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JD Logistics, Inc.

京东物流股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 2618)

**(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS,
(2) GRANT OF WAIVER FROM STRICT COMPLIANCE
WITH RULE 14A.53(1) OF THE LISTING RULES,
AND
(3) DISCLOSEABLE TRANSACTION AND
CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO REVISION OF ANNUAL CAP FOR AND
RENEWAL OF THE EXISTING FACTORING SERVICES
FRAMEWORK AGREEMENT**

Reference is made to the Prospectus and the July 2021 Announcement in relation to the Existing Agreements, and the July 2023 Announcement in relation to the Existing Factoring Services Framework Agreement.

As the Existing Agreements and the Existing Factoring Services Framework Agreement will expire on December 31, 2023, the Board is pleased to announce that on September 1, 2023, the Company entered into the 2024 Agreements to renew the Existing Agreements and the Existing Factoring Services Framework Agreement for a term of three years effective from January 1, 2024.

Also, in view of the increasing demand for the JD Technology Factoring Services, the Board expects that the 2023 Existing Annual Cap would not be sufficient to meet the expected demand. Accordingly, on September 1, 2023, the Board proposed to revise and increase the 2023 Existing Annual Cap to the 2023 Revised Annual Cap.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) JD Technology is held as to approximately 41.7% by JD.com, (ii) Dada is a subsidiary of JD.com, and (iii) JD.com indirectly holds approximately 63.5% of the Company and is a controlling shareholder of the Company. Accordingly, JD.com is a connected person of the Company, and JD Technology and Dada are considered connected persons of the Company by virtue of each of them being an associate of JD.com. Accordingly, the transactions contemplated under the Existing Factoring Services Framework Agreement and the 2024 Agreements constitute continuing connected transactions of the Company pursuant to the Listing Rules.

Pursuant to Rule 14A.54(2) of the Listing Rules, if the Company proposes to renew continuing connected transactions, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

Further, as one or more of the applicable percentage ratio(s) in respect of the transactions contemplated under the 2024 Factoring Services Framework Agreement calculated in accordance with the Listing Rules exceeds 5% but less than 25%, such transaction constitutes a discloseable transaction of the Company which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

A. PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

As all of the applicable percentage ratios calculated with reference to the highest annual caps for the respective transactions contemplated under each of (i) the 2024 Advertising and Promotional Services Framework Agreement, (ii) the 2024 Leasing Framework Agreement, and (iii) the 2024 Payment Services Framework Agreement, are more than 0.1% but less than 5%, the entering into of the said agreements and the respective transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but are exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

B. WAIVER FROM STRICT COMPLIANCE WITH RULE 14A.53(1) OF THE LISTING RULES

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 14A.53(1) of the Listing Rules to express annual caps for the 2024 Dada Delivery Services Framework Agreement in terms of monetary value. Nevertheless, the Company has estimated the transaction amounts under the 2024 Dada Delivery Services Framework Agreement for each of the three years ending December 31, 2026, and calculated the applicable percentage ratios with reference to the highest estimated transaction amounts, resulting the highest applicable percentage ratio to exceed 0.1% but less than 5%. Therefore, the transactions contemplated under the 2024 Dada Delivery Services Framework Agreement will constitute continuing connected transactions of the Company and are subject to, among others, the reporting, announcement and annual review requirements, but are exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

C. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS (INCLUDING REVISION OF ANNUAL CAP FOR THE EXISTING FACTORING SERVICES FRAMEWORK AGREEMENT)

As the highest applicable percentage ratio in respect to the 2023 Revised Annual Cap exceeds 5%, the Existing Factoring Services Framework Agreement and the transactions contemplated thereunder (including the 2023 Revised Annual Cap) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratio(s) calculated with reference to the highest annual caps for the respective transactions contemplated under each of (i) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (ii) the 2024 Shared Services Framework Agreement, and (iii) the 2024 Factoring Services Framework Agreement exceeds 5%, the entering into of the said agreements and the respective transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

An EGM will be convened at which ordinary resolutions will be proposed to approve (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps). JD.com and its associates, including Jingdong Technology Group Corporation and Mr. Richard Qiangdong Liu, will abstain from voting on those resolutions at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of each of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps). Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among other things, (a) details of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps); (b) the recommendations from the Independent Board Committee to the Independent Shareholders; (c) the letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (d) a notice convening the EGM is expected to be despatched to the Shareholders on or before November 1, 2023 as additional time will be required to finalize certain information to be included in the circular.

INTRODUCTION

Reference is made to the Prospectus and the July 2021 Announcement in relation to the Existing Agreements, and the July 2023 Announcement in relation to the Existing Factoring Services Framework Agreement.

In view of the increasing demand for the JD Technology Factoring Services, the Board expects that the 2023 Existing Annual Cap would not be sufficient to meet the expected demand. Accordingly, on September 1, 2023, the Board proposed to revise and increase the 2023 Existing Annual Cap to the 2023 Revised Annual Cap.

Further, as the Existing Agreements and the Existing Factoring Services Framework Agreement will expire on December 31, 2023, the Board is pleased to announce that on September 1, 2023, the Company entered into the 2024 Agreements to renew the Existing Agreements and the Existing Factoring Services Framework Agreement for a term of three years effective from January 1, 2024.

The existing agreements which are subject to renewal include:

- (i) the Existing Advertising and Promotional Services Framework Agreement;
- (ii) the Existing Property Leasing Framework Agreement;
- (iii) the Existing Payment Services Framework Agreement;
- (iv) the Existing Dada Delivery Services Framework Agreement;
- (v) the Existing Supply Chain Solutions and Logistics Services Framework Agreement;
- (vi) the Existing JD Technology Shared Services Framework Agreement;
- (vii) the Existing Shared Services Framework Agreement; and
- (viii) the Existing Factoring Services Framework Agreement.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

A. PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. 2024 Advertising and Promotional Services Framework Agreement

On September 1, 2023, the Company and JD.com entered into the 2024 Advertising and Promotional Services Framework Agreement to renew the Existing Advertising and Promotional Services Framework Agreement, the principal terms of which are set out below:

Date: September 1, 2023

Parties:

- (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) JD.com (for itself and on behalf of its subsidiaries, its consolidated affiliated entities and its associate(s), excluding the Group)

Term: from January 1, 2024 to December 31, 2026

Subject matter: the Group shall provide JD Group and its associates certain advertising services utilizing the advertising resources operated and managed by the Group, including the display of advertisements on various vehicles and the packaging of the parcels, and other promotional services among the Group's customers and suppliers in return for service fees which shall be calculated in accordance with the underlying services agreements and the terms and conditions as amended from time to time.

Reasons and benefits for the renewal

There is demand from the customers of JD Group and its associates, including the merchants on the platforms of JD Group and its associates, to display advertisements and promote their products and services utilizing certain existing resources of the Group, and hence, JD Group and its associates will engage the Group to provide advertising and promotional services, including placing advertisements on the Group's vehicles, parcels and other advertising spaces, to promote the products and services for customers of JD Group and its associates. In addition, there is demand from JD Group and its associates to utilize the Group's existing resources for its own promotional campaigns. Accordingly, it is mutually beneficial to both the Group and JD Group and its associates to make use of the Group's existing resources to promote products and services of JD Group, its associates and their customers. The Group is not bound and will not be bound to provide advertising and promotional services to JD Group and its associates.

Pricing policies

The service fees charged by the Group shall be determined by both parties based on the prevailing market rates with reference to the applicable fee the Group charges independent third party customers of strategic positions, taking into account the business volume. On an annual basis, the Group will review and ensure the fees receivable under the 2024 Advertising and Promotional Services Framework Agreement shall be on normal commercial terms and are fair and reasonable as compared to those provided by the Group to its independent third party customers of comparable profile. Further, the Group will only enter into a subsequent agreement with JD Group and its associates if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 were approximately RMB236.5 million, RMB302.0 million and RMB157.3 million, respectively.

Annual caps

In respect of the 2024 Advertising and Promotional Services Framework Agreement, the transaction amounts to be paid by JD Group and its associates to the Group for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Transaction amounts to be paid by JD Group and its associates to the Group	581	787	1,088

Basis for the annual caps

The annual caps for the 2024 Advertising and Promotional Services Framework Agreement were determined with reference to:

- (i) the historical transaction amounts and the growth trend for the two years ended December 31, 2022 and the six months ended June 30, 2023 under the Existing Advertising and Promotional Services Framework Agreement;
- (ii) the expected increase in the Group's advertising resources (e.g. more parcels hence more advertising space on the packaging and the brochures that come with the parcels) as a result of the expected growth in the Group's supply chain solutions and logistics services business volume;

- (iii) the expected increase in the business volume of JD Group, its associates and in their respective customer base considering the projected growth rate of the overall e-commerce market in China and, as a result, the expected increase in the demand for the Group's advertising and promotional services; and
- (iv) the revenues derived from JD Group and its associates in respect of the provision of advertising and promotional services, as a percentage of the Group's total revenue during the two years ended December 31, 2022 and the six months ended June 30, 2023. In particular, the advertising and promotional services revenue from JD Group and its associates increased from RMB236.5 million in 2021 to RMB302.0 million in 2022, and for the six months ended June 30, 2023, the said revenue amounted to RMB157.3 million. Revenues derived from JD Group and its associates in respect of provision of the advertising and promotional services, as a percentage of the Group's total revenue, were 0.2%, 0.2% and 0.2%, respectively, for each of the two years ended December 31, 2022 and the six months ended June 30, 2023. The Group expects such percentages to remain relatively stable and continue to be immaterial in the foreseeable future.

2. 2024 Leasing Framework Agreement

On September 1, 2023, the Company and JD.com entered into the 2024 Leasing Framework Agreement to renew the Existing Property Leasing Framework Agreement, the principal terms of which are set out below:

Date: September 1, 2023

Parties:

- (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) JD.com (for itself and on behalf of its subsidiaries, its consolidated affiliated entities and its associates, excluding the Group)

Term: from January 1, 2024 to December 31, 2026

Subject matter:

- (i) the Group shall pay rental fees for the leasing of properties owned by JD Group and its associate(s) including warehouses, dormitories and cafeterias in logistics parks, and equipment owned or rented by JD Group and its associate(s); and
- (ii) the lease arrangements in which JD Group will enter into short-term and long-term leases for warehouses on behalf of the Group with independent third party property owners on a cost basis (i.e. the Agency Lease Arrangements). JD Group will not charge the Group additional fees on these lease arrangements beyond its own cost. The Group shall pay JD Group rental fees (including related ancillary fees) as charged by the independent third party property owners.

Reasons and benefits for the renewal

It is mutually beneficial to both the Group and JD Group for the Group to lease the warehouses owned and built by, and the equipment owned or rented by, JD Group and its associate(s). Given that warehouses and equipment are the critical foundation of the Group's supply chain solutions and logistics services, the high service quality of which forms a core part of the consumer experience for JD Group's e-commerce customers, it is in the best interest of JD Group to lease its warehouses and equipment to the Group.

The reason for having Agency Lease Arrangements is that the Group, through JD Group, can enjoy more favorable rental terms given the scale and brand recognition of JD Group.

In addition, the leasing of the equipment owned or rented by JD Group and its associate(s) can enhance the utilization and economies of scale of JD Group's and its associates' resources, which in turn, reduces the costs of the Group in renting or acquiring similar equipment from a wider range of other providers or merchants.

The Group is not bound and will not be bound to lease warehouses owned and built by, and the equipment owned or rented by, JD Group and its associate(s) (or through the Agency Lease Arrangements) only. The Group currently leases a majority of the warehouses from independent third party property owners. The Group will continue to use its best effort to identify the most favorable warehouses and equipment and expects to lease warehouses and equipment from independent third party owners if the terms and conditions of the lease and/or the location or infrastructure of the warehouses offered by independent third party owners are more favorable to the Group.

Pricing policies

To ensure that the fees to be charged by JD Group and its associate(s) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole, (i) the rental fees to be charged in relation to the properties owned by JD Group will be determined based on the prevailing market rental rates of warehouses of similar functions, gross floor area and location, among others, and (ii) the rental fees to be charged in relation to the equipment owned by or rented by JD Group and its associates will be determined based on the prevailing market rental rates of similar equipment. In respect of the Agency Lease Arrangements, JD Group will not charge the Group additional fees beyond what it pays to the relevant independent third party property owners and the Group shall pay JD Group rental fees (including related ancillary fees) as charged by such independent third party property owners, and the rental fees will be determined based on (i) the prevailing market rental rates of warehouses of similar functions, gross floor area and location, or (ii) on arm's length negotiation between the Group (or JD Group on behalf of the Group) and independent third party property owners of the warehouses. Further, the Group will only enter into a subsequent agreement with JD Group and its associate(s) if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts under the Existing Property Leasing Framework Agreement for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 are RMB2,172.4 million, RMB1,222.3 million and RMB684.8 million, respectively.

Annual caps

In respect of the 2024 Leasing Framework Agreement, the transaction amounts to be paid by the Group to JD Group for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Transaction amounts to be paid by the Group to JD Group	2,721	2,954	3,219

Basis for the annual caps

The annual caps for the 2024 Leasing Framework Agreement were determined with reference to:

- (i) the historical transaction amounts and the existing leases for the two years ended December 31, 2022 and six months ended June 30, 2023 under the Existing Property Leasing Framework Agreement;
- (ii) the expected signing of new property and equipment leases and renewal of existing leases to meet the Group's business needs, and in particular, the number of new and renewal of existing leases for each of the three years ending December 31, 2026; and
- (iii) expected rental rate under and the expected term of the new leases. The annual caps consist of leasing expenses which are not capitalized as the adoption of practical expedient of IFRS 16 *Leases* and the one-off recognition of right-of-use assets in relation to the capitalization of leases under IFRS 16.

3. 2024 Payment Services Framework Agreement

On September 1, 2023, the Company and JD Technology entered into the 2024 Payment Services Framework Agreement to renew the Existing Payment Services Framework Agreement, the principal terms of which are set out below:

- Date:** September 1, 2023
- Parties:**
- (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
 - (ii) JD Technology (for itself, its subsidiaries and consolidated affiliated entities)
- Term:** from January 1, 2024 to December 31, 2026
- Subject matter:** JD Technology shall provide payment and ancillary services to the Group. For example, for consumers who choose cash on delivery, the pick-up stations or the Group's in-house delivery personnel will have to collect payment for the commercial goods on behalf of JD Group or its online merchants (i.e. customers of the Group) and the delivery fee upon the receipt of the commercial goods. The relevant amounts that the Group collected on behalf of JD Group or its online merchants are then settled through JD Technology's payment channels.

Reasons and benefits for the renewal

Given that the Group provides supply chain solutions and logistics services to JD Group and a large number of JD Group's customers, such payment services from JD Technology will ensure a consistent and superior customer experience. JD Technology is one of the payment service providers which cooperate with the Group. With respect to the payment by customers who choose cash on delivery, such payment can also be settled through other independent third party payment channels, such as WeChat Pay, cash or credit card.

Pricing policies

To ensure that the fees to be charged by JD Technology are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole, the fees to be charged by JD Technology will be calculated with reference to the prevailing marketing rates (e.g. a commission rate with reference to market rates charged by other independent third party payment service providers, and/or the market rate charged by JD Technology to its other independent third party customers), and taking into account the volume of the business to JD Technology. Further, the Group will only enter into a subsequent agreement with JD Technology and its subsidiaries if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 were approximately RMB110.5 million, RMB124.9 million and RMB66.1 million, respectively.

Annual caps

In respect of the 2024 Payment Services Framework Agreement, the transaction amounts to be paid by the Group to JD Technology for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Transaction amounts to be paid by the Group to JD Technology	204	259	326

Basis for the annual caps

The annual caps for the 2024 Payment Services Framework Agreement were determined with reference to:

- (i) the historical transaction amounts and the growth trend for the two years ended December 31, 2022 and the six months ended June 30, 2023 under the Existing Payment Services Framework Agreement;
- (ii) the projected growth rate of the overall e-commerce market in China; and
- (iii) the historical transaction amounts as a percentage of the aggregate amount of the cost of revenue, selling and marketing expenses, research and development expenses and general and administrative expenses during the two years ended December 31, 2022 and the six months ended June 30, 2023. For the two years ended December 31, 2022 and the six months ended June 30, 2023, the payment service fees paid by the Group to JD Technology accounted for 0.1%, 0.1% and 0.1%, respectively, of the Company's aggregate amount of cost of revenue, selling and marketing expenses, research and development expenses, and general and administrative expenses. Given that JD Technology is one of the most popular payment services providers among the end consumers and customers of JD Group, the Group expects that it will continue to cooperate with JD Technology for the payment services it offers, and the proportion of the cost to be paid by the Group to JD Technology as to the aggregate amount of cost of revenue, selling and marketing expenses, research and development expenses, and general and administrative expenses to be incurred by the Group for the next three years will remain relatively stable and immaterial.

B. WAIVER FROM STRICT COMPLIANCE WITH RULE 14A.53(1) OF THE LISTING RULES

4. 2024 Dada Delivery Services Framework Agreement

On September 1, 2023, the Company and Dada entered into the 2024 Dada Delivery Services Framework Agreement to renew the Existing Dada Delivery Services Framework Agreement, the principal terms of which are set out below:

- Date:** September 1, 2023
- Parties:** (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) Dada (for itself, its subsidiaries and consolidated affiliated entities)
- Term:** from January 1, 2024 to December 31, 2026
- Subject matter:** Dada Group shall provide the Group on-demand delivery services utilizing its crowd-sourced delivery force to supplement the Group's last-mile delivery force, especially during peak seasons.

The on-demand delivery services provided by Dada Group include regular last-mile delivery services (i.e. deliveries typically made within 4–6 hours after the orders are placed), and premium delivery services (i.e. deliveries are typically made within 1–2 hours after the orders are placed). For the two years ended December 31, 2022 and the six months ended June 30, 2023, fees paid to Dada Group were primarily related to regular last-mile delivery services.

Reasons and benefits for the renewal

It is mutually beneficial to both Dada Group and the Group for the Group to use Dada Group's on-demand delivery services to supplement the Group's last-mile delivery force, given that (i) from the Group's perspective, it is more cost efficient to use Dada Group's crowd-sourced riders during peak seasons (e.g. 618 Grand Promotion and China's online shopping festival on November 11) than to maintain a larger delivery force on the Group itself throughout the year and (ii) from Dada Group's perspective, transactions with the Group provide them with a meaningful amount of their last-mile delivery revenue.

The Group is not bound and will not be bound to use on-demand last-mile delivery services offered by Dada Group. The Group also engages other independent third party on-demand last-mile delivery service providers to supplement delivery force, and will continue to engage other independent third party on-demand last mile delivery service providers if the terms and conditions for the services provided by independent third party on-demand last-mile delivery service providers are more favorable to the Group.

Pricing policies

- (i) The regular last-mile delivery services are charged based on a net basis, whereas the premium delivery services are charged based on a gross basis. Details of which are set out below:

(1) Regular last-mile delivery services (net basis):

Regular last-mile delivery services are deliveries typically made within 4–6 hours after the orders are placed. Service fees in relation to the regular last-mile delivery services shall be charged by Dada Group on a net basis.

Since May 13, 2021, the Group and Dada Group have entered into tripartite arrangements (“**Net Payment Arrangement**”) with independent third party/parties who has/have the contractual relationship with the regular last-mile delivery service riders, where the Group will pay:

- A. Dada Group a platform service fee for, among other things, publishing, matching and processing regular last-mile delivery orders with regular last-mile delivery service riders, and monitoring and managing delivery processes including potential dispute resolution; and
- B. the remaining transaction amount to the independent third party/parties, and in turn will pay the riders their shares of the fees.

For the avoidance of doubt, prior to the Net Payment Arrangement, the regular last-mile delivery services were charged by Dada Group purely on a gross basis.

(2) Premium delivery services (gross basis):

Premium delivery services are deliveries typically made within 1–2 hours after the orders are placed.

Service fees in relations to premium delivery services shall be paid on a gross basis, in which the Group paid Dada Group the entire transaction amount and Dada Group in turn paid the riders their share of the fee. During the two years ended December 31, 2022 and the six months ended June 30, 2023, such fees constituted only a minor portion of the service fees.

- (ii) The fees Dada Group charges the Group (including the platform service fee for regular last-mile delivery services and the service fees for premium delivery services),
- (1) will be in the range of applicable price Dada Group charges independent third party customers which are strategic clients of Dada Group; or
 - (2) will be determined in accordance with the prevailing market rates, taking into account the volume of business from the Group as well as the delivery requirements.

To ensure that the fees to be charged by Dada Group are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole, the Group will, 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 2024 Dada Delivery Services Framework Agreement. Further, the Group will only enter into a subsequent agreement with Dada Group if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 are RMB879.5 million, RMB427.2 million and RMB140.5 million, respectively.

For the regular last-mile delivery services, prior to the entering of the Net Payment Arrangement in May 2021, the service fees to Dada Group were paid on a gross basis, in which the Group paid Dada Group the entire transaction amount and Dada Group in turn paid the riders their share of the fees. Since May 2021, the Group has paid service fees to Dada Group based on the Net Payment Arrangement instead of gross basis, and the total transaction amount paid by the Group in relation to the regular last-mile delivery services provided by Dada Group is expected to be the same before and after the Net Payment Arrangement, but the connected transaction amount is expected to decrease substantially after the Net Payment Arrangement. Therefore, there is a decreasing trend in the above historical transaction amounts for the two years ended December 31, 2022.

Annual caps

The fees Dada Group shall charge the Group for the regular last-mile delivery services and premium delivery services shall be determined by the following formulae, respectively, which is in line with commercial practices:

Regular last-mile delivery services (net basis)

*Platform fee paid on a net basis: average platform fee per order * number of orders*

The average platform fee per order shall not exceed RMB0.6.

Premium delivery services (gross basis)

*Fees paid on a gross basis: average fee per order * number of orders*

The average fee per order Dada Group shall charge the Group on the number of orders shall not exceed RMB10.0.

Basis for not setting monetary annual caps

It would be unsuitable to adopt monetary annual caps for the transactions contemplated in the 2024 Dada Delivery Services Framework Agreement for the following reasons:

- (i) the Group utilizes Dada Group's services during peak seasons (e.g. 618 Grand Promotion and China's online shopping festival on November 11). Logistics volume during peak seasons is subject to factors such as promotion strategies of e-commerce platforms and merchants which are not within the Group's control and is thus difficult to forecast with accuracy. Further, when considering whether to engage Dada Group for its last mile delivery services, the Group also takes into account a number of other variables, including, its own in-house logistics fulfilment capacity and also Dada Group's capacity and the coverage of delivery force in each city or different geographical locations during peak seasons, the availability and costs of engaging third party service providers which also provide similar services as Dada Group. It would be impracticable to set a monetary cap which may limit the Group's ability to procure sufficient resources to support the Group's operations during peak seasons, which could severely impact customer experience and damage the Group's brand recognition;
- (ii) since a meaningful portion of the transaction amount with Dada Group occurs during a few major promotional events (e.g. 618 Grand Promotion and China's new online shopping festival on November 11), real-time monitoring is required in order to ensure strict compliance with any monetary annual cap. It is practically impossible for the Group to monitor transaction amounts with Dada Group on a real-time basis during peak seasons; and

- (iii) Dada Group is a listed company on NASDAQ and the Group is a major customer of Dada Group. Setting a monetary cap on the transaction amount with Dada Group on a unilateral basis may impact the Group's business relationship with a key business partner and may as a result cause disruption to the Group's business operations and adversely impact the interests of the Group and the Shareholders.

Waiver sought

Accordingly, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement of setting monetary annual caps under the 2024 Dada Delivery Services Framework Agreement under Rule 14A.53(1) of the Listing Rules, subject to the following conditions:

- (i) the waiver will only apply to the transactions contemplated under the 2024 Dada Delivery Services Framework Agreement which are entered into on normal commercial terms, in the ordinary and usual course of business of the Company, will be on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole;
- (ii) the Company will disclose in its subsequent annual and interim reports (a) a clear description of the bases for calculating the commissions charged by Dada Group under the 2024 Dada Delivery Services Framework Agreement, (b) the actual transaction amounts under the 2024 Dada Delivery Services Framework Agreement and (c) a description of the internal control measures (vii) and (viii) for the 2024 Dada Delivery Services Framework Agreement adopted by the Company to closely monitor the actual transaction amounts against the 5% Threshold as set out under the section "Internal Controls for the Continuing Connected Transactions" in this announcement;
- (iii) the independent non-executive Directors will review the underlying transactions entered into pursuant to the 2024 Dada Delivery Services Framework Agreement on an annual basis and confirm in the Company's annual reports the matters set out in Rule 14A.55 of the Listing Rules;
- (iv) the Company will engage an external auditor to report on, among other things, the transactions contemplated in the 2024 Dada Delivery Services Framework Agreement pursuant to Rule 14A.56 of the Listing Rules. The Company will also ensure that the auditors are allowed sufficient access to the Company's records for the purpose of reporting on the transactions contemplated in the 2024 Dada Delivery Services Framework Agreement;
- (v) the Company and the Board will ensure that the relevant transactions under the 2024 Dada Delivery Services Framework Agreement are undertaken in accordance with the terms of the 2024 Dada Delivery Services Framework Agreement and will use the Company's best endeavors to comply with such terms and the Listing Rules requirements applicable to the 2024 Dada Delivery Services Framework Agreement to the extent not waived by the Stock Exchange;

- (vi) the Company will disclose in this announcement (i) the background of entering into the 2024 Dada Delivery Services Framework Agreement, (ii) the salient terms of the 2024 Dada Delivery Services Framework Agreement, (iii) the grounds of application for waivers set out in this waiver application, and (iv) the Directors' (including the independent non-executive Directors) views on the fairness and reasonableness of the 2024 Dada Delivery Services Framework Agreement as a whole;
- (vii) the Company will implement internal procedures so as to ensure that the 2024 Dada Delivery Services Framework Agreement are undertaken in accordance with the terms provided therein and the underlying transaction agreements entered into pursuant to or governed by the 2024 Dada Delivery Services Framework Agreement; and
- (viii) the Company will re-comply with Chapter 14A of the Listing Rules as soon as reasonably practicable should any of the above conditions no longer exist or if there is any material change to the term of the 2024 Dada Delivery Services Framework Agreement.

C. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

5. 2024 Supply Chain Solutions and Logistics Services Framework Agreement

On September 1, 2023, the Company and JD.com entered into the 2024 Supply Chain Solutions and Logistics Services Framework Agreement to renew the Existing Supply Chain Solutions and Logistics Services Framework Agreement, the principal terms of which are set out below:

Date: September 1, 2023

Parties:

- (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) JD.com (for itself and its subsidiaries, its consolidated affiliated entities and its associate(s), excluding the Group)

Term: from January 1, 2024 to December 31, 2026

Subject matter: the Group shall provide integrated supply chain solutions and other logistics services to JD Group and its associates including but not limited to warehouse operation and storage services, domestic and international transportation and delivery services, after sales and maintenance services, cash on delivery services, and other related ancillary services in exchange for service fees.

Reasons and benefits for the renewal

Given that JD Group enjoys a leading position in the PRC's e-commerce industry with an extensive customer and user base, it is natural for, and in the best interest of the Group to provide JD Group with supply chain solutions and logistics services in exchange for service fees. Given the Group's leading position in integrated supply chain solutions and logistics services industry in the PRC (with its extensive network of warehouses and in-house delivery personnel), the Group is able to provide related comprehensive solutions and services to JD Group and ensure superior consumer experience, this collaboration will bring synergies to both the Group and JD Group in full play. Therefore, it is mutually beneficial for the Group and JD Group to cooperate on the provision of supply chain solutions and logistics services. In addition, the transactions under the 2024 Supply Chain Solutions and Logistics Services Framework Agreement are part of the principal business activities of the Group, and are expected to contribute a significant portion of the integrated supply chain services revenue of the Group.

Pricing policies

The service fees charged by the Group shall be determined by both parties based on (i) the range of applicable fees the Group charges independent third party customers of strategic positions; or (ii) the prevailing market rates, taking into account the business volume. On an annual basis, the Group will review and ensure that the service fees under the 2024 Supply Chain Solutions and Logistics Services Framework Agreement shall be on normal commercial terms and are fair and reasonable as compared to those provided by the Group to its independent third party customers of comparable profile. Further, the Group will only enter into a subsequent agreement with JD Group and its associates if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 are RMB46,018.3 million, RMB48,080.1 million and RMB23,656.5 million, respectively.

Annual caps

In respect of the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, the transaction amounts to be paid by JD Group and its associates to the Group for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Transaction amounts to be paid by JD Group and its associates to the Group	60,260	72,289	86,723

Basis for the annual caps

The annual caps for the 2024 Supply Chain Solutions and Logistics Services Framework Agreement were determined with reference to:

- (i) the historical transaction amounts and the growth trend for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 under the Existing Supply Chain Solutions and Logistics Services Agreement; and
- (ii) the projected growth rate of the overall e-commerce market in China and, in turn, the estimated growth rate of JD Group and its associates' business volume and consequently, their needs for supply chain solutions and logistics services.

6. 2024 Shared Services Framework Agreement

On September 1, 2023, the Company and JD.com entered into the 2024 Shared Services Framework Agreement to renew the Existing Shared Services Framework Agreement and the Existing JD Technology Shared Services Framework Agreement, the principal terms of which are set out below:

Date: September 1, 2023

Parties:

- (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) JD.com (for itself and its subsidiaries, its consolidated affiliated entities and its associate(s), excluding the Group)

Term: from January 1, 2024 to December 31, 2026

Subject matter: JD Group and its associate(s) (including JD Technology) shall provide to the Group certain (i) back-office and administrative support services, including but not limited to certain human resources services, in addition to certain shared services, including office premises sharing and related services, canteen facilities for staff, administrative purchases and various support services (the “**General Shared Services**”), and (ii) certain technology support related services, including but not limited to IDC (Internet data center) related services, cloud computing services, cloud storage services, intelligent customer services, online contract signing cloud platform, information technology support services and corporate business services (the “**Technology Shared Services**”).

For clarity, these transactions were previously provided under the Existing Shared Services Framework Agreement and the Existing JD Technology Shared Services Framework Agreement that are expenses in nature and both will expire on December 31, 2023. As the nature of the services under the aforementioned original agreements is similar, for better management, upon the renewal of such existing continuing connected transactions, the Company entered into the 2024 Shared Services Framework Agreement providing a framework for the provision of the aforementioned services. Please refer to the section headed “Connected Transactions — 7. Shared Services Framework Agreement” in the Prospectus and the July 2021 Announcement for details.

Reasons and benefits for the renewal

The services provided under the 2024 Shared Services Framework Agreement can help enhance utilization and economies of scale of JD Group’s and its associates’ operational support resources, which in turn, reduces the administrative costs of the Group in procuring similar services from other providers. The 2024 Shared Services Framework Agreement will allow the Group to better leverage on the mature infrastructure, resources and coverage already built by JD Group and JD Technology (i.e. technology facilities previously built and owned by JD Group), and help reduce the administrative costs of the Group in procuring similar services from other providers.

Pricing policies

For the General Shared Services, JD Group will not charge the Group additional service fees on the arrangement of shared services beyond the cost it incurs. The Group shall pay JD Group the actual costs incurred during the service process including, among others, staff costs, office premises sharing and third party service costs. The Group will annually review the actual costs incurred by JD Group in providing relevant services with reference to prevailing market prices of such services to ensure they are on normal commercial terms and are fair and reasonable.

The relevant service fees for the Technology Shared Services shall be determined by both parties based on fair market rate with reference to (i) the price quotations that the Group obtain from independent third party service providers for comparable services, and (ii) the service fees charged by JD Group and its associate(s) (including JD Technology) to any independent third party for comparable services. The Group will from time to time review the service fees for these shared services by comparing them against market prices chargeable by independent third party service providers for services of similar nature and scale, and ensure that the terms the Group obtain from JD Group and its associate(s) (including JD Technology) shall be on normal commercial terms or better as compared to those provided by independent third party service providers.

Further, the Group will only enter into a subsequent agreement with JD Group and its associate(s) (including JD Technology) if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Historical transaction amounts

The historical transaction amounts under the Existing Shared Services Framework Agreement and the Existing JD Technology Shared Services Framework Agreement are set out below:

	For the year ended December 31,		For the six months ended
	2021	2022	June 30, 2023
	<i>(RMB in million)</i>		
Existing Shared Services Framework Agreement			
Transaction amounts to be paid by the Group to JD Group	2,276.2	2,160.3	1,160.0
Existing JD Technology Shared Services Framework Agreement			
Transaction amount to be paid by the Group to JD Technology	178.0	369.8	264.3

Annual caps

In respect of the 2024 Shared Services Framework Agreement, the transaction amounts to be paid by the Group to JD Group and its associate(s) (including JD Technology) for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Transaction amounts to be paid by the Group to JD Group and its associate(s) (including JD Technology)	3,314	3,754	4,205

Basis for the annual caps

The annual caps under the 2024 Shared Services Framework Agreement were determined with reference to:

- (i) the historical transaction amounts and its growth trend for each of the two years ended December 31, 2022 and the six months ended June 30, 2023 under the Existing Shared Services Framework Agreement and the Existing JD Technology Shared Services Framework Agreement. For the next three years ending December 31, 2026, the Group expects the annual caps to increase, as the expected growth of the business of the Group, due to the expansion of the Group's external customer base and the rising demand for the Group's services, will lead to the corresponding increase in the Group's need for various administrative and support services provided by JD Group and its associate(s) (including JD Technology);
- (ii) the estimated total transaction amounts payable by the Group under the 2024 Shared Services Framework Agreement with reference to estimates on usage pattern, volume, demand for the relevant services based on business development of the Group; and
- (iii) the shared service fees as a percentage of the Company's aggregate amount of cost of revenue, selling and marketing expenses, research and development expenses, and general and administrative expenses during the two years ended December 31, 2022 and the six months ended June 30, 2023. For the two years ended December 31, 2022 and six months ended June 30, 2023, the shared service fees paid by the Group to JD Group and its associates (including JD Technology) accounted for approximately 2.3%, 1.8% and 1.8%, respectively, of the Company's aggregate amount of cost of revenue, selling and marketing expenses, research and development expenses, and general and administrative expenses. For the three years ending December 31, 2026, the Group expects such percentages to remain relatively stable.

DISCLOSEABLE TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS IN RELATION TO REVISION OF ANNUAL CAP FOR AND RENEWAL OF THE EXISTING FACTORING SERVICES FRAMEWORK AGREEMENT

7. JD Technology Factoring Services

Reference is made to the July 2023 Announcement in respect of the Existing Factoring Services Framework Agreement entered into between the Company and JD Technology on July 2, 2023 in relation to the provision of JD Technology Factoring Services. The term of the Existing Factoring Services Framework Agreement commenced on July 2, 2023 and will end on December 31, 2023.

In view of the increasing demand for the JD Technology Factoring Services, the Board expects that the 2023 Existing Annual Cap would not be sufficient to meet the expected demand. Accordingly, on September 1, 2023, the Board proposed to revise and increase the 2023 Existing Annual Cap to the 2023 Revised Annual Cap.

Further, as the Existing Factoring Services Framework Agreement will expire on December 31, 2023, on September 1, 2023, the Company and JD Technology entered into the 2024 Factoring Services Framework Agreement to renew the Existing Factoring Services Framework Agreement.

Reasons for revision of the 2023 Existing Annual Cap and the renewal of the Existing Factoring Services Framework Agreement

The entering into of the Existing Factoring Services Framework Agreement and the 2024 Factoring Services Framework Agreement for the provision of the JD Technology Factoring Services is beneficial to the Group as it (i) reduces the amount of trade receivables and provides the Group with immediate funding for working capital and business development; (ii) allows expedite realization of trade receivables which will in turn enhance the Group's working capital efficiency; and (iii) allows the Group to meet liquidity development needs and diversify its funding sources, and therefore optimize the assets structure, increase capital efficiency and enhance operational capabilities of the Group. Further, JD Technology possesses a strong capital base and matured financing capabilities. The factoring services will enable the exertion of the synergy effect of the cooperation between JD Technology and the Group, enabling the Group to expand its financing channels and provide financial support for its logistics services business, which is conducive to the long term development of the Group and the interests of the Company and the Shareholders as a whole.

When the Existing Factoring Services Framework Agreement was entered into on July 2, 2023, the Company originally expected to commence the transactions under the Existing Factoring Services Framework Agreement in around the fourth quarter of 2023 after all the necessary preparation work (such as system development and integration, etc.) has been completed and the 2023 Existing Annual Cap was set to cover the anticipated transaction amounts for the fourth quarter of 2023.

Given that the preparation work had been completed earlier than expected, the Company has commenced the transactions since late August 2023. As (i) the 2023 Existing Annual Cap was originally intended to cover the anticipated transaction amounts for a shorter period of time, (ii) since the early commencement of the factoring transactions, there has been an increase beyond expectation in the demand for factoring services, (iii) the Group has intention to broaden the cooperation with JD Technology under the Existing Factoring Services Framework Agreement, in terms of the customer base and aging group for the trade receivables to be transferred, due to increasing business needs for the Group to further enhance its trade receivables turnovers and reduce its credit risk, and (iv) given that (a) the Group has already used approximately 4.0% of the 2023 Existing Annual Cap as of August 31, 2023, and (b) it is estimated that the 2023 Existing Annual Cap will be fully utilized by the end of October 2023, it is anticipated that the 2023 Existing Annual Cap will be exceeded soon which leads to the need to revise the 2023 Existing Annual Cap to cater for the future business need of the Group.

Historical transaction amounts

As disclosed above, the transactions under the Existing Factoring Services Framework Agreement commenced in late August 2023, the historical transaction amounts for August 2023 was approximately RMB108.6 million.

Revision of the 2023 Existing Annual Cap

Set out below is the 2023 Existing Annual Cap and the 2023 Revised Annual Cap:

	2023 Existing Annual Cap	2023 Revised Annual Cap
	<i>(RMB in million)</i>	
Amount of receivables to be purchased by		
JD Technology	2,700	6,000
Service fees payable by the Group	24.6	67.0

For the avoidance of doubt, the actual transaction amounts under the Existing Factoring Services Framework Agreement have not exceeded the 2023 Existing Annual Cap as at the date of this announcement.

Save and except for the 2023 Revised Annual Cap, the terms and conditions of the Existing Factoring Services Framework shall remain unchanged.

Basis for the 2023 Revised Annual Cap

Amount of receivables to be purchased by JD Technology

The annual cap for the amount of receivables to be purchased by JD Technology under the 2023 Revised Annual Cap was determined with reference to:

- (i) the above historical transaction amounts under the Existing Factoring Services Framework Agreement for August 2023 based on the unaudited management accounts;
- (ii) the utilization rate of the 2023 Existing Annual Cap for August 2023 along with the expected accumulated utilization rate of the 2023 Existing Annual Cap by the end of October 2023;
- (iii) the expected credit sales amount of the Group for the year ending December 31, 2023 and the potential increase in demand for the factoring services, considering the early commencement of the transactions under the Existing Factoring Services Framework Agreement and the anticipated growth of the Group's business; and
- (iv) the capital turnover and business needs of the Group.

Service fees payable by the Group

The annual cap for the service fees to be paid by the Group to JD Technology under the 2023 Revised Annual Cap was determined with reference to (i) the expected amount of receivables to be purchased by JD Technology for the year ending December 31, 2023 under the 2023 Revised Annual Cap; and (ii) the factoring service fee rate and the range of the factoring service period.

2024 Factoring Services Framework Agreement

The principal terms of the 2024 Factoring Services Framework Agreement are set out below:

- Date:** September 1, 2023
- Parties:** (i) the Company (for itself and on behalf of its subsidiaries and consolidated affiliated entities)
- (ii) JD Technology (for itself, its subsidiaries and consolidated affiliated entities)
- Term:** from January 1, 2024 to December 31, 2026
- Subject matter:** JD Technology shall provide factoring services by purchasing the Group's trade receivables originated from the provision of services or sale of goods to certain corporate customers that have entered into commercial agreements with the Group (i.e. the JD Technology Factoring Services).

JD Technology takes on the credit risk of the relevant counterparty upon purchasing of trade receivables, and charges service fees for the purchase of such trade receivables from the Group, which is determined with reference to the amount of receivables and the creditworthiness of the relevant customers.

Pricing policies

The service fees (including the interests and any other miscellaneous fees) payable by the Group to JD Technology shall be determined on a fair and reasonable basis by reference to prevailing market prices, the amount of receivables, the creditworthiness of the relevant customers and the current market conditions on terms not higher than the service fees charged by independent factoring companies in the PRC in providing the same type of factoring services under the same conditions.

The Group will from time to time review the service fees for the 2024 JD Technology Factoring Services by comparing them against market prices chargeable by independent third party service providers for services of similar nature and scale, and ensure that the terms the Group obtain from JD Technology shall be on normal commercial terms as compared to those provided by independent third party service providers. The Group will only enter into a factoring services agreement with JD Technology and its subsidiaries if (i) the terms and conditions are fair and reasonable, and (ii) it is in the best interests of the Company and its Shareholders as a whole.

Annual caps

In respect of the 2024 Factoring Services Framework Agreement, the transaction amounts for the three years ending December 31, 2026 shall not exceed the annual caps as set out in the table below:

	For the year ending December 31,		
	2024	2025	2026
	<i>(RMB in million)</i>		
Amounts of receivables to be purchased by			
JD Technology	14,000	15,000	16,000
Service fees payable by the Group	166	191	196

Basis for the annual caps

Amount of receivables to be purchased by JD Technology

The annual caps for the amount of receivables to be purchased by JD Technology under the 2024 Factoring Services Framework Agreement were determined with reference to:

- (i) the expected credit sales amount of the Group for the year ending December 31, 2023 and the potential increase in demand for the factoring services, considering the anticipated growth of the Group's business; and
- (ii) the capital turnover and business needs of the Group.

Service fees payable by the Group

The annual caps for the service fees to be paid by the Group to JD Technology under the 2024 Factoring Services Framework Agreement were determined with reference to:

- (i) the expected amount of receivables to be purchased by JD Technology for the three years ending December 31, 2026; and
- (ii) the factoring service fee rate along with the estimated growth trend for the service fee rate, and the range of factoring service period.

INTERNAL CONTROLS FOR THE CONTINUING CONNECTED TRANSACTIONS

The Company, since its listing, has adopted and implemented a series of internal control measures on the continuing connected transactions, and the Board and various internal departments of the Company are responsible for the control and management in respect of the continuing connected transactions. For instance, the Company has adopted and will continue to adopt the following existing internal control measures for the Existing Factoring Services Framework Agreement and the 2024 Agreements (save and except measures (ii) and (v) are not applicable for the 2024 Dada Delivery Services Framework Agreement, the equivalent measures for the 2024 Dada Delivery Services Framework Agreement are provided in (vii) and (viii) below):

- (i) the Board and various internal departments of the Company (including finance, legal and compliance and business operation departments) will be jointly responsible for evaluating the terms under the Existing Factoring Services Framework Agreement and the 2024 Agreements, in particular, the fairness and reasonableness of the pricing policies and the annual caps (except for the 2024 Dada Delivery Services Framework Agreement) under each agreement, on an annual basis;
- (ii) the business operation department and finance department have and will continue to closely monitor the actual transaction amounts relating to the continuing connected transactions under each of the Existing Factoring Services Framework Agreement and the 2024 Agreements (except for the 2024 Dada Delivery Services Framework Agreement) on a semi-annually basis. If the actual transaction amount reaches certain threshold of the annual caps of the relevant continuing connected transactions (i.e. 50% in the first half of the year), or if the business operation department and finance department expect that the relevant business operations will expand and may use up a substantial part of the annual caps in short run, the matter shall promptly be escalated to the Chief Financial Officer. The Chief Financial Officer will assess if there is need to revise the existing annual caps, and if so, revise the annual caps in accordance with the relevant internal procedures of the Company and re-comply with the requirements under the Listing Rules;
- (iii) before the Company enters into any of the transactions under each of the Existing Factoring Services Framework Agreement and the 2024 Agreements, the responsible business units must ensure the pricing policies are adhered to and the price of the transaction is the same as, or within the price range of, comparable transactions carried out with independent third parties in the market (where such transactions are available for references);
- (iv) the Company's internal audit department will monitor and assess the effectiveness and adequacy of the overall formulation and execution of internal control policies of the Company (including those in relation to the continuing connected transactions), and will make recommendation and report to the audit committee of the Company annually;
- (v) the Company's external auditors will review the continuing connected transactions under each of the Existing Factoring Services Framework Agreement and the 2024 Agreements annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the annual cap (except the 2024 Dada Delivery Services Framework Agreement) has been exceeded; and

(vi) the independent non-executive Directors will also review the continuing connected transactions under each of the Existing Factoring Services Framework Agreement and the 2024 Agreements annually to check and confirm whether such continuing connected transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such continuing connected transactions are conducted in accordance with the pricing policies.

In addition to the above, the Company has adopted and will continue to adopt the following existing internal control measures for the 2024 Dada Delivery Services Framework Agreement to closely monitor the actual transaction amounts against the 5% Threshold:

(vii) the business operation department and finance department have and will continue to closely monitor the actual transaction amounts relating to the continuing connected transactions under the 2024 Dada Delivery Services Framework Agreement on a semi-annually basis. The Company will set the 5% Threshold for monitoring purposes. If the actual transaction amount reaches 50% of such threshold in the first half of the year, or if the business operation department and finance department expect that the relevant business operations will expand and may amount to a large transaction amount in the short run, the matter shall promptly be escalated to the Chief Financial Officer. The Chief Financial Officer will assess if there is a risk of exceeding the 5% Threshold and if needed, will re-comply with the requirements under the Listing Rules; and

(viii) the Company's external auditors will review the continuing connected transactions under the 2024 Dada Delivery Services Framework Agreements annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the actual transaction amounts have exceeded the 5% Threshold.

Based on the above, (i) the Company will closely monitor the actual transaction amounts under the 2024 Dada Delivery Services Framework Agreement and if the actual transaction amounts under the 2024 Dada Delivery Services Framework Agreement are expected to exceed the 5% Threshold, the Company shall as soon as practicable re-comply with the requirements under the Listing Rules, and (ii) the Board considers that the pricing policies and internal control mechanism and procedures in place for each of the Existing Factoring Services Framework Agreement and the 2024 Agreements can ensure the transactions contemplated thereunder will be conducted on normal commercial terms or better.

INFORMATION ON THE PARTIES

The Group

The Company is an investment holding company and is incorporated in the Cayman Islands and the Shares are listed on the Main Board of the Stock Exchange (stock code: 2618). As a leading technology-driven supply chain solutions and logistics services provider in China, the Group offers a full spectrum of supply chain solutions and high-quality logistics services covering various industries to customers and consumers.

JD.com

As of the date of this announcement, JD.com, through its wholly-owned subsidiary Jingdong Technology Group Corporation, is indirectly interested in 4,192,271,000 Shares, representing approximately 63.5% of the Company's total issued share capital.

JD.com is a controlling shareholder of the Company, the shares of JD.com are listed on the Main Board of the Stock Exchange (stock codes: 9618 (HKD counter) and 89618 (RMB counter)) under Chapter 19C of the Listing Rules and the ADSs of which are listed on NASDAQ under the symbol "JD". JD.com is a leading supply chain-based technology and service provider. Its cutting-edge retail infrastructure seeks to enable consumers to buy whatever they want, whenever and wherever they want it. JD.com has opened its technology and infrastructure to partners, brands and other sectors, as part of its retail as a service offering to help drive productivity and innovation across a range of industries. As of June 30, 2023, Mr. Richard Qiangdong Liu, a non-executive Director, held approximately 73.9% of the voting rights in JD.com through shares capable of being exercised on resolutions in general meetings.

JD Technology

JD Technology is a company incorporated in the PRC. Since 2017, JD Technology has made remarkable progress in the field of digital technology and is now a leading technology service provider in China, enabling corporates and organizations across industries to achieve digitalization and intelligentization and fueling their growth through accessible financial solutions. JD Technology is considered a connected person of the Company by virtue of it being an associate of JD.com, a controlling shareholder of the Company, as JD.com held approximately 41.7% equity interest in JD Technology as at the date of this announcement.

Dada

Dada is a listed company on NASDAQ under the symbol "DADA", it is a platform for local on-demand retail and delivery in China, and has become a subsidiary of JD.com since February 28, 2022. Dada operates (a) JD-Daojia, a local on-demand retail platform for retailers and brand owners to offer their products for consumers through its platform; and (b) Dada Now, a local on-demand delivery platform in China providing both intra-city delivery and last-mile delivery services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) JD Technology is held as to approximately 41.7% by JD.com, (ii) Dada is a subsidiary of JD.com, and (iii) JD.com indirectly holds approximately 63.5% of the Company and is a controlling shareholder of the Company. Accordingly, JD.com is a connected person of the Company and JD Technology and Dada are considered connected persons of the Company by virtue of each of them being an associate of JD.com. Accordingly, the transactions contemplated under the Existing Factoring Services Framework Agreement and the 2024 Agreements constitute continuing connected transactions of the Company pursuant to the Listing Rules.

Pursuant to Rule 14A.54(2) of the Listing Rules, if the Company proposes to renew continuing connected transactions, the Company will have to re-comply with provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

Further, as one or more of the applicable percentage ratio(s) in respect of the transactions contemplated under the 2024 Factoring Services Framework Agreement calculated in accordance with the Listing Rules exceeds 5% but less than 25%, such transaction constitutes a discloseable transaction of the Company which is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

A. PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

As all of the applicable percentage ratios calculated with reference to the highest annual caps for the respective transactions contemplated under each of (i) the 2024 Advertising and Promotional Services Framework Agreement, (ii) the 2024 Leasing Framework Agreement, and (iii) the 2024 Payment Services Framework Agreement are more than 0.1% but less than 5%, the entering into of the said agreements and the respective transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements, but are exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

B. WAIVER FROM STRICT COMPLIANCE WITH RULE 14A.53(1) OF THE LISTING RULES

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 14A.53(1) of the Listing Rules to express annual caps for the 2024 Dada Delivery Services Framework Agreement in terms of monetary value. Nevertheless, the Company has estimated the transaction amounts under the 2024 Dada Delivery Services Framework Agreement for each of the three years ending December 31, 2026, and calculated the applicable percentage ratios with reference to the highest estimated transaction amounts, resulting the highest applicable percentage ratio to exceed 0.1% but less than 5%. Therefore, the transactions contemplated under the 2024 Dada Delivery Services Framework Agreement will constitute continuing connected transactions of the Company and are subject to, among others, the reporting, announcement and annual review requirements, but are exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company will closely monitor the actual transaction amounts under the 2024 Dada Delivery Services Framework Agreement and if the actual transaction amounts under the 2024 Dada Delivery Services Framework Agreement are expected to exceed the 5% Threshold, the Company shall as soon as practicable re-comply with the requirements under the Listing Rules.

C. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS (INCLUDING REVISION OF ANNUAL CAP FOR THE EXISTING FACTORING SERVICES FRAMEWORK AGREEMENT)

As the highest applicable percentage ratio in respect to the 2023 Revised Annual Cap exceeds 5%, the Existing Factoring Services Framework Agreement and the transactions contemplated thereunder (including the 2023 Revised Annual Cap) are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratio(s) calculated with reference to the highest annual caps for the respective transactions contemplated under each of (i) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (ii) the 2024 Shared Services Framework Agreement, and (iii) the 2024 Factoring Services Framework Agreement exceeds 5%, the entering into of the said agreements and the respective transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

Mr. Richard Qiangdong Liu is deemed or may be perceived to have a material interest in the Existing Factoring Services Framework Agreement and the 2024 Agreements, and as a result has abstained from voting on matters relating to the Existing Factoring Services Framework Agreement and the 2024 Agreements. Other than the aforesaid Director, no other Directors have a material interest in the Existing Factoring Services Framework Agreement and the 2024 Agreements or are required to abstain from voting on the resolutions of the Board approving the transactions thereunder.

The Directors (including the independent non-executive Directors, and Mr. Richard Qiangdong Liu who has abstained) have, after due and careful consideration, determined that terms of (i) the 2024 Advertising and Promotional Services Framework Agreement, (ii) the 2024 Leasing Framework Agreement, (iii) the 2024 Payment Services Framework Agreement, and (iv) the 2024 Dada Delivery Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps for the aforementioned (i) to (iii) agreements and the appropriateness for not setting monetary annual caps for the 2024 Dada Delivery Services Framework Agreement, details of which are set out under "4. 2024 Dada Delivery Services Framework Agreement" in this announcement) are: (i) fair and reasonable; (ii) on normal commercial terms or better and in the ordinary course of business of the Group; and (iii) in the interests of the Company and the Shareholders as a whole.

The Directors (excluding the independent non-executive Directors who will give their view after considering the advice and recommendation of Gram Capital, and Mr. Richard Qiangdong Liu who has abstained) have, after due and careful consideration, determined that the terms of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps) are: (i) fair and reasonable; (ii) on normal commercial terms or better and in the ordinary course of business of the Group; and (iii) in the interests of the Company and the Shareholders as a whole.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of each of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps). Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

EGM

An EGM will be convened and held for the Independent Shareholders to consider and approve, by way of poll, among other matters if applicable, (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps).

JD.com has a material interest in the transactions contemplated under (i) the Existing Factoring Services Framework Agreement, (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement, as JD.com (a) is itself a party to each of the 2024 Supply Chain Solutions and Logistics Services Framework Agreement and the 2024 Shared Services Framework Agreement, and (b) holds approximately 41.7% equity interests in JD Technology, which in turn is a party to each of the Existing Factoring Services Framework Agreement and the 2024 Factoring Services Framework Agreement. Accordingly, JD.com and its associates, including Jingdong Technology Group Corporation and Mr. Richard Qiangdong Liu, shall abstain from voting on the resolutions approving the terms of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps).

Save as disclosed above and to the best knowledge of the Directors, as at the date of this announcement, no other Shareholder has a material interest in or is otherwise interested in or involved in (i) the Existing Factoring Services Framework Agreement, (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement, and therefore, no other Shareholder is required to abstain from voting on resolutions in relation to these matters at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (a) details of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps); (b) the recommendations from the Independent Board Committee to the Independent Shareholders; (c) the letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (d) a notice convening the EGM is expected to be despatched to the Shareholders on or before November 1, 2023 as additional time will be required to finalize certain information to be included in the circular.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise.

- “5% Threshold”** the 5% of the lowest threshold among (i) the assets ratio (based on the total assets of the Group as disclosed in the latest published interim or annual consolidated accounts of the Group), (ii) the revenue ratio (based on the revenue of the Group as disclosed in the latest published annual consolidated accounts of the Group), and (iii) the consideration ratio (based on the total market capitalization of the Company determined by the average closing price of the listed issuer’s Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding December 31 of the preceding year), under Chapter 14 of the Listing Rules
- “2023 Existing Annual Cap”** the existing annual cap for the JD Technology Factoring Services for the year ending December 31, 2023 under the Existing Factoring Services Framework Agreement as set out in the July 2023 Announcement
- “2023 Revised Annual Cap”** the revised annual cap for the JD Technology Factoring Services for the year ending December 31, 2023 as set out in this announcement

“2024 Agreements”	collectively, (i) the 2024 Advertising and Promotional Services Framework Agreement, (ii) the 2024 Leasing Framework Agreement, (iii) the 2024 Payment Services Framework Agreement, (iv) the 2024 Dada Delivery Services Framework Agreement; (v) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (vi) the 2024 Shared Services Framework Agreement, and (vii) the 2024 Factoring Services Framework Agreement
“2024 Advertising and Promotional Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD.com in relation to the provision of certain advertising services by the Group to JD Group and its associates
“2024 Dada Delivery Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and Dada in relation to the provision of on-demand delivery services by Dada Group to the Group
“2024 Factoring Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD Technology in relation to the provision of JD Technology Factoring Services to the Group
“2024 Leasing Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD.com in relation to the leasing of properties and equipment owned or rented by JD Group and its associates to the Group and the Agency Lease Arrangements
“2024 Payment Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD Technology in relation to the provision of payment and ancillary services by JD Technology to the Group
“2024 Shared Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD.com in relation to the provision of the General Shared Services and the Technology Shared Services by JD Group and its associates to the Group
“2024 Supply Chain Solutions and Logistics Services Framework Agreement”	the framework agreement dated September 1, 2023 entered into between the Company and JD.com in relation to the provision of integrated supply chain solutions and other logistics services by the Group to JD Group and its associates
“Agency Lease Arrangements”	the lease arrangements in which JD Group will enter into short-term and long-term leases for warehouses on behalf of the Group with independent third party property owners on a cost basis
“associate(s)”	has the meaning ascribed thereto under the Listing Rules

“Board”	board of Directors
“China” or “PRC”	the People’s Republic of China
“Company”	JD Logistics, Inc. (京东物流股份有限公司), an exempted company with limited liability incorporated in the Cayman Islands on January 19, 2012, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2618)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“continuing connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Dada”	Dada Nexus Limited
“Dada Group”	Dada and its subsidiaries
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and vote on ordinary resolutions to approve (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the transactions contemplated thereunder (including annual caps)
“Existing Agreements”	collectively, (i) the Existing Advertising and Promotional Services Framework Agreement, (ii) the Existing Property Leasing Framework Agreement, (iii) the Existing Payment Services Framework Agreement, (iv) the Existing Dada Delivery Services Framework Agreement, (v) the Existing Supply Chain Solutions and Logistics Services Framework Agreement, (vi) the Existing JD Technology Shared Services Framework Agreement, and (vii) the Existing Shared Services Framework Agreement
“Existing Advertising and Promotional Services Framework Agreement”	the framework agreement dated May 13, 2021 entered into by the Company and JD.com in relation to the provision of certain advertising services by the Group to JD Group and its associates

“Existing Dada Delivery Services Framework Agreement”	the framework agreement dated May 13, 2021 entered into between the Company and Dada in relation to the provision of on-demand delivery services by Dada Group to the Group
“Existing Factoring Services Framework Agreement”	the framework agreement dated July 2, 2023 entered into by the Company and JD Technology in relation to the provision of JD Technology Factoring Services to the Group
“Existing JD Technology Shared Services Framework Agreement”	the framework agreement dated July 2, 2021 entered into between the Company and JD Technology in relation to the provision of certain technology support related services by JD Technology to the Group
“Existing Payment Services Framework Agreement”	the framework agreement dated May 13, 2021 entered into between the Company and JD Technology in relation to the provision of payment and ancillary services by JD Technology to the Group
“Existing Property Leasing Framework Agreement”	the framework agreement dated May 13, 2021 entered into by the Company and JD.com in relation to the leasing of properties owned by JD Group to the Group and the Agency Lease Arrangements
“Existing Shared Services Framework Agreement”	the framework agreement dated May 13, 2021 entered into between the Company and JD.com in relation to the provision of certain back-office and administrative support services by JD Group to the Group
“Existing Supply Chain Solutions and Logistics Services Framework Agreement”	the framework agreement dated May 13, 2021 entered into between the Company and JD.com in relation to the provision of integrated supply chain solutions and other logistics services by the Group to JD Group and its associates
“Group”	the Company and its subsidiaries and consolidated affiliated entities from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Independent Board Committee”	the independent committee of the Board, comprising Ms. Nora Gu Yi Wu, Ms. Jennifer Ngar-Wing Yu, Mr. Liming Wang, Dr. Xiande Zhao and Mr. Yang Zhang, being the independent non-executive Directors, established to advise the Independent Shareholders

<p>“Independent Financial Adviser” or “Gram Capital”</p>	<p>Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of (i) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (ii) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (iii) the 2024 Shared Services Framework Agreement, and (iv) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps)</p>
<p>“Independent Shareholders”</p>	<p>the Shareholders, other than (i) JD.com and its associates, including Jingdong Technology Group Corporation and Mr. Richard Qiangdong Liu; and (ii) those who are required to abstain from voting at the EGM to be convened to approve (a) the Existing Factoring Services Framework Agreement (including the 2023 Revised Annual Cap), (b) the 2024 Supply Chain Solutions and Logistics Services Framework Agreement, (c) the 2024 Shared Services Framework Agreement, and (d) the 2024 Factoring Services Framework Agreement and the respective transactions contemplated thereunder (including the annual caps)</p>
<p>“JD.com”</p>	<p>JD.com, Inc., one of the controlling shareholders of the Company, a company incorporated in the British Virgin Islands on November 6, 2006 and subsequently redomiciled to the Cayman Islands on January 16, 2014 as an exempted company registered by way of continuation under the laws of the Cayman Islands and the shares of which are listed on the Main Board (stock codes: 9618 (HKD counter) and 89618 (RMB counter)) under Chapter 19C of the Listing Rules and the ADSs of which are listed on Nasdaq under the symbol “JD” and, where the context requires, includes its consolidated subsidiaries and consolidated affiliated entities from time to time</p>
<p>“JD Group”</p>	<p>JD.com and its subsidiaries and consolidated affiliated entities, excluding the Group</p>
<p>“JD Technology”</p>	<p>Jingdong Technology Holding Co., Ltd. (京东科技控股股份有限公司), and, where the context requires, includes its consolidated subsidiaries from time to time</p>
<p>“JD Technology Factoring Services”</p>	<p>factoring services provided by JD Technology to the Group, such as purchasing the Group’s trade receivables originated from the provision of services or sale of goods to certain corporate customers that have entered into commercial agreements with the Group</p>

“ July 2021 Announcement ”	the announcement of the Company dated July 2, 2021 in relation to the Existing JD Technology Shared Services Framework Agreement
“ July 2023 Announcement ”	the announcement of the Company dated July 2, 2023 in relation to the Existing Factoring Services Framework Agreement
“ Listing Rules ”	the Rules Governing the Listing of Securities on the Stock Exchange
“ Prospectus ”	the prospectus of the Company dated May 17, 2021
“ RMB ”	Renminbi, the lawful currency of China
“ Share(s) ”	ordinary share(s) in the share capital of our Company with par value of US\$0.000025 each
“ Shareholders ”	holder(s) of the Share(s)
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“ Waiver ”	the waiver from strict compliance with the requirements of Rule 14A.53(1) of the Listing Rules to express annual caps for the 2024 Dada Delivery Services Framework Agreement in terms of monetary value, details of which are set out under “4. 2024 Dada Delivery Services Framework Agreement” in this announcement
“ % ”	per cent

By order of the Board
JD Logistics, Inc.
Mr. Wei Hu
Executive Director

Hong Kong, September 1, 2023

As of the date of this announcement, the Board comprises Mr. Wei Hu as executive Director, Mr. Richard Qiangdong Liu as non-executive Director, and Ms. Nora Gu Yi Wu, Ms. Jennifer Ngar-Wing Yu, Mr. Liming Wang, Dr. Xiande Zhao and Mr. Yang Zhang as independent non-executive Directors.