



INTERIM RESULTS

2024



Kerry Logistics
Network Limited

嘉里物流聯網有限公司

0636.HK



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FINANCIAL HIGHLIGHTS (in HK\$'M)

Revenue

25,432

▲ 10%*

Segment Profit

IL	IFF
693	740

▼ 3%*

▲ 18%*

Core Operating Profit

1,200

▲ 11%*

Core Net Profit

606

▲ 5%*

Profit Attributable To The Shareholders

831

▲ 126%

Gearing

54.7%	19.1%
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GROSS	NET
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Interim Dividend

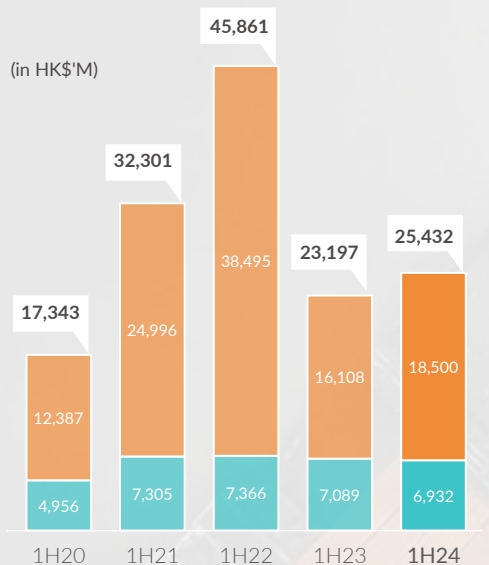
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HK CENTS PER SHARE

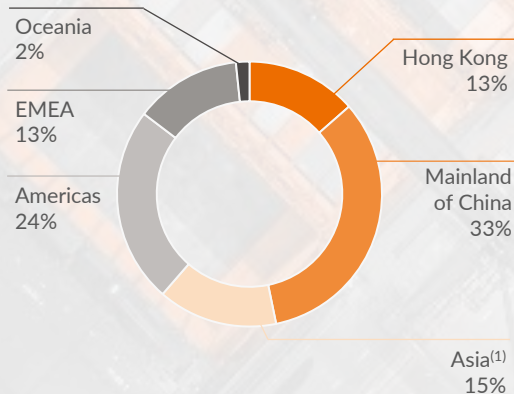


REVENUE

International Freight Forwarding Integrated Logistics



By Region



YoY Comparison

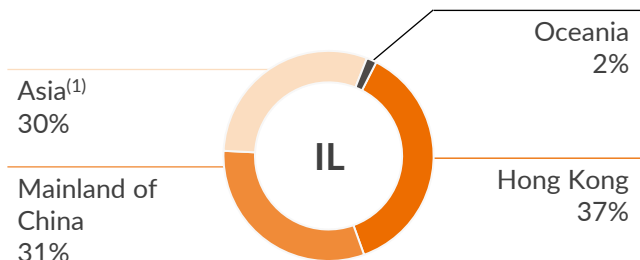
(in HK\$'M)	1H23	1H24	YoY
Hong Kong	3,318	3,440	+4%
Mainland of China	8,089	8,457	+5%
Asia ⁽¹⁾	3,684	3,715	+1%
Americas	4,386	6,092	+39%
EMEA	3,226	3,310	+3%
Oceania	494	418	-15%
Total	23,197	25,432	+10%

For continuing operations only
(1) Asia ex-Greater China

SEGMENT PROFIT

INTEGRATED LOGISTICS

By Region



- Sluggish economic recovery and prolonged weakness in domestic demand in Hong Kong and Mainland of China
- IL business in the rest of Asia registered a growth riding on the growth in Singapore, Vietnam, the Philippines and India, as well as stable performance of Kerry Siam Seaport in Thailand
- Extensive presence across SEA allowed KLN to capitalize on the supply chain shifts to the region from the Mainland of China

YoY Comparison

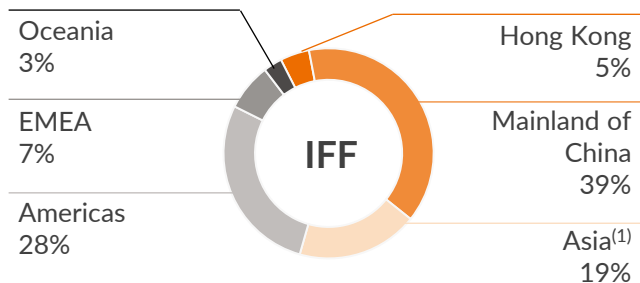
(in HK\$'M)	1H23	1H24	YoY
Hong Kong	288	256	-11%
Mainland of China	229	217	-5%
Asia ⁽¹⁾	192	209	+9%
Oceania	9	11	+26%
Total	718	693	-3%

For continuing operations only
⁽¹⁾ Asia ex-Greater China

SEGMENT PROFIT

INT'L FREIGHT FORWARDING

By Region



- Outperformed the market on the Asia-US trade routes in 2024 1H, building on broad customer base, competitive rates and strong capacity
- Air freight business recorded steady volume growth during the traditional slack season, due to the upswings in cross-border e-commerce
- Positive results also brought by collaboration with S.F. including cross-selling and the joint venture formed to manage the international cargo terminal of Ezhou Airport in Central China

YoY Comparison

(in HK\$'M)	1H23	1H24	YoY
Hong Kong	9	33	263%
Mainland of China	229	286	25%
Asia ⁽¹⁾	135	139	3%
Americas	125	207	65%
EMEA	87	54	-39%
Oceania	41	21	-48%
Total	626	740	+18%

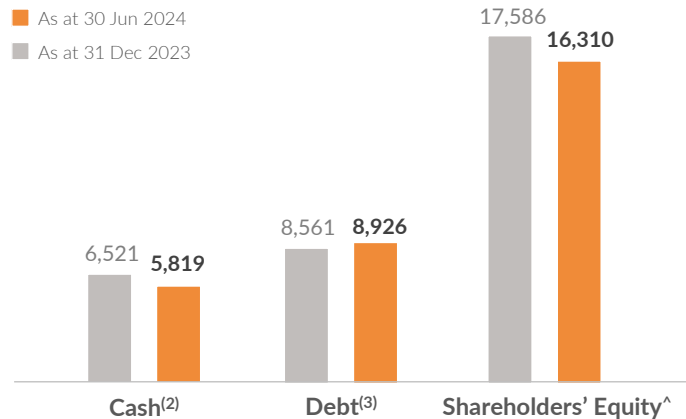
For continuing operations only
⁽¹⁾ Asia ex-Greater China



PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS (in HK\$'M)

	1H23	1H24	YoY
<u>From Continuing Operations</u>			
• Core net profit	575	606	+5%
• Change in fair value of IP & buildings after MI	-	(4)	-
• Deferred tax charge	-	1	-
<u>From Discontinued Operations</u>			
• Core net profit	(207)	(105)	+50%
• Net gain on distribution of express operations	-	480	-
• Loss on cessation of express operations	-	(134)	-
Profit attributable to shareholders and holders of perpetual convertible securities	368	844	+130%
Less: Profit attributable to holders of perpetual convertible securities	-	(13)	-
Profit attributable to the Shareholders	368	831	+126%

CASH, DEBT & EQUITY (in HK\$'M)



Debt Ratios ⁽⁴⁾	31 Dec 2023	30 Jun 2024
EBITDA / Bank interest*	7.95x	7.94x
Debt / EBITDA*	2.18x	2.21x

Gearing Ratios	31 Dec 2023	30 Jun 2024
Gross*	48.7%	54.7%
Net*	11.6%	19.1%



* For continuing operations only
[^] Including equity attributable to holders of perpetual convertible securities
⁽²⁾ Cash and bank balances
⁽³⁾ Total bank loans and overdrafts
⁽⁴⁾ Debt ratios on LTM basis

OUTLOOK

Optimistic about improvements in performance for FY2024

- Despite the turbulence in the global freight market and the uncertainties of economic revival

Strive to exploit growth opportunities across all business sectors

- Through maximum cross-selling efforts between the IL and IFF divisions

Keep investing in digitalization while leveraging automation and artificial intelligence to drive innovation, efficiency and growth across the network



THANK YOU

Appendix I : Condensed Consolidated Interim Income Statement

	For the six months ended 30 Jun	
	Unaudited 2024 HK\$'000	Unaudited 2023 HK\$'000
Continuing operations		
Revenue	25,432,488	23,197,039
Direct operating expenses	(22,914,125)	(20,763,607)
Gross profit	2,518,363	2,433,432
Other income and net gains	40,171	42,748
Administration expenses	(1,319,131)	(1,361,380)
Operating profit before fair value change of investment properties	1,239,403	1,114,800
Change in fair value of investment properties	(4,515)	4
Operating profit	1,234,888	1,114,804
Finance expenses	(285,884)	(265,381)
Share of results of associates and a joint venture	53,772	82,680
Profit before taxation	1,002,776	932,103
Taxation	(260,393)	(225,750)
Profit for the period from continuing operations	742,383	706,353
Discontinued operations:		
Profit/(loss) for the period from discontinued operations	157,771	(406,174)
Profit for the period	900,154	300,179

Appendix II : Condensed Consolidated Interim Statement of Financial Position

	Unaudited As at 30 Jun 2024 HK\$'000	Audited As at 31 Dec 2023 HK\$'000
ASSETS AND LIABILITIES		
Non-current assets		
Intangible assets	5,751,567	5,785,503
Investment properties	2,482,051	2,538,606
Property, plant and equipment	6,813,282	6,986,802
Right-of-use assets	2,571,704	2,543,977
Associates and joint ventures	1,570,899	1,681,808
Financial assets at fair value through other comprehensive income	318,582	461,270
Investment in convertible bonds	5,571	5,831
Other non-current assets	316,654	314,556
Deferred taxation	259,121	381,120
	20,089,431	20,699,473
Current assets		
Financial assets at fair value through profit or loss	389	389
Inventories	388,584	410,790
Accounts receivable, prepayments and deposits	13,234,989	11,920,703
Tax recoverable	282,679	429,375
Amounts due from fellow subsidiaries	730,087	45,682
Amounts due from related companies	308	106
Amounts due from associates	4,982	9,431
Restricted and pledged bank deposits	18,756	12,843
Cash and bank balances and in hand	5,819,024	6,521,438
	20,479,798	19,350,757
Asset classified as held for distribution	-	2,070,685
	20,479,798	21,421,442

Appendix II : Condensed Consolidated Interim Statement of Financial Position (Cont'd)

	Unaudited As at 30 Jun 2024 HK\$'000	Audited As at 31 Dec 2023 HK\$'000
Current liabilities		
Lease liabilities	743,122	927,103
Accounts payable, deposits received and accrued charges	9,316,456	8,409,541
Amounts due to fellow subsidiaries	46,632	160
Amounts due to related companies	137,983	157,537
Taxation	709,254	363,631
Loans from non-controlling interests	24,010	-
Short-term bank loans and current portion of long-term bank loans	2,869,646	3,262,675
Bank overdrafts	126,269	62,535
	13,973,372	13,183,182
Liabilities associated with assets classified as held for distribution	-	1,471,618
	13,973,372	14,654,800
Non-current liabilities		
Loans from non-controlling interests	245,119	270,841
Long-term bank loans	5,930,363	5,235,456
Lease liabilities	1,264,624	1,100,566
Deferred taxation	546,758	731,734
Retirement benefit obligations	19,916	20,259
	8,006,780	7,358,856
ASSETS LESS LIABILITIES	18,589,077	20,107,259
EQUITY		
Capital and reserves attributable to the Company's shareholders		
Share capital	903,715	903,715
Share premium	4,074,218	4,074,218
Shares held for share award scheme	(18,324)	(27,639)
Retained profits and other reserves	10,576,760	11,861,985
	15,536,369	16,812,279
Perpetual convertible securities	774,101	774,101
Non-controlling interests	2,278,607	2,520,879
TOTAL EQUITY	18,589,077	20,107,259

Appendix III : ESG PERFORMANCE RECOGNISED

Awards

Best Company Board Best ESG

2023 All-Asia (Ex-Japan) Executive Team (Overall Small & Midcap) - 2nd Place (Transportation Sector)
Institutional Investor

ESG Leading Enterprises 2023

Bloomberg Businessweek/Chinese Edition

ESG Benchmark Awards – Silver Award Outstanding Sustainability & Dividend Growth Award

ESG Achievement Awards 2022/2023
Institute of ESG & Benchmark

Accreditations



A



B



A