



Q4 2022 and FY 2022 Earnings

March 2023

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This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the United States (“U.S. GAAP”), such as “Non-GAAP adjusted net income/(loss)” and “Non-GAAP adjusted operating (loss) income.” Such non-GAAP financial measures have limitations as analytical tools. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with U.S. GAAP. The Company’s non-GAAP financial measure may not be comparable to similarly titled measures presented by other companies. Please see the Appendix to this presentation for a reconciliation between Company’s non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

Q4 2022 Business and Financial Highlights



RMB 72.0 billion platform GTV⁽¹⁾⁽²⁾



RMB 1,922.5 million net revenues⁽¹⁾



32.6 million fulfilled orders⁽¹⁾⁽³⁾



RMB 195.7 million net income⁽¹⁾



1.88 million average shippers MAUs⁽¹⁾⁽⁴⁾



RMB 445.8 million adj. net income⁽¹⁾⁽⁵⁾

Notes:

1. In Q4 2022
2. GTV or gross transaction value of our platform in a given period is defined as the aggregate freight prices specified by our users for all fulfilled orders on our platform during the period without deducting any commission or service fee charged by us; we make downward adjustments to unreasonably high freight prices specified by users that are apparently due to clerical errors
3. Fulfilled orders on our platform in a given period are defined as all shipping orders matched through our platform during such period but exclude (i) shipping orders that are subsequently canceled and (ii) shipping orders for which our users failed to specify any freight prices as there are substantial uncertainties as to whether the shipping orders are fulfilled

4. Average shipper MAUs in a given period are calculated by dividing (i) the sum of shipper MAUs for each month of a given period by (ii) the number of months in a given period. Shipper MAUs are defined as the number of active shippers on our platform in a given month
5. Non-GAAP adjusted net income is defined as net income/(loss) excluding (i) share-based compensation expense, (ii) amortization of intangible assets resulting from business acquisitions, (iii) compensation cost incurred in relation to continuing service terms in business acquisitions, (iv) compensation cost resulting from repurchase of ordinary shares in excess of fair value, (v) impairment of long-term investment and (vi) tax effects of non-GAAP adjustments. See "Non-GAAP Reconciliation" on page 8 of this presentation

FY2022 Business and Financial Highlights



RMB 261.1 billion platform GTV⁽¹⁾⁽²⁾



RMB 6,733.6 million net revenues⁽¹⁾



119.1 million fulfilled orders⁽¹⁾⁽³⁾



RMB 411.9 million net income⁽¹⁾
Turned profitable



1.67 million average shippers MAUs⁽¹⁾⁽⁴⁾



RMB 1,395.4 million adj. net
income⁽¹⁾⁽⁵⁾

Notes:

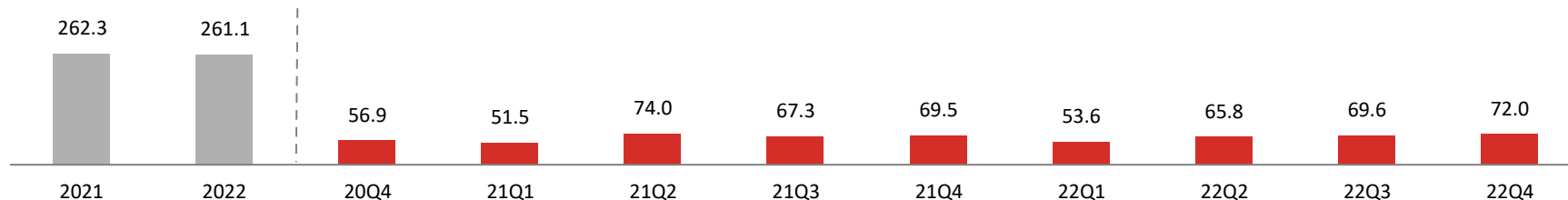
1. In the 12 months ended December 31, 2022
2. GTV or gross transaction value of our platform in a given period is defined as the aggregate freight prices specified by our users for all fulfilled orders on our platform during the period without deducting any commission or service fee charged by us; we make downward adjustments to unreasonably high freight prices specified by users that are apparently due to clerical errors
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Q4 2022 Operating Performance Highlights

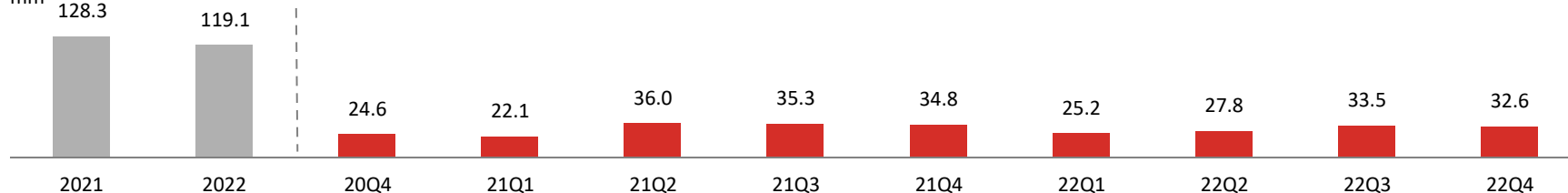
GTV on Our Platform

RMB bn



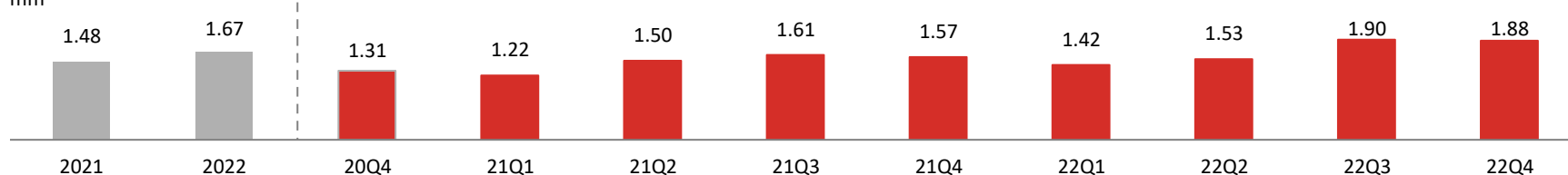
Number of Fulfilled Orders

mm



Average Shipper MAU⁽¹⁾

mm



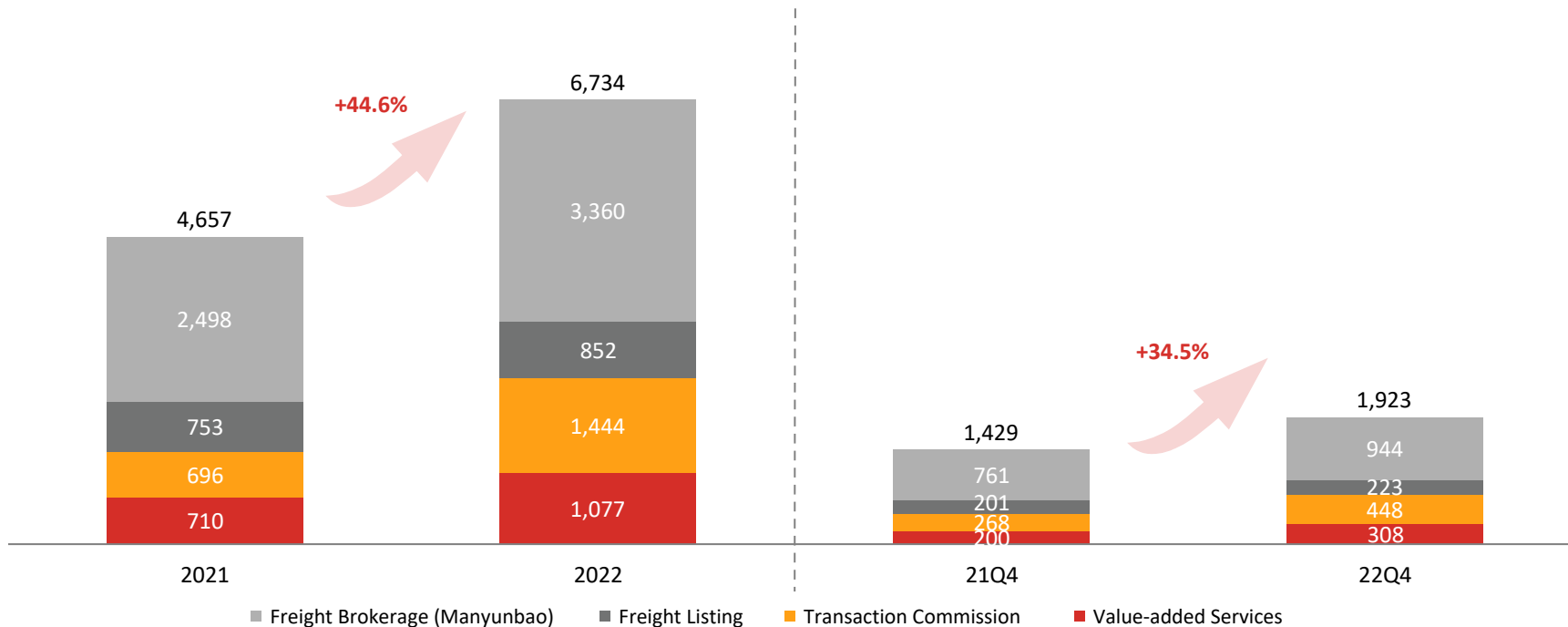
Notes:

1. "Average shipper MAUs" in a given period are calculated by dividing (i) the sum of shipper MAUs for each month of such period, by (ii) the number of months in such period

Strong Revenue Growth and Diversified Monetization Channels

Revenue Breakdown

(RMB mm)

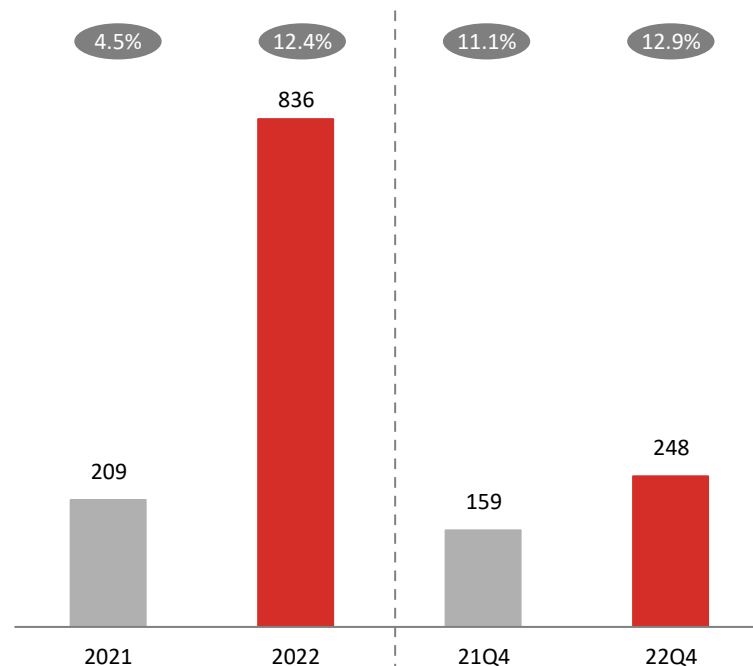


Improving Operating Leverage and Profitability

Non-GAAP Adjusted Operating Income ⁽¹⁾

(RMB mm)

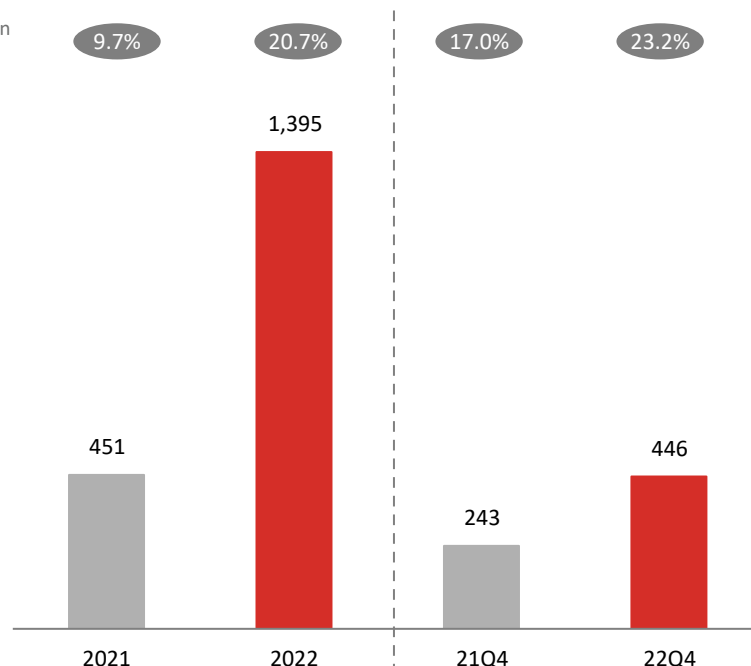
Margin
%



Non-GAAP Adjusted Net Income ⁽²⁾

(RMB mm)

Margin
%



Notes:

1. Non-GAAP adjusted operating income as income from operations excluding (i) share-based compensation expense, (ii) amortization of intangible assets resulting from business acquisitions, (iii) compensation cost incurred in relation to continuing service terms in business acquisitions, and (iv) compensation cost resulting from repurchase of ordinary shares in excess of fair value. See "Non-GAAP Reconciliation" on page 8 of this presentation

2. Non-GAAP adjusted net income is defined as net income excluding (i) share-based compensation expense, (ii) amortization of intangible assets resulting from business acquisitions, (iii) compensation cost incurred in relation to continuing service terms in business acquisitions, (iv) compensation cost resulting from repurchase of ordinary shares in excess of fair value, (v) impairment of long-term investment and (vi) tax effects of non-GAAP adjustments. See "Non-GAAP Reconciliation" on page 8 of this presentation

Consolidated Income Statement

	Three months ended			Year ended	
	Dec 31, 2021	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net revenues⁽¹⁾	1,429,377	1,808,560	1,922,473	4,657,019	6,733,644
Operating expenses:					
Cost of revenues ⁽²⁾	(658,161)	(952,953)	(951,779)	(2,539,998)	(3,514,551)
Sales and marketing expenses	(239,449)	(232,911)	(281,129)	(837,301)	(902,269)
General and administrative expenses	(1,636,157)	(206,556)	(408,181)	(4,271,152)	(1,417,933)
Research and development expenses	(233,648)	(226,615)	(250,207)	(729,668)	(914,151)
Net income (loss)	(1,321,060)	395,483	195,685	(3,654,528)	411,900

Notes:

1. Including value added taxes, "VAT", of RMB798.6 million, RMB955.5 million, RMB998.5 million, RMB2,620.4 million, and RMB3,550.9 million for the three months ended Dec 31, 2021, Sep 30, 2022 and Dec 31, 2022, and year ended Dec 31, 2021 and Dec 31, 2022, respectively

2. Including VAT net of refund of VAT of RMB490.5 million, RMB687.8 million, RMB675.4 million, RMB1,950.9 million, and RMB2,539.3 million for the three months ended Dec 31, 2021, Sep 30, 2022 and Dec 31, 2022, and year ended Dec 31, 2021 and Dec 31, 2022, respectively

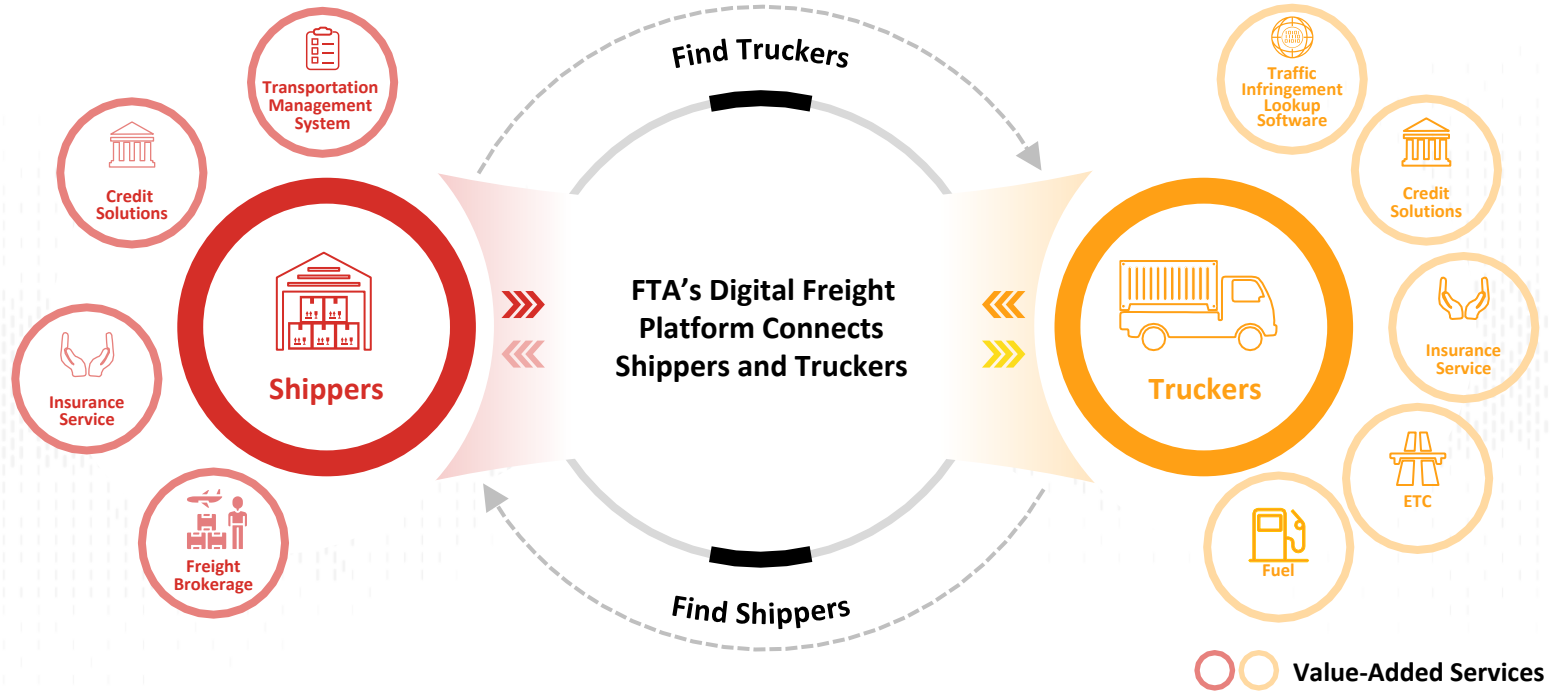
Non-GAAP Reconciliation

	Three months ended			Year ended	
	Dec 31, 2021	Sep 30, 2022	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Loss) income from operations	(1,351,937)	141,684	(5,270)	(3,795,943)	(162,002)
Add:					
Share-based compensation expense	1,481,513	81,265	235,238	3,837,913	919,255
Compensation cost resulting from repurchase of ordinary shares in excess of fair value	—	—	—	78,478	—
Amortization of intangible assets resulting from business acquisitions	11,746	14,121	14,121	45,204	56,484
Compensation cost incurred in relation to acquisitions	17,734	5,708	4,281	43,153	21,914
Non-GAAP adjusted operating income	159,056	242,778	248,370	208,805	835,651
Net income (loss)	(1,321,060)	395,483	195,685	(3,654,528)	411,900
Add:					
Share-based compensation expense	1,481,513	81,265	235,238	3,837,913	919,255
Compensation cost resulting from repurchase of ordinary shares in excess of fair value	—	—	—	78,478	—
Amortization of intangible assets resulting from business acquisitions	11,746	14,121	14,121	45,204	56,484
Compensation cost incurred in relation to acquisitions	17,734	5,708	4,281	43,153	21,914
Impairment of long-term investment	55,756	—	—	111,567	—
Tax effects of non-GAAP adjustments	(2,936)	(3,530)	(3,530)	(11,301)	(14,120)
Non-GAAP adjusted net income	242,753	493,047	445,795	450,486	1,395,433

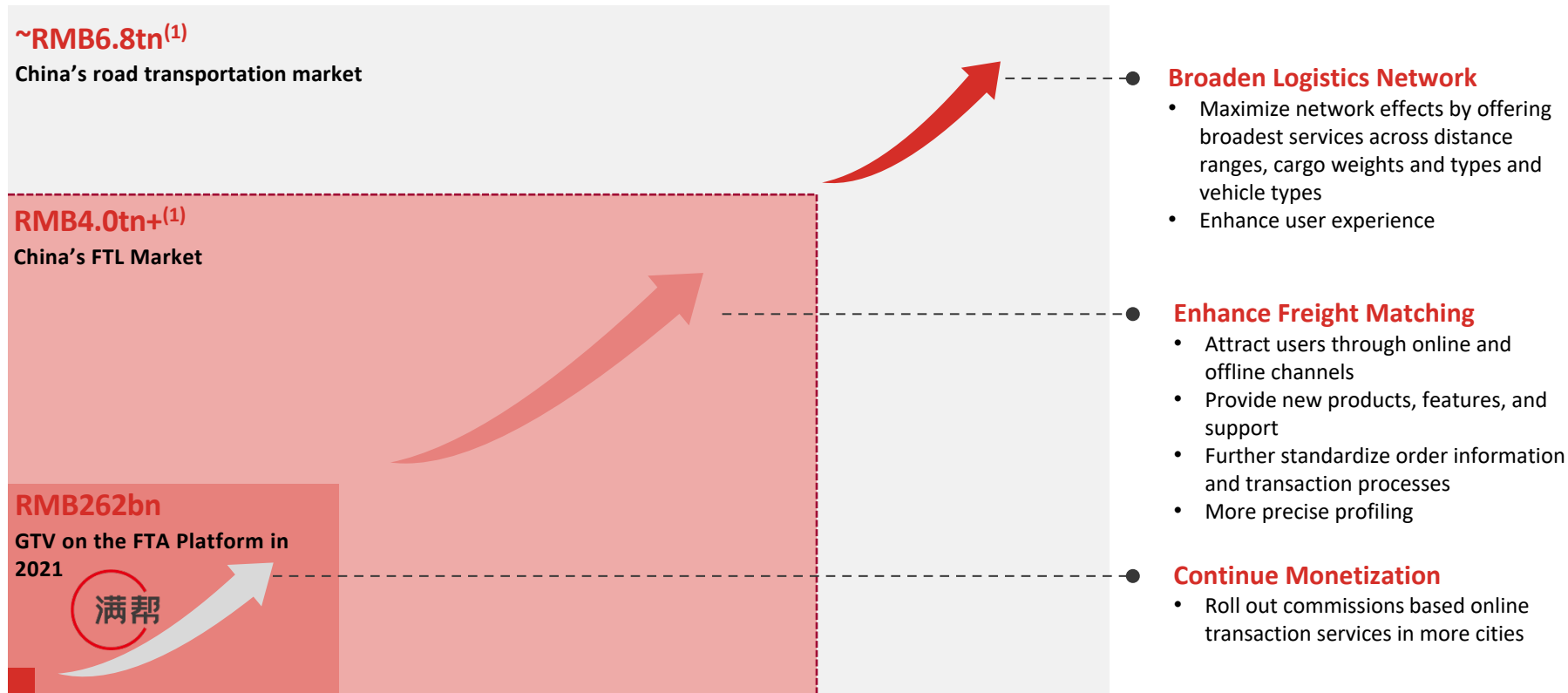
Consolidated Balance Sheet

	As of Dec 31, 2021	As of Dec 31, 2022
	RMB'000	RMB'000
Current Assets:		
Cash and cash equivalents	4,284,291	5,137,312
Restricted cash – current	65,822	83,759
Short-term investments	21,634,642	21,087,089
Accounts receivable, net	29,139	13,015
Amounts due from related parties	7,075	—
Loans receivable, net	1,777,667	2,648,449
Prepayments, receivables and other current assets	1,099,607	2,034,427
Total Current Assets	28,898,243	31,004,051
Total Non-Current Assets	5,500,192	5,692,260
Total Assets	34,398,435	36,696,311
Total Current Liabilities	2,733,785	2,731,765
Total Non-Current Liabilities	135,764	157,542
Total Liabilities	2,869,549	2,889,307
Total Shareholders' Equity	31,528,886	33,657,233
Total Liabilities, Mezzanine Equity and Equity	34,398,435	36,696,311

FTA's Digital Freight Platform



Grow Our Logistics Network and the Volume of Transactions



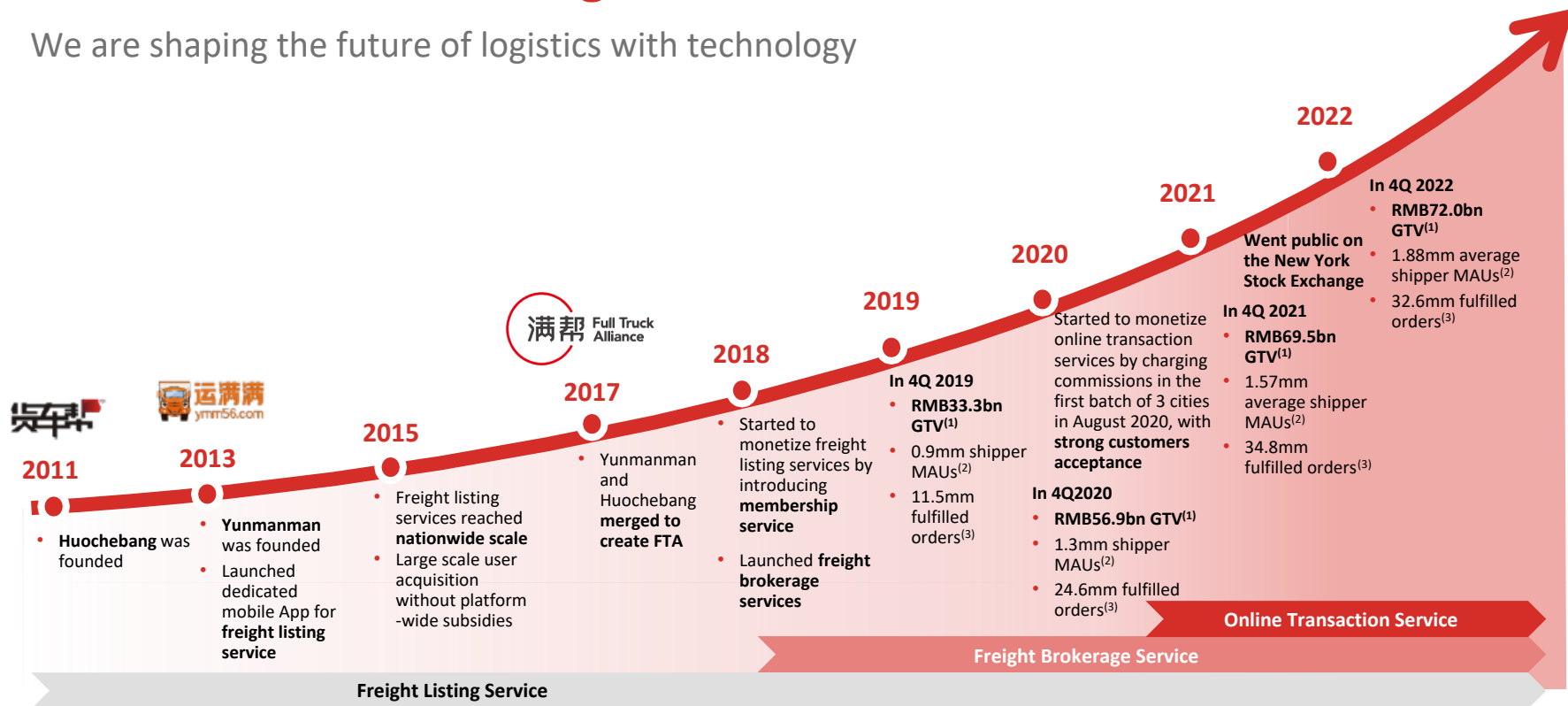
Source: CIC

Note:

1. As of December 31, 2021

FTA's Mission: Make Logistics Smarter

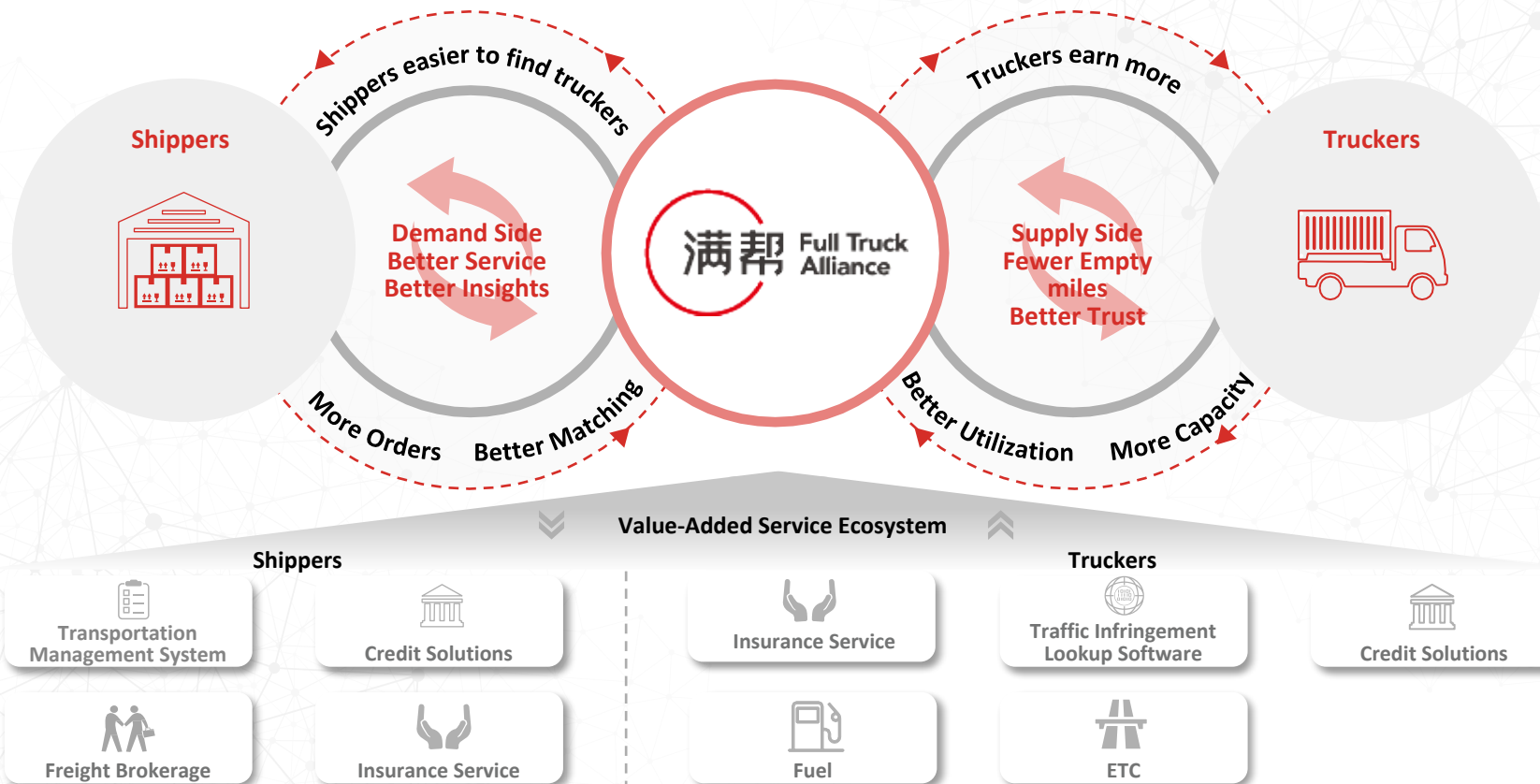
We are shaping the future of logistics with technology



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Powerful Network Effects



Our Comprehensive Services for Truckers and Shippers

FREIGHT MATCHING SERVICES

VALUE-ADDED SERVICES

Freight Listing Service



Membership fees for frequent shippers to post more orders



Freemium model

Shippers

REVENUE MODEL
Membership fee

Freight Brokerage Service



Manyunbao: freight brokerage service for selected shippers



Shippers can gain better protection

Shippers

REVENUE MODEL
Service fee charged by transaction

Online Transaction Service



Digitalize the shipping transaction process throughout the platform



Truckers pay deposit to secure payment

Truckers

REVENUE MODEL
Commission charged by transaction

Value-added Services

FOR TRUCKERS



Software



Credit



ETC



Energy

FOR SHIPPERS



TMS



Credit









Insurance

Truckers and Shippers

REVENUE MODEL
Commission, Service fee, Interest

Illustration of VAT Impact under Freight Brokerage

	Item	Amount (RMB)	Explanatory Note	Financial Recognition
	Shipping fee and platform service fee received from the shipper, including VAT of RMB89 assuming VAT rate of 9%	1,068	<ul style="list-style-type: none"> VAT is included in the transaction price with the shipper 	Not in financial statements
	Shipping fee paid to the trucker	1,000	<ul style="list-style-type: none"> The shipping fee is agreed between the shipper and the trucker 	Not in financial statements
<hr/>				
	Net revenue recognized	68	<ul style="list-style-type: none"> The difference between the amount we collect from the shippers and the amount we pay to the truckers is our platform service fee 	Revenue
	VAT payable to tax authorities and recorded in cost of revenue	89		Cost of revenue
	Government subsidies based on VAT	45	<ul style="list-style-type: none"> We receive VAT refunds from local government authorities, and the rate of refund may vary across jurisdictions and over time 	Cost of revenue (deduction)
<hr/>				
	Net contribution after VAT effect	24	<ul style="list-style-type: none"> Only VAT are factored in here 	

Note:

- While there are other less significant tax costs associated with an actual freight brokerage transaction, only VAT and related refunds are included in the calculation above
- For more information please refer to the illustrative example in MD&A section of the prospectus



Thank you

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Full Truck
Alliance