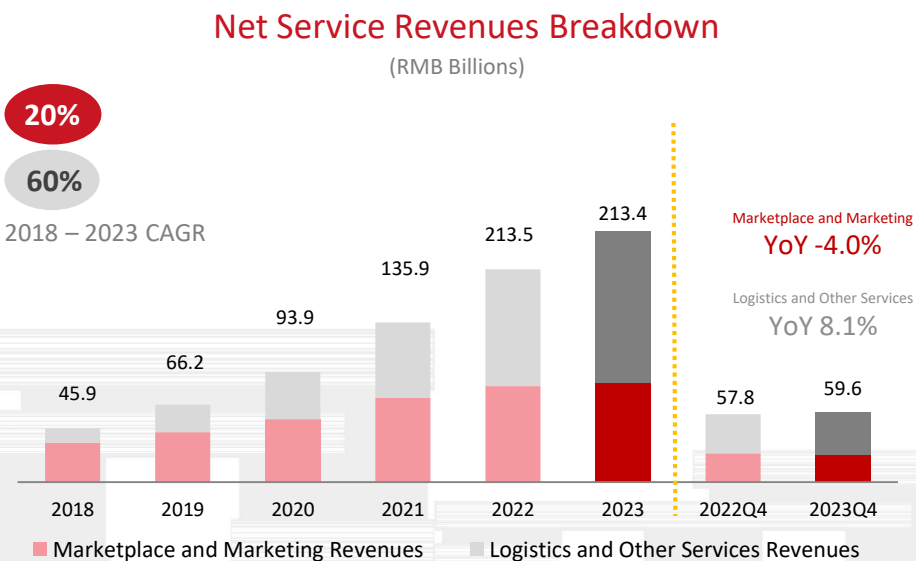
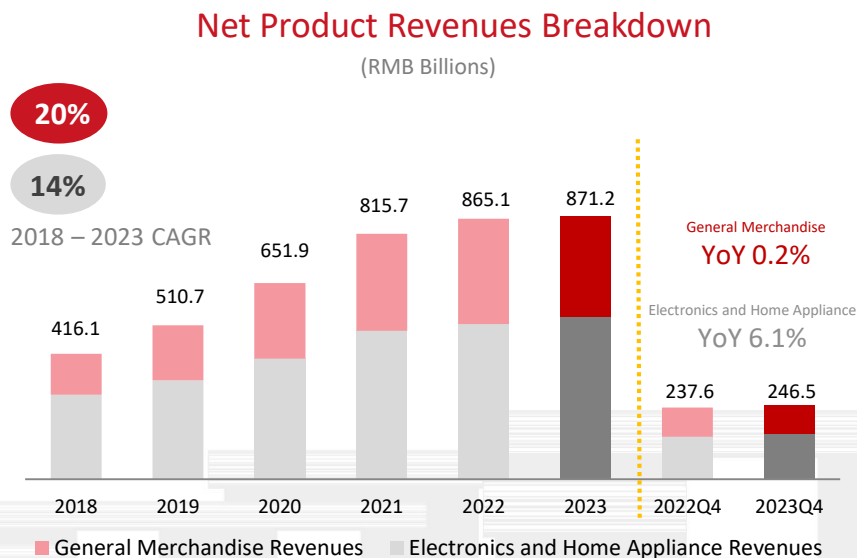
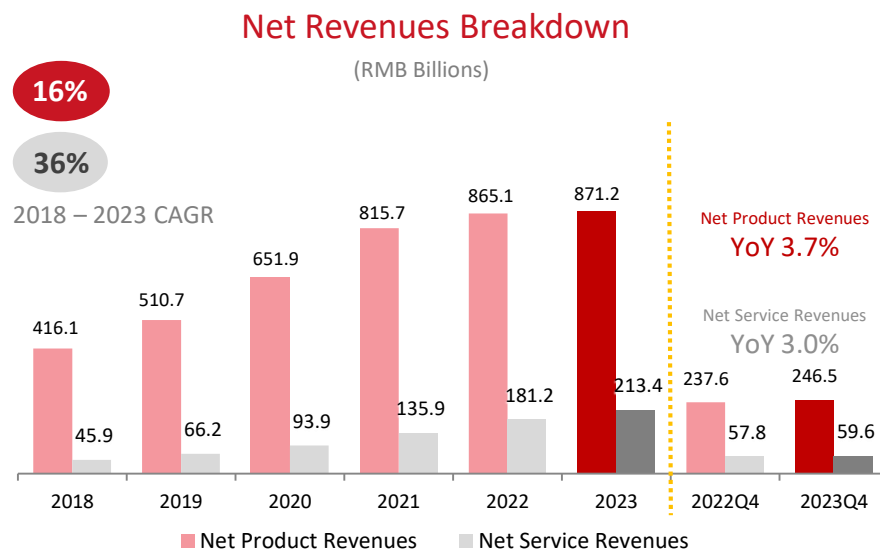
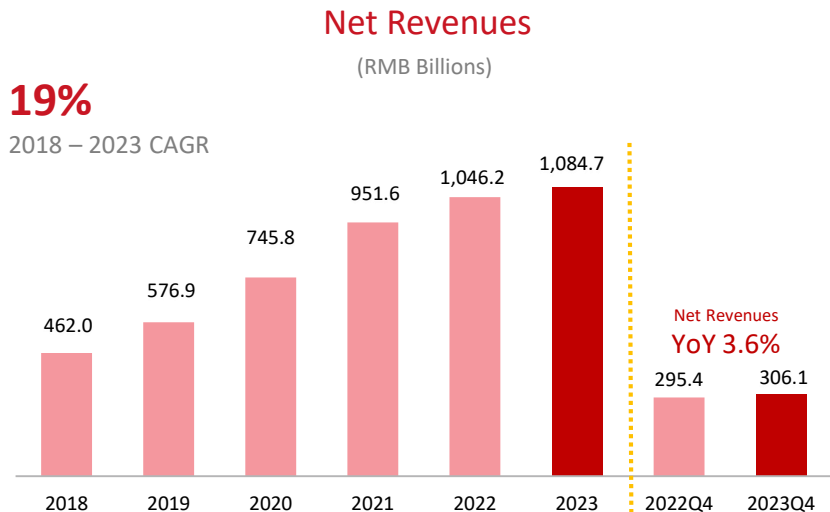
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This document contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” “confident” and similar statements. Among other things, the quotations from management in this announcement, as well as JD.com’s strategic and operational plans, contain forward-looking statements. JD.com may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “SEC”), in announcements made on the website of the Hong Kong Stock Exchange, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about JD.com’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: JD.com’s growth strategies; its future business development, results of operations and financial condition; its ability to attract and retain new customers and to increase revenues generated from repeat customers; its expectations regarding demand for and market acceptance of its products and services; trends and competition in China’s e-commerce market; changes in its revenues and certain cost or expense items; the expected growth of the Chinese e-commerce market; laws, regulations and governmental policies relating to the industries in which JD.com or its business partners operate; potential changes in laws, regulations and governmental policies or changes in the interpretation and implementation of laws, regulations and governmental policies that could adversely affect the industries in which JD.com or its business partners operate, including, among others, initiatives to enhance supervision of companies listed on an overseas exchange and tighten scrutiny over data privacy and data security; risks associated with JD.com’s acquisitions, investments and alliances, including fluctuation in the market value of JD.com’s investment portfolio; natural disasters and geopolitical events; change in tax rates and financial risks; intensity of competition; and general market and economic conditions in China and globally. Further information regarding these and other risks is included in JD.com’s filings with the SEC and the announcements on the website of the Hong Kong Stock Exchange. All information provided herein is as of the date of this announcement, and JD.com undertakes no obligation to update any forward-looking statement, except as required under applicable law.

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



# Diversified Businesses in a Wide Spectrum of Sectors



## JD Retail



## JD Logistics

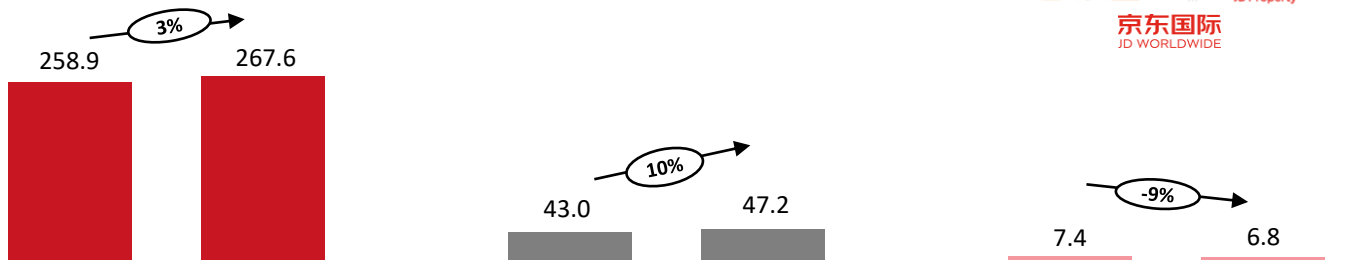


## Others<sup>(2)</sup>



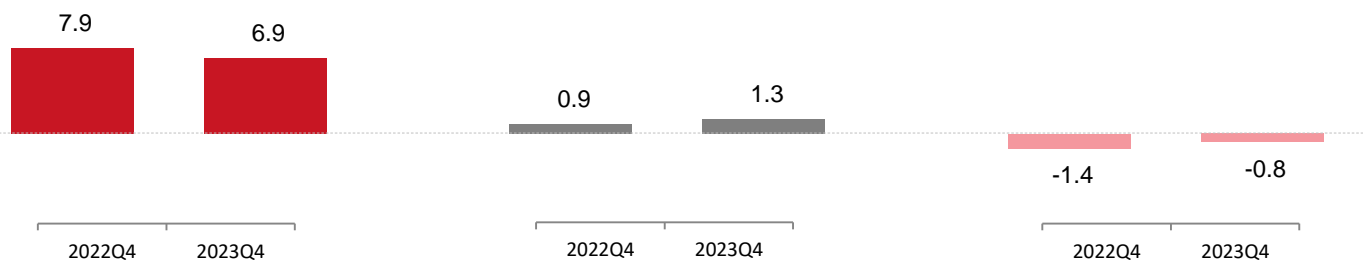
### Revenues

(RMB Billions)



### Operating Income/(Loss)

(RMB Billions)



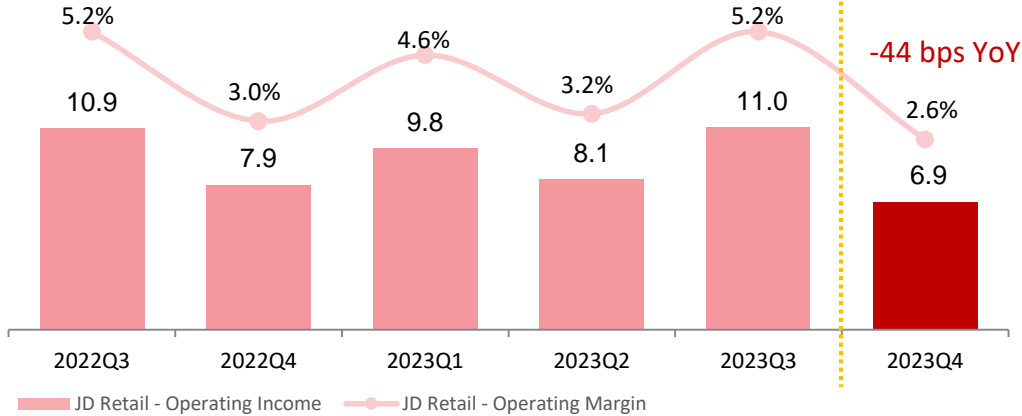
(1) The company reports four segments, JD Retail, JD Logistics, Dada and New businesses. JD Retail, including JD Health and JD Industrials, among other components, mainly engage in online retail, online marketplace and marketing services in China. JD Logistics includes both internal and external logistics 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/>.

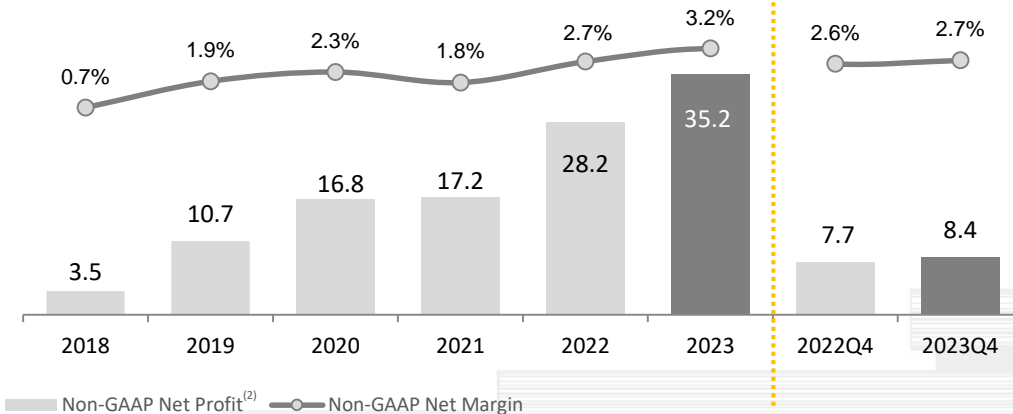
# Resilient Core Profitability with the Benefits of Scale



JD Retail Operating Income<sup>(1)</sup>  
(RMB Billions)



JD Group Non-GAAP Net Profit<sup>(2)</sup>  
(RMB Billions)



## 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.

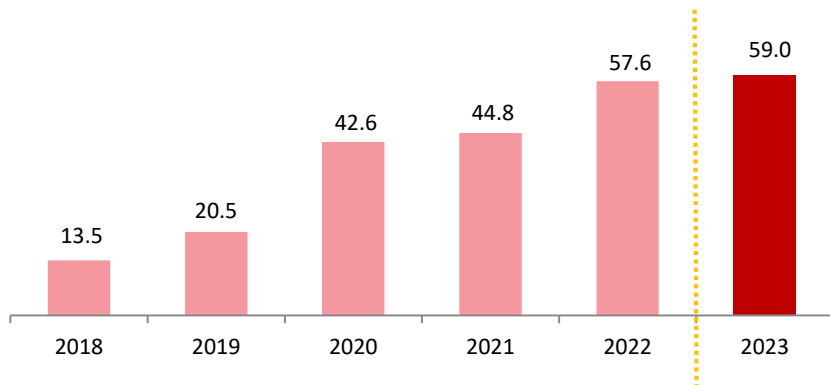
(2) Non-GAAP net income attributable to ordinary shareholders; refer to the company's quarterly results for Non-GAAP adjustments.

# Robust Cash Flow Generation



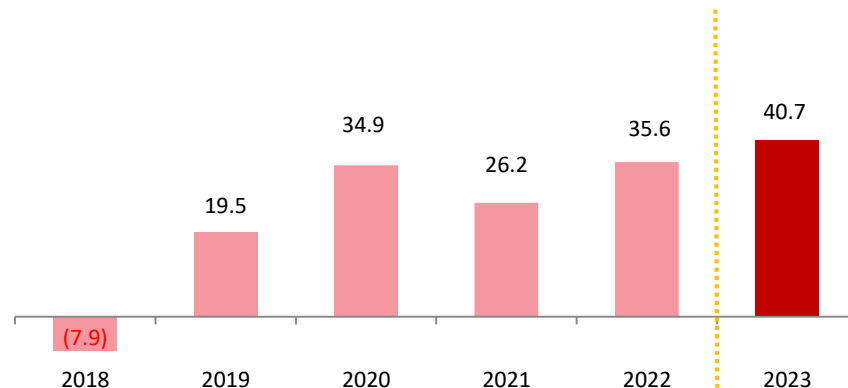
## Adjusted Operating Cash Flow

(RMB Billions)



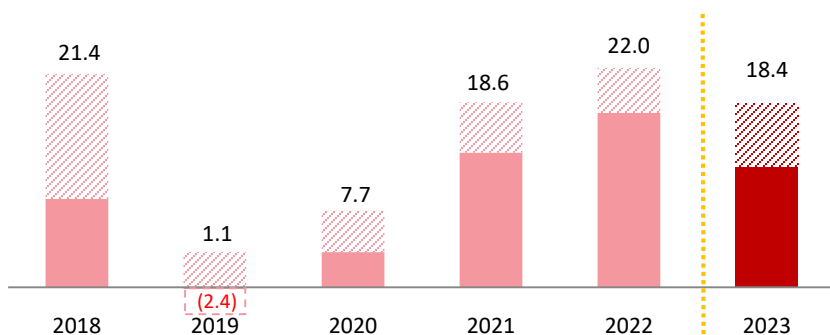
## Free Cash Flow

(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<br>(RMB Millions)                             | 2022Q4         | 2023Q1         | 2023Q2         | 2023Q3         | 2023Q4         |
|---|----------------|----------------|----------------|----------------|----------------|
| <b>Net revenues</b>   | <b>295,446</b> | <b>242,956</b> | <b>287,931</b> | <b>247,698</b> | <b>306,077</b> |
| <b>Non-GAAP operating expenses</b>  |                |                |                |                |                |
| 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         |
| <b>Non-GAAP income from operations <sup>(1)</sup></b>                           | <b>7,252</b>   | <b>7,875</b>   | <b>8,676</b>   | <b>11,097</b>  | <b>7,793</b>   |
| <b>Non-GAAP net income attributable to ordinary shareholders <sup>(1)</sup></b> | <b>7,659</b>   | <b>7,591</b>   | <b>8,557</b>   | <b>10,637</b>  | <b>8,415</b>   |
| <b>Non-GAAP operating margin <sup>(1)</sup></b>                                 | <b>2.5%</b>    | <b>3.2%</b>    | <b>3.0%</b>    | <b>4.5%</b>    | <b>2.5%</b>    |
| <b>GAAP operating margin</b>  | <b>1.6%</b>    | <b>2.6%</b>    | <b>2.9%</b>    | <b>3.8%</b>    | <b>0.7%</b>    |
| <b>Non-GAAP net margin <sup>(1)</sup></b>                                       | <b>2.6%</b>    | <b>3.1%</b>    | <b>3.0%</b>    | <b>4.3%</b>    | <b>2.7%</b>    |
| <b>GAAP net margin</b>  | <b>1.0%</b>    | <b>2.6%</b>    | <b>2.3%</b>    | <b>3.2%</b>    | <b>1.1%</b>    |

(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 <sup>(1)</sup> – TTM           | 33.2   | 32.4   | 31.7   | 30.8   | 30.3   |
| Accounts payable turnover days <sup>(1)</sup> – TTM    | 52.5   | 51.3   | 52.8   | 52.6   | 53.2   |
| Accounts receivable turnover days <sup>(1)</sup> – TTM | 4.5    | 4.8    | 5.0    | 5.4    | 5.6    |
| Free Cash Flow <sup>(2)</sup> – TTM<br>(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.



