Jardine Matheson

Jardine Matheson Holdings Limited
Jardine House, Reid Street
Hamilton, Bermuda

# Announcement

www.jardines.com

To: Business Editor

2nd March 2023
For immediate release

*The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.*

## Jardine Matheson Holdings Limited
## 2022 Preliminary Announcement of Results

### GROUP WELL-POSITIONED TO TAKE ADVANTAGE OF ASIA REOPENING

### Headlines

- Underlying profit and underlying EPS grow by 5% and 14%, respectively
- Strong performance in Southeast Asia, led by Astra
- Continued pressure on China (including Hong Kong) in the second half
- Full year dividend of US$2.15, up 8%

*"Jardines delivered a good performance overall in 2022, with results recovering to pre-pandemic levels seen in 2019. There were strong results from Southeast Asia, in particular Astra and JC&C, but the performance of our businesses in Hong Kong and on the Chinese mainland continued to be materially impacted by the continuation of pandemic restrictions there, which only began to be relaxed in December. The Group's resilience through the pandemic, however, together with its diversified portfolio, have established a solid foundation for future growth. I want to thank our colleagues across the Group for their unwavering commitment to our customers and our businesses during this challenging period.*

*The Group is well-positioned to take advantage of opportunities across Asia, as Southeast Asia continues its return to growth and as Hong Kong and the Chinese mainland recover. We also remain confident in our long-term strategy, focussed on our core Asia markets."*

Ben Keswick, *Executive Chairman*

### Results summary

| | Year ended 31st December | | |
|---|---|---|---|
| | **2022** | 2021 | Change |
| | **US$m** | US$m | % |
| Gross revenue including 100% of associates and joint ventures | **114,758** | 109,370 | +5 |
| Revenue | **37,724** | 35,862 | +5 |
| Underlying profit* before tax | **4,930** | 4,117 | +20 |
| Underlying profit* attributable to shareholders | **1,584** | 1,513 | +5 |
| Profit attributable to shareholders | **354** | 1,881 | -81 |
| Shareholders' funds | **28,826** | 29,781 | -3 |
| | **US$** | US$ | |
| Underlying earnings* per share | **5.49** | 4.83 | +14 |
| Earnings per share | **1.22** | 6.01 | -80 |
| Dividends per share | **2.15** | 2.00 | +8 |

* The Group uses 'underlying profit' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 41 to the financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

The final dividend of US$1.60 per share will be payable on 10th May 2023, subject to approval at the Annual General Meeting to be held on 4th May 2023, to shareholders on the register of members at the close of business on 17th March 2023 and will be available in cash with a scrip alternative.



Issued by: Jardine Matheson Limited
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Incorporated in Bermuda with limited liability

# Jardine Matheson Holdings Limited (the 'Company')
# 2022 Preliminary Announcement of Results

## CHAIRMAN'S STATEMENT

### 2022 IN REVIEW

2022 was a further year of challenge for our businesses across the Group, which continued to be impacted by the pandemic. I want to start by thanking each of the many colleagues who work for Jardines, as well as the Group's partners across our markets, for their unwavering commitment to our customers and our businesses during this challenging period.

The last year has seen much of the world moving to live with COVID, and many of our businesses were able to benefit from the reopening of markets and the economic recovery which resulted. Hong Kong and the Chinese mainland, however, continued to be significantly impacted by the pandemic and related restrictions, with a relaxation only starting to be seen in these markets at the very end of the year.

The Group's resilience through the pandemic, however, and its strong performance in 2022, despite challenging conditions in a number of our sectors and markets, together with its diversified portfolio, have established a solid foundation for future growth. We are optimistic that the reopening of Hong Kong and the Chinese mainland will enable our businesses there to recover quickly and we are confident in the strong future growth opportunities in Southeast Asia, and particularly in Indonesia and Vietnam. We are focussed on continuing to capitalise on the best long-term opportunities across Asia, while adapting to the changing external environment and evolving expectations of our stakeholders.

### PERFORMANCE

The Group's underlying net profit of US$1,584 million for the year was US$71 million (5%) higher than the prior year. The increase was primarily driven by strong performances by Astra and our other Southeast Asian businesses held by Jardine Cycle & Carriage ('JC&C'). There was a return to underlying profit by Mandarin Oriental and an improved contribution from the Group's unlisted Jardine Pacific businesses. Hongkong Land, however, delivered significantly reduced underlying profits in 2022 and the results of DFI Retail Group ('DFI Retail') were also materially lower. There was a slight decline in the performance of the Group's Motor interests.

The financial and operational strength of the Group's businesses continues to be supported by our investment strategy and approach to capital allocation.

The Board is recommending an increased final dividend of US$1.60 per share, which produces a full-year dividend of US$2.15 per share, up 8% from the prior year.

### SIGNIFICANT DEVELOPMENTS

The Board regularly reviews our portfolio of businesses and assesses whether actions are necessary to ensure that our activities align with our strategic priorities. The Group believes it is essential to continue to invest for the long term in business opportunities which will drive future growth for our shareholders. This approach drove the substantial investment in 2021 in simplifying the Group's parent company structure, by acquiring the 15% of the issued share capital of Jardine Strategic Holdings Limited ('Jardine Strategic') which the Company did not already own. The final stage in this Group simplification was the approval by shareholders at the Company's AGM on 5th May 2022 of the cancellation of 427 million shares in the Company, as part of a reduction in capital.

During 2022, and into 2023, we have continued to progress the simplification of the Group's portfolio and lay the foundations for the next stage of its growth. In January 2023, the Group entered into a conditional agreement to sell its 28.2% stake in the Hong Kong-listed Greatview Aseptic Packaging Company and, in March 2023, the Group expects to complete the sale of its Motors business in the United Kingdom.

In September 2022, Mandarin Oriental completed the sale of its Washington D.C. hotel, as it continued to pursue its strategy for driving future growth, primarily through the development of its management business.

The Group also continued to make strategic investments. In September 2022, Astra continued its focus on providing compelling financial services to its customers by completing the acquisition of a 49.6% stake in Bank Jasa Jakarta, which it jointly controls with WeLab and which it is planned to transform into an innovative digital bank in Indonesia.

During the year, Astra also purchased a 7.4% stake in Medikaloka Hermina, one of the largest hospital groups in Indonesia, operating as Hermina Hospitals, increasing its focus on healthcare services and adding to its existing investment in Halodoc, an online platform in Indonesia providing access to a range of medical services.

Astra made an important further step in diversifying into other minerals, by entering the nickel mining and processing businesses through an agreement to acquire 90% interests in Stargate Pasific Resources and Stargate Mineral Asia, which is expected to complete in 2023. It also made progress against its commitment to invest in renewable energy, by acquiring a 31.5% interest in Arkora Hydro, a hydro-based energy power generation business.

In July 2022, JC&C announced a general offer to acquire the remaining shares in Cycle & Carriage Bintang which it did not already own. It also increased its interest in Refrigeration Electrical Engineering Corporation ('REE') to 33.6% in the period, through on-market purchases.

In 2022, Hongkong Land acquired two new sites, in Suzhou and Shanghai. The joint venture to develop a mixed-used commercial site in Suzhou, consisting of a luxury mall and hotel, reflects the group's strategy of developing luxury and premium lifestyle retail properties on the Chinese mainland. The residential site in Shanghai is located in Xuhui District, adjacent to our large mixed-used project in West Bund.

In May 2022, DFI Retail launched its *yuu-to-me* offering, providing customers with an integrated one-stop online shopping experience and home delivery service across leading Hong Kong brands. Following the success of the rollout of the *yuu* Rewards loyalty programme in Hong Kong, the group launched *yuu* Rewards in Singapore in October 2022. The programme in Singapore benefits from partnerships with a number of leading local brands.

## SUSTAINABILITY

We believe that it is essential that our sustainability approach is good for business, and that real value can be realised by integrating sustainability into the strategy and business models of our Group companies. Each of our businesses should also consider sustainability issues in all aspects of their decision-making, and we are developing a framework for all our businesses to use to integrate sustainability into the capital allocation decision-making process.

There is a strong level of engagement between our businesses on sustainability issues, and this will enable us to create real scale in what we do.

A significant milestone in the Group's sustainability journey was the publication of our inaugural Sustainability Report at the end of June. The report reflected extensive work over the previous year to set a range of Group-wide metrics and gather data from our businesses, to enable the Group to measure and report its progress. We also published Task Force on Climate-Related Financial Disclosures ('TCFD')-aligned disclosures for the first time. Eight other Group businesses also published sustainability reports last year, three for the first time.

We published a statement in June 2022, clarifying the Group's support for a Just Energy Transition to a low carbon economy in the geographies where we operate. The statement contains commitments to scale up investments in renewable energy and related innovations, diversify into non-coal mineral mining, and make no investments in new thermal or metallurgical coal mines or new thermal coal-fired power plants. Astra and JC&C published aligned statements at the same time.

During 2022, good progress was made on climate action. Our businesses are setting science-based 2030 targets for decarbonisation, and several of them have submitted commitment letters to SBTi. In 2023, our businesses will be developing decarbonisation pathways towards achieving those targets. There is also a strong focus on climate risk, with the development of Group-wide transition climate risk scenarios, and our businesses are starting to incorporate physical climate risk into their risk management approach.

Our businesses are exploring opportunities in relation to responsible consumption, especially in the areas of waste and circularity, including ways in which they can collaborate to achieve shared objectives. A number of initiatives are being progressed already. The Group is developing its social inclusion strategy, with a particular focus on the areas of education and mental health.

## GOVERNANCE

Our approach to governance is based on what is most appropriate for the Group's unique shareholding structure, size and its operations in Asia, and we continue to review its effectiveness on an ongoing basis. In 2022, we made a series of changes to strengthen the boards of our listed subsidiaries, appointing new independent non-executive directors with sector expertise and experience. The audit committees of each of these boards now have a majority of independent members. At the Company level, the membership of the audit committee is now solely Independent Non-Executive Directors.

**PEOPLE**

Jeremy Parr retired from the Board on 31st March 2022. David Hsu retired from his role as Chairman of Jardine Matheson China on 1st August 2022. He remains on the Board of the Company as a Non-Executive Director. On behalf of the Company, I would like to thank them both for their contribution to the Board and the wider Group.

**CONCLUSION**

The Group delivered a strong set of results in 2022, despite the fact that, for much of the year, the performance of many of our businesses in Hong Kong and on the Chinese mainland was materially impacted by pandemic restrictions in those markets. This is testament to the value of the Group's diversified portfolio, as well as the resilience which our businesses and our many colleagues across the region have shown in the past year.

The Group is likely to continue to face challenges in the coming year from global economic headwinds, but it is well-positioned to take advantage of opportunities, as our key markets in Southeast Asia and China return to growth following their emergence from the pandemic.

Ben Keswick

*Executive Chairman*

## GROUP MANAGING DIRECTOR'S REVIEW

### INTRODUCTION

The pandemic continued to impact many of our businesses for much of 2022, but the Group performed strongly and delivered near-record levels of underlying profit.

The performance of the Group's businesses reflects the immense effort our many colleagues across the Group have made to put customers first and to overcome the extensive professional and personal challenges they have continued to face as a result of the pandemic. This was especially the case in Hong Kong and on the Chinese mainland, where the impact of the pandemic and related restrictions continued for much longer than in other parts of the world. I would like to thank each of our colleagues for their unwavering dedication and hard work, often in very difficult circumstances.

We remain focussed on managing the short-term challenges our businesses are likely to face from global economic headwinds. We are at the same time building businesses and teams that will deliver sustainable strong growth over the medium- to long-term, and over the past year we have continued to simplify the Group's portfolio and set the Group up for its next stage of growth.

Innovation and adaptability have proven to be critical in the face of the rapidly changing business environment, and we have made substantial progress in modernising our core businesses and transforming the way we operate, to reflect that evolving environment. The pace of change continues to accelerate, however, and we are focussed on driving forward our strategic priorities with urgency in the coming year. These priorities and how we are progressing them are set out below.

### Evolving the Group Portfolio

Evolving the Group's portfolio is a key element of ensuring that our business is sustainable and grows earnings over the long-term. We are focussed on deploying capital, both at a Group level and within our Group companies, towards strategic higher growth initiatives, while taking a sensible approach to divesting non-strategic and lower-yielding assets.

During the year, we continued to strengthen our position in the more promising markets of Asia and in industries where we can establish market-leading positions, to create long-term value and ensure sustainable growth. Our diversified presence in China and Southeast Asia, as well as our balanced portfolio across sectors, has helped us perform well even in difficult market conditions.

Our primary focus is on expanding our operations in areas that offer the greatest potential for future growth, such as the Chinese mainland and several ASEAN markets. We are seeking strong growth opportunities in emerging ASEAN markets like Indonesia and Vietnam, as well as developing our automotive, retail and property development interests in China.

We want to align ourselves with key trends in these markets, such as growing urbanisation and the developing middle class. We also recognise that there are continuing growth opportunities in our established markets such as Hong Kong and Singapore, which provide a stable foundation and strong cash flow.

Our capital allocation strategy prioritises organic investment in our portfolio to drive long-term growth and returns, while also aiming to increase dividends over time. We then focus on investing in new business opportunities, as well as carrying out share buybacks in our companies as appropriate. Our strategy is underpinned by a strong balance sheet. We are also increasingly focussed on ensuring that the investment opportunities we take align with our sustainability goals, and in this context we are developing a framework, which will be adopted Group-wide, to integrate sustainability into the capital allocation decision-making process.

The Group’s prudent capital allocation approach underpinned the acquisition by the Company in April 2021 of the 15% minority stake in Jardine Strategic that it did not already own. This resulted in Jardine Matheson increasing its interests in Hongkong Land, DFI Retail, Mandarin Oriental, Jardine Cycle & Carriage and Astra, as well as simplifying the Group's ownership structure and governance framework. The acquisition was funded in part by debt facilities.

Following the completion of the acquisition, for the remainder of 2021 we prioritised debt reduction ahead of further, material new investments. In order to achieve this, we made two significant strategic disposals in the second half of 2021: the sale of the Zung Fu China business to our long-term partner in China, Zhongsheng; and the sale and leaseback of the Zung Fu Hong Kong properties. These transactions enabled the Company to reduce its net debt to US$1.3 billion by the end of 2021.

During 2022 and, as we enter 2023, we have continued to progress the simplification of the Group’s portfolio and lay the foundations for the next stage of its growth. In January 2023, the Group entered into a conditional agreement to sell its 28.2% stake in the Hong Kong-listed Greatview Aseptic Packaging Company and, in March 2023, the Group expects to complete the sale of its Motors business in the United Kingdom.

The Group also continued to focus on making strategic investments, with Astra acquiring a 49.6% stake in Bank Jasa Jakarta in 2022, continuing its focus on providing compelling financial services to its customers, as well as a 7.4% stake in Medikaloka Hermina, one of the largest hospital groups in Indonesia, increasing its focus on healthcare services and adding to its existing investment in Halodoc, an online platform in Indonesia providing access to a range of medical services.

To support its strategy of diversifying into other minerals and renewable energy, Astra, through United Tractors, is entering the nickel mining and processing businesses through an agreement to acquire a 90% interest in Stargate Pasific Resources and Stargate Mineral Asia for US$272 million, which is expected to complete in 2023. It has also acquired a 31.5% interest in Arkora Hydro, a hydro-based energy power generation business.

In February 2023, Cycle & Carriage Singapore completed a sale and leaseback arrangement of its properties for around US$230 million.

These examples illustrate the focus of the Group on implementing its capital allocation and portfolio strategy and on seizing opportunities when they arise to optimise our portfolio and prepare the Group for future growth.

**Driving Innovation and Operational Excellence**

The Group also continues to focus on delivering operational excellence in our existing and new businesses, and the past year has seen strong progress by our businesses in driving greater efficiency and productivity, despite the challenging market environment. Business improvement initiatives were progressed in the year in many of the Group's businesses, including Gammon, Jardine Restaurant Group, Zung Fu Hong Kong and HACTL, with a positive impact on results. DFI Retail's multi-year transformation plan continues to deliver real improvements in operating metrics across its banners. Mandarin Oriental has successfully unified its property management system across hotels, delivering standardisation and enabling efficiency benefits. The increased efficiencies which are being delivered across our businesses are essential to their ability to increase their agility and adaptability and address the challenges they face in order to deliver future growth.

As well as driving operational excellence, a key strategic priority is a focus on innovation. Our B2B businesses have continued enthusiastically to embrace digital ways of working to improve operations. Gammon has been an early embracer of building information modelling and has continued to grow its Virtual Design & Construction ('VDC') teams in Hong Kong and Shenzhen, which use digital prototyping to validate and optimise the design and construction process. JEC have developed their JEDI AI-powered digital platform, which utilises data-driven insights to provide building energy services in areas such as energy analytics and optimisation, fault detection and diagnostics and chiller optimisation, and deliver better experiences for end-users. Gammon's Digital G subsidiary provides digital technology to make the building process and management of the built environment safer, more efficient and less labour intensive.

We continue to seek new inorganic growth opportunities which facilitate our wider participation in the digital economy, emerging industries and new geographies. JEC has acquired the Hong Kong and Macau business of MGI Group Holdings Limited, a leading specialty healthcare engineering solutions provider, as part of JEC's strategic aim of building its skills and capabilities in the healthcare sector. Astra has continued to invest in digital businesses in Indonesia during the period. It acquired an interest in Paxel, a technology-based logistics startup, and also increased its investments in Sayurbox, an e-commerce grocery farm-to-table platform and Mapan, a digital community-based social financing platform.

As the Asian consumer appetite for digital continues to increase, our B2C businesses are focussed on embedding digital as a core component of how we anticipate and serve the needs of customers – developing omnichannel experiences, building data capabilities and investing in start-ups to augment our capabilities to react with speed and agility to the changing marketplace and evolving consumer behaviours and connect effectively with our customers.

DFI Retail's *yuu* coalition loyalty programme continues to exceed expectations and is the leading customer loyalty programme in Hong Kong, with more than four million members. The group has this year launched *yuu* Rewards in Singapore, with encouraging performance so far, and its *yuu-to-me* offering, launched in May 2022, provides customers with an integrated one-stop online shopping experience and home delivery service across leading Hong Kong brands.

Hongkong Land has developed the digital services it provides to customers in its Hong Kong retail portfolio by introducing a revamped LANDMARK app, which provides shoppers and loyalty members with a more personalised and intuitive user experience, while the group has also enhanced the functionality of its ‘By The Bay’ mobile app in Singapore with the addition of exclusive retail offerings, health and wellness workshops and a series of community and charitable events.

Mandarin Oriental launched its new website during the year, redesigned to ensure a mobile-first, personalised user experience whilst improving site performance and reliability. Since the new website went live in August, 60% of visits have come from mobile devices, a considerable uplift from the previous website, driving more direct digital bookings.

Our Southeast Asian businesses are also adopting innovative approaches to how they run their businesses. Astra, for example, is using Formula 1 technology in the mining industry to optimise fuel consumption. It is also using the Internet of Things (‘IoT’) and control centres to optimise manufacturing.

Our businesses are looking for ways in which they can innovate (through enhancements to existing businesses or new inorganic growth) which align with our sustainability priorities. Astra’s investment through United Tractors in Arkora Hydro demonstrates its determination to take action to deliver on the commitments in its Just Energy Transition Statement published last June, by investing in renewable energy. This investment builds on Astra’s existing presence in the hydroelectric power sector, where it already operates a mini-hydro power plant and is developing another.

Astra is also developing electricity generation facilities using innovative solar photovoltaic (‘PV’) technology, through its subsidiary PT Energia Prima Nusantara (‘EPN’). In 2022, EPN secured commitments to install 16 MWp of rooftop solar PV, of which 4 MWp has been installed in a number of Astra group company facilities.

Vietnam’s installed capacity for wind, solar and hydro power is forecast to double by 2030 and REE, JC&C’s associate there, continues to make extensive investments in renewable energy. REE is Vietnam’s largest investor in roof-top solar power and also has interests in wind farms and hydroelectric dams. As of December 2022, renewable energy sources (hydroelectric, solar and wind) accounted for 72% of REE’s energy portfolio.

JC&C’s automotive businesses in Southeast Asia are also focussed on innovative sustainable business solutions. As an example, Cycle & Carriage Singapore (‘CCS’) is growing its new electric van logistics business in Singapore, offering logistics solutions to retail giants such as IKEA, Guardian and Uniqlo. CCS also sells and leases the vehicles to large logistics businesses, including UPS and DHL.

## Enhancing Leadership and Entrepreneurialism

We need to evolve and accelerate to stay ahead of the competition – and we have identified the embedding of an entrepreneurial culture as a key success factor in doing this. Entrepreneurship means being open to experimentation and having the confidence to put ideas forward and, importantly, to promote and defend them.

A key element of building an entrepreneurial culture is attracting, developing and retaining the right leadership talent, and this is a top priority for the Group and its companies. In the past year, the Group has made a number of significant senior appointments to bolster its leadership and drive future growth. We see it as essential to appoint the most competent, highly-qualified and experienced senior executives to drive business growth, and have appointed two new Jardine Matheson Limited Directors to lead our business development efforts across China and Southeast Asia. We have also strengthened the leadership of our core Group functions, by appointing a new Group General Counsel and Group Head of Human Resources.

We have continued to invest in developing our leaders and providing them with opportunities to advance their careers within different businesses across the Group, with a number of executive-level senior management moves taking place during the period.

We are focussed on providing our colleagues with the appropriate training and support to equip them with the skills needed to navigate the challenges and opportunities they face, both in the short- and the long-term. Our comprehensive Group-wide programme of online learning and academies has seen high levels of participation in the year.

We are also continuing our work to create a diverse and inclusive culture where everyone can succeed. We are working with our businesses to increase the diversity of the boards and senior management of our Group companies. A key element of this is the successful nurturing of colleagues at all levels, in order to develop diverse pools of talent from which our future senior leaders can be selected. We recognise that there is a great deal more to do in order to build greater diversity at all levels of the Group, but we made good progress last year in implementing our diversity and inclusion ('D&I') strategy to help progress our ambitions across the Group. We launched a series of initiatives, including a learning campaign on inclusive leadership; a comprehensive review to enhance Human Resources policies; and new processes which support D&I. We have also developed targets for increasing female representation in our workforce and leadership.

We also aim to create an owner mindset among our staff and are supporting this by enhancing our incentive structures over time to focus less on current profits and more on value creation over a longer time horizon.

**Progressing Sustainability**

In 2022, we continued to drive a more aligned, focussed approach to sustainability across all our Group companies, leveraging and building on the work many of them are already doing in this area to maximise the impact we have in our communities and on the environment. There is increasingly strong engagement between our businesses on sustainability issues, which will enable us to create real scale in what we do.

We continue to focus on actively sharing the positive actions our diverse businesses are taking in relation to sustainability, by reporting more effectively on Environmental, Social and Governance ('ESG') issues, and in 2022 we published our inaugural Sustainability Report. The report included data on a range of Group-wide metrics gathered from our businesses. We also published TCFD-aligned disclosures for the first time in the report.

We took a key step in progressing our climate action agenda in June 2022 with the publication by the Company, JC&C and Astra of a Just Energy Transition statement, which articulated our commitment to a low carbon economy in the geographies where we operate. Effective steps are already being taken to implement the key commitments in the statement: we saw investments in the year in renewable energy-focussed businesses in Indonesia and Vietnam and a diversification into non-coal mineral mining with the acquisition of interests in a nickel mining and processing business.

Our focus on climate action also saw our businesses setting science-based 2030 targets for decarbonisation and starting to develop decarbonisation pathways towards achieving those targets.

Our businesses are exploring opportunities to collaborate in relation to responsible consumption, especially in the areas of waste and circularity, and the Group is developing its social inclusion strategy, with a particular focus on the areas of education and mental health.

Creating emotional engagement among our colleagues and other stakeholders continues to be a key aspect of implementing an impactful and effective sustainability approach, and this was a focus of our sustainability efforts during the year, as we saw an acceleration in momentum across our businesses in organising volunteering activity, with a significant increase in volunteering hours and number of volunteers.

**SUMMARY OF PERFORMANCE**

The Group saw improved performances from many of its businesses in 2022, compared to 2021, with particularly strong growth in Southeast Asia, led by Astra. The results delivered by the Group in 2022 once again demonstrate the continuing value of our diversified portfolio, which has enabled Jardines to produce a resilient performance, despite challenging conditions in a number of our sectors and markets.

The strong performance of the Group's businesses in Southeast Asia in the first half of 2022, together with the challenges faced by our businesses in Hong Kong and on the Chinese mainland throughout the year, led to 55% of the Group's profit for the period coming from Southeast Asia and 39% from China.

The Group's underlying net profit for the year increased by 5% to US$1,584 million and underlying earnings per share were US$5.49, an increase of 14%. The Group's underlying earnings per share in 2022 represent an increase of 30% over those of 2019, while its dividends per share of US$2.15 in 2022 represent an increase of 25% over the same period.

The key drivers of the Group's performance were strong performances by Astra and our other Southeast Asian businesses held by JC&C. Astra reported a 51% increase in underlying earnings, excluding the unrealised net fair value loss on investments in GoTo and Hermina, with improvements across most of its divisions, supported by Indonesia's economic recovery and higher commodity prices. JC&C's underlying profits increased by 39%, with strong performances by THACO and its Direct Motor Interests.

Mandarin Oriental saw a return to underlying profitability in the year, with a strong performance from its resort hotels and a good recovery by its owned hotels, although results were impacted by Hong Kong and Tokyo. There was also an improved contribution from the Group's unlisted Jardine Pacific businesses, driven by Jardine Schindler and JEC, although most of the businesses focussed on Hong Kong were impacted by the continuation of pandemic restrictions there.

Hongkong Land's full-year underlying profits were 20% lower than the prior year, as a result of a significantly lower profit contribution from the Development Properties business in the second half of the year. The lower profit contribution was primarily due to a smaller number of planned sales completions and the impact of pandemic-related restrictions on construction activities on the Chinese mainland. DFI Retail Group saw a decline year-on-year in underlying profit, with the pandemic continuing to impact the financial performance of the group's subsidiaries and associates. There were, however, encouraging signs of an improvement in performance in the second half. There was a slight decline in the performance of the Group's Motor interests.

Net non-trading items were negative, versus a positive position last year. The majority of the non-trading losses in 2022 were the Group's share of fair value losses of US$604 million arising from the revaluation of the Group's investment properties portfolio and non-current investments of US$309 million, together with the impairment of investment in associates of US$320 million. The net non-trading gain in 2021 mainly included the US$791 million gain on disposal of Zung Fu China business and the US$337 million gain on the sale and leaseback of Zung Fu Hong Kong's principal operating properties, partly offset by the Group's share of the unrealised loss of US$681 million in respect of the Group's investment properties portfolio. After taking account of the net non-trading losses, the Group recorded a net profit attributable to shareholders of US$354 million in 2022.

The Group's balance sheet remains strong with gearing of 13%, up from 11% at the end of 2021.

The Group's capital investment, including expenditure on properties for sale, was US$5.3 billion in 2022, and capital investment at its associates and joint ventures exceeded US$4.3 billion. The Group continues to invest for the long-term and ensure that its businesses have the resources to drive future growth.

## INDIVIDUAL BUSINESS PERFORMANCE

### Jardine Pacific

Jardine Pacific produced an underlying net profit of US$182 million, 4% higher than 2021. There was a good performance by most of the B2B businesses, while the group's consumer businesses continued to be impacted by continuing pandemic restrictions in Hong Kong. The business reported a net loss of US$123 million, after net non-trading losses of US$305 million.

Jardine Pacific businesses received total government subsidies of US$28 million in the current year, compared with US$9 million in 2021.

There was significant focus in the year across the group's businesses in driving operational improvements. The benefits are now starting to be seen in improved business performance and the group is well set for future growth.

| | Group Interest | Group Share of Underlying profit | |
|---|---|---|---|
| | % | **2022** | 2021 |
| | | **US$m** | US$m |
| **Analysis of Jardine Pacific's contribution:** | | | |
| Jardine Schindler | 50 | **36** | 32 |
| JEC | 50-100 | **53** | 49 |
| Gammon | 50 | **39** | 39 |
| Jardine Restaurants | 100 | **19** | 27 |
| Transport Services | 42-50 | **23** | 31 |
| Zung Fu Hong Kong* | 100 | **12** | 4 |
| Corporate and other interests | | **-** | (7) |
| | | **182** | 175 |

* Zung Fu Hong Kong was reported as part of the Jardine Pacific group of businesses with effect from October 2021

Within Jardine Pacific's B2B businesses, Jardine Schindler's performance was higher than in 2021, with a stable contribution from the Existing Installation business. JEC delivered good profit growth. Its Hong Kong businesses continued to report solid performances, although its regional businesses continued to face challenging conditions. Strong levels of new work were secured, leading to a record order book at year-end.

Gammon's performance was in line with last year due to the timing of projects, and its order book remained strong.

In Transport Services, there was weaker performance in HACTL, mainly caused by lower volumes as export demand softened. Jardine Aviation reported a higher loss, due to lower flight volumes for much of the year. Volumes slowly recovered, however, as pandemic restrictions in Hong Kong eased towards the end of the year.

Looking at the group's consumer-facing businesses, Jardine Restaurants delivered overall results which were 29% lower than last year, mainly due to the impact of disruption from pandemic restrictions in Hong Kong, which resulted in a weaker performance in both Pizza Hut and KFC Hong Kong. Despite a lower contribution caused by increasing operating costs, Pizza Hut Taiwan continued to perform well. The business continued to benefit from ongoing 'process re-engineering' projects.

Zung Fu Hong Kong reported a lower profit year on year. After-sales activities were affected by the pandemic, while supply constraints impacted passenger car deliveries.

Jardine Pacific saw net non-trading losses of US$305 million in the year, compared to a net non-trading gain of US$389 million in 2021, as a result of the decrease in the fair value of the investment properties and the impairment of investments, and the absence of the gain on disposal of Hong Kong properties by Zung Fu which was reported in 2021.

**Jardines Motor**

The Group's Motors business produced an underlying net profit of US$299 million in 2022, 6% lower than the prior year. The Group no longer had the benefit of contributions from its Chinese mainland business following its disposal to Zhongsheng in late 2021, although it benefitted from a higher contribution from its 21% interest in Zhongsheng in respect of the second half of 2021 and the first half of 2022, with a strong performance in its used car business.

The Group's United Kingdom motor business delivered a slightly lower profit in 2022, with the business impacted by unfavourable exchange rates in the period. Despite constrained supply, the new car business performed well due to strong margins. Used cars also remained resilient, with lower volumes offset by improved margins.

**Hongkong Land**

Hongkong Land's full-year underlying profits were 20% lower than the prior year, primarily due to a significantly lower profit contribution from the Development Properties business on the Chinese mainland in the second half of the year. The contribution from Investment Properties was resilient, however, with modest financial impacts in the retail portfolio from the pandemic measures introduced across the Chinese mainland in 2022. The impact of lower average office rents in Hong Kong was partially offset by a reduction in operating costs.

Profit attributable to shareholders was US$203 million, after including net non-cash losses of US$573 million resulting primarily from lower valuations of the group's investment properties. This compares to a loss of US$349 million in 2021, which included a US$1,315 million reduction in property valuations.

Investment Properties

In Hong Kong, office leasing demand remained subdued. Against this backdrop, the group's Central office portfolio remained resilient, outperforming the broader market due to its prime CBD location and premium offering. Physical vacancy remained below average Central market vacancy levels. Modestly negative rental reversions, however, resulted in a decrease in average office rents.

Retail market sentiment in Hong Kong was severely affected by the fifth wave of the pandemic in the first half of 2022. Retail trading benefitted in the second half of the year, however, as social distancing and travel restrictions were progressively relaxed. Total retail sales nevertheless remained well below pre-pandemic levels, as travel restrictions continued to prevent the return of tourists. Average retail rents in 2022 in the Central LANDMARK retail portfolio decreased, but vacancy on both a physical and committed basis was unchanged from the prior year.

In Singapore, contributions from the group's office portfolio increased, due to positive rental reversions underpinned by a healthy level of occupier demand, with average office rents increasing and vacancy in the Group's office portfolio remaining low.

In Shanghai, development activity continued at the group's 43%-owned prime 1.1 million sq. m. development on the West Bund. The multi-phase project remains on schedule, with modest impacts from the pandemic-related restrictions in Shanghai during part of the year. The West Bund development is a complex, predominantly commercial, mixed-use site of unprecedented scale. It is located in a prime waterside location in Shanghai with unrivalled access to the riverside. When completed, the project will comprise five neighbourhoods and 28 land parcels. The West Bund has established itself as an international creative industry cluster, supported by three pillars: culture and creative industries, high-tech businesses and the innovative finance sector. When completed, the development will comprise around 660,000 sq. m. of offices, 210,000 sq. m. of retail space, 170,000 sq. m. of luxury residences, 55,000 sq. m. of five-star hotels, 30,000 sq. m. of convention facilities and 10,000 sq. m. of sports facilities. It will incorporate an industry-leading approach to sustainability.

Development Properties

As anticipated, the profit contribution from the group's Development Properties business on the Chinese mainland decreased compared to the prior year, as a result of a significantly lower profit contribution in the second half of the year, due to fewer planned sales completions and the impact of pandemic-related restrictions on construction activities. There was also a decrease in the group's attributable interest in contracted sales in 2022, mainly due to weak market sentiment for residential properties and pandemic-related movement restrictions that hampered sales activities.

In Singapore, recognised profits in 2022 were lower than the prior year, which benefitted from the construction of the wholly-owned 1,404 unit Parc Esta project. The group's attributable interest in contracted sales rose, however, driven by the healthy pre-sales performance of two new residential projects launched during the year.

The group continues to be disciplined in evaluating and selecting Development Properties opportunities on the Chinese mainland, with a focus on Tier 1 and Tier 2 cities. During the year the group made two acquisitions – a primarily residential site in Xuhui District, Shanghai, adjacent to our mixed-used project in West Bund and an interest in a predominantly retail commercial site in Suzhou. This development reflects the group's strategy of developing luxury and premium lifestyle retail properties on the Chinese mainland. The group currently has four such properties in operation, and the site in Suzhou will be added to the pipeline of ten further such developments.

The group also increased its investments in two existing projects, acquiring the remaining 50% interest in the mixed-use project in WE City, Chengdu from KWG Property Holdings Limited and acquiring a 15% interest in Yue City, a mixed-use project in Nanjing, from Country Garden in January 2023.

In Singapore, the group acquired a 49% interest in a residential site in the Jalan Tembusu area.

**DFI Retail Group**

2022 was another very challenging year for DFI Retail. A combination of inflationary pressures and customer behavioural shifts driven by the pandemic significantly impacted first-half financial performance, reducing profit contributions from the Grocery Retail and Convenience divisions. The group's share of underlying losses from similarly affected associates also materially affected results.

There was, however, a significant improvement in profitability in the second half of the year. The group needs to continue to adapt to changes in consumer preferences and, despite the external challenges, has increased investments in digital capacity and capability in the year. While these investments impacted profitability in the year, they are necessary to meet customers' evolving needs and to drive long-term shareholder value.

The group reported an overall underlying profit of US$29 million for the full year. The group's subsidiaries delivered underlying profit of US$64 million, while associates contributed an underlying loss of US$35 million. There was an encouraging improvement in second-half underlying profit to US$80 million, representing a US$132 million increase in profitability relative to the first half.

The group's net loss for the year was US$115 million, reflecting an impairment charge of US$171 million in respect of its investment in Robinsons Retail.

Food - Grocery Retail

Underlying operating profit for the Grocery Retail division was US$91 million for the year, lower than the prior year, primarily due to the absence of the panic buying seen last year, further compounded by rising cost of goods sold and increases in operating expenses. Despite the challenges faced throughout 2022, however, the group has been encouraged by stronger underlying performance, with Grocery Retail underlying profitability significantly above 2019 levels, supported by the group's transformation initiatives.

Food - Convenience

Convenience underlying operating profit was US$51 million for the year, broadly in line with the prior year. Encouragingly, profitability in the second half improved significantly, with the group reporting US$51 million profit compared to the breakeven result in the first half.

Health and Beauty

Underlying operating profit for the Health and Beauty division increased by 66% to US$94 million, driven by solid sales growth.

Home Furnishings

IKEA's sales for the year were impacted by COVID-related restrictions in the first half and supply chain constraints, which impacted stock availability. Operating profit was US$46 million, slightly ahead of the prior year, primarily due to strong cost control.

Associates

The performance of Maxim's for the full year was severely hampered by a very challenging first quarter as result of the fifth wave of COVID in Hong Kong, which led to a large number of restrictions on movement and dining. The group's share of Maxim's underlying losses was

US$26 million in the first half of the year. Encouragingly, Maxim's performance improved as the year progressed, due to solid mooncake sales performance and the easing of dining restrictions. The group's overall share of Maxim's underlying profits was US$38 million for the full year.

The group's share of Yonghui's underlying losses was US$80 million for the year, compared to a US$90 million share of underlying losses in the prior year. While Yonghui's like-for-like sales improved in the first half of the year, performance in the second half was impacted by government-imposed restrictions on the Chinese mainland, as well as the slowdown in the overall macroeconomic environment.

Robinsons Retail reported strong growth in 2022, as it benefitted from the reopening of the Philippines economy, together with an improved product mix and strong cost control. Robinsons Retail's underlying profit contribution to the group was US$24 million in 2022, over 60% higher than in 2021.

**Mandarin Oriental**

Mandarin Oriental continued its recovery in 2022 as travel restrictions lifted in most parts of the world and it ended the year strongly, with a return to underlying profitability. Owned hotels achieved improved occupancy at strong rates, and the management business continued to grow robustly, exceeding 2019 profitability. The group's management business recorded a strong performance, with robust growth in management fees, particularly from, resort destinations such as Bodrum, Turkey, Lake Como, Italy and Dubai, UAE. The group's management business reported an underlying profit of US$17 million in 2022, compared to US$5 million in 2021.

Most of the Group's owned or partially owned properties reported better earnings in 2022. The overall performance from owned hotels, however, continued to be adversely affected by lower contributions from the Hong Kong and Tokyo hotels, whose performance was heavily impacted by COVID restrictions throughout the year. Results were notably better in London, Paris, Singapore, and Bangkok, driven by high rates and improved occupancy from the previous year.

The group achieved an underlying profit of US$8 million for the full year, its first profit since 2019. Although profitability remained below pre-pandemic levels, this is a significant improvement compared with 2021, when the group recorded an underlying loss of US$68 million.

The group opened two new hotels in the year, in Shenzhen, China and Lucerne, Switzerland, and two standalone residences in Barcelona, Spain and Beverly Hills, USA. Five projects are scheduled to open in 2023.

In 2022, the group announced seven new management contracts, in Greece, Italy, Egypt, Kuwait, the Maldives, China and Vietnam. The group's robust development pipeline includes 26 projects expected to be completed in the next five years.

The Causeway Bay site in Hong Kong, which is being redeveloped as a mixed-use commercial building, remains on track to complete in 2025.

**Jardine Cycle & Carriage**

JC&C's underlying profit was 39% higher than 2021 at US$1,096 million. After accounting for non-trading items, profit attributable to shareholders was US$740 million, 12% higher than the same period last year. Non-trading items in 2022 of US$356 million comprised unrealised fair value losses of US$238 million related to non-current investments, and an impairment loss of US$114 million in respect of the investment in Siam City Cement ('SCCC'), necessary due to a challenging operating environment.

Astra's contribution to the group's underlying profit increased to a record US$913 million from US$655 million last year, with improved performances from most of its businesses, reflecting the recovery in the Indonesian economy and high commodity prices.

The underlying profit from JC&C's Direct Motor Interests increased to US$63 million from US$39 million last year, mainly due to improved contributions from Cycle & Carriage Singapore and Malaysia, and Tunas Ridean in Indonesia. Other Strategic Interests contributed an underlying profit of US$86 million, down 4% from the previous year.

<u>THACO</u>

THACO contributed a profit of US$83 million, 34% up from the previous year. The profit from its automotive business continued to grow, supported by strong production levels and a temporary reduction in registration fees for locally-assembled vehicles that expired in May 2022. Its unit sales were higher and its market share increased. Margins benefitted from strong demand and an improved sales mix. The group continues to expand its investment in agriculture and, as a result, saw an increase in losses from this business as substantial pre-production losses were incurred.

<u>Direct Motor Interests</u>

Direct Motor Interests saw an increase of 62% in underlying profit, with better results in Singapore, Malaysia and Indonesia. Cycle & Carriage Singapore's contribution was 13% higher, mainly due to increased profits from its premium and used car operations. New passenger car sales fell by 15% as sales volume, particularly in respect of its mass-market models, was adversely impacted by the tightened Certificate of Entitlement cycle. Market share, however, increased from 15% to 19%.

In Indonesia, Tunas Ridean's contribution was 71% higher than the previous year, with higher profits across its automotive, financial services and leasing businesses.

Cycle & Carriage Bintang in Malaysia saw an increased profit, mainly due to improved sales volumes and margins backed by a larger order book, arising from a temporary reduction in government sales tax.

During the year, JC&C further increased its interest in Cycle & Carriage Bintang from 89.0% to 96.9%, through on-market purchases, acceptances under its Voluntary General Offer and direct purchases from the minority shareholders. Cycle & Carriage Bintang was delisted from Bursa Malaysia in September 2022.

<u>Other Strategic Interests</u>

The profit from JC&C's Other Strategic Interests decreased by 4% compared with the previous year, with a significantly lower contribution from SCCC, as the business was adversely

- more -

impacted by higher energy costs and inflationary pressure, as well as increased tax rates in Sri Lanka and the depreciation of the rupee, which offset improved cement volumes and prices in most of its markets.

REE's contribution was, however, 70% higher than the previous year, mainly due to an improved performance from its renewable energy investments as a result of favourable hydrology.

The group's investment in Vinamilk produced a slightly lower dividend income of US$37 million compared to US$39 million last year. Vinamilk reported a decrease in net profit, mainly due to higher raw material costs.

**Astra**

Astra delivered record earnings, with net profit under Indonesian accounting standards of Rp28.9 trillion, equivalent to US$1.9 billion, 43% higher than 2021. Excluding the net fair value loss on the group's investments in GoTo and Hermina, Astra's net profit of Rp30.5 trillion, or US$2.0 billion, was 51% higher than 2021.

A strong recovery in the Indonesian economy and higher commodity prices drove stronger performances from all of Astra's businesses and in particular its infrastructure and logistics, heavy equipment and mining and automotive divisions.

<u>Automotive</u>

Net income from Astra's automotive division increased by 33% to US$648 million, reflecting higher sales volume.

The wholesale car market increased by 18% in 2022. Astra's car sales for that period were 17% higher, with market share relatively stable at 55%. The wholesale motorcycle market increased by 3%, while Astra Honda Motor's sales increased by 2%, with sales growth limited by semiconductor supply issues, while market share remained relatively stable at 77%.

Astra Otoparts saw a 117% increase in profit compared to the previous year, mainly due to higher revenues from the original equipment manufacturer and replacement market segments.

<u>Financial Services</u>

Net income from the group's financial services division increased by 22% to US$404 million, due to higher contributions from its consumer finance businesses, which saw a 21% increase in new amounts financed. The net income contribution from the group's car-focussed finance companies increased due to larger loan portfolios, while the contribution from Astra's motorcycle-focussed finance company, Federal International Finance, was higher due to larger loan portfolios and lower loan loss provisions.

General insurance company Asuransi Astra Buana reported a 12% increase in net income to US$80 million, mainly caused by higher investment and underwriting income.

<u>Heavy Equipment, Mining, Construction and Energy</u>

Net income from the group's heavy equipment, mining, construction and energy division increased by 107% to US$850 million, mainly due to higher contributions from heavy equipment sales, mining contracting and coal mining, all of which benefitted from unprecedented coal prices.

United Tractors reported a 104% increase in net income to US$1,408 million. Komatsu heavy equipment sales rose significantly and revenue from its parts and service businesses was higher. Mining services contractor Pamapersada Nusantara recorded a higher overburden removal volume, while coal production was relatively stable. Agincourt Resources, 95%-owned by United Tractors, reported a decrease in gold sales.

General contractor Acset Indonusa, 82.2%-owned by United Tractors, reported a lower net loss of US$30 million. Net losses continued to be incurred mainly as a result of the continued slowdown of several ongoing projects.

Agribusiness

Net income from Astra's agribusiness division decreased by 12% to US$92 million, largely due to lower crude palm oil sales volumes and production, which offset an increase in selling prices.

Infrastructure and Logistics

Astra's infrastructure and logistics division reported a significant increase in net income to US$35 million, primarily due to improved performance in its toll road businesses. The group's toll road concessions saw higher toll revenue during the period. Astra has 396 km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road. Serasi Autoraya's net income increased by 19%, mainly due to an increase in vehicles under contract, despite a lower used car earnings contribution.

Information Technology

Net income from the group's information technology division was 12% higher at US$5 million.

Property

The group's property division saw a 10% increase in net income to US$9 million, primarily due to a higher occupancy rate in Menara Astra and the handover of units in the Arumaya development starting at the end of 2022.

**OUTLOOK**

The encouraging recovery in performance across many of our businesses continued in 2022 and overall earnings returned to levels last seen in 2019. This reflected the broad diversification of the Group, even while many of our businesses in Hong Kong and the Chinese mainland were held back by the continued impact of the pandemic.

We are optimistic that the reopening of borders, as well as opportunities in Southeast Asia, will drive the Group's cyclical recovery during 2023 despite softening commodity prices, and we remain confident in our strategy for sustainable, long-term profit growth.

John Witt

*Group Managing Director*

**Jardine Matheson Holdings Limited**
**Consolidated Profit and Loss Account**
**for the year ended 31st December 2022**

| | **2022** | | | 2021 | | |
|---|---|---|---|---|---|---|
| | Underlying business performance **US$m** | Non-trading items **US$m** | Total **US$m** | Underlying business performance US$m | Non-trading items US$m | Total US$m |
| Revenue *(note 2)* | **37,724** | **-** | **37,724** | 35,862 | - | 35,862 |
| Net operating costs *(note 3)* | **(33,598)** | **(363)** | **(33,961)** | (32,534) | 1,114 | (31,420) |
| Change in fair value of investment properties | **-** | **(930)** | **(930)** | - | (1,410) | (1,410) |
| Operating profit | **4,126** | **(1,293)** | **2,833** | 3,328 | (296) | 3,032 |
| Net financing charges | | | | | | |
| - financing charges | **(625)** | **-** | **(625)** | (595) | - | (595) |
| - financing income | **197** | **-** | **197** | 206 | - | 206 |
| | **(428)** | **-** | **(428)** | (389) | - | (389) |
| Share of results of associates and joint ventures *(note 4)* | | | | | | |
| - before change in fair value of investment properties | **1,232** | **(411)** | **821** | 1,178 | 10 | 1,188 |
| - change in fair value of investment properties | **-** | **(3)** | **(3)** | - | 81 | 81 |
| | **1,232** | **(414)** | **818** | 1,178 | 91 | 1,269 |
| Profit before tax | **4,930** | **(1,707)** | **3,223** | 4,117 | (205) | 3,912 |
| Tax *(note 5)* | **(964)** | **4** | **(960)** | (828) | (123) | (951) |
| Profit after tax | **3,966** | **(1,703)** | **2,263** | 3,289 | (328) | 2,961 |
| Attributable to: | | | | | | |
| Shareholders of the Company *(notes 6 & 7)* | **1,584** | **(1,230)** | **354** | 1,513 | 368 | 1,881 |
| Non-controlling interests | **2,382** | **(473)** | **1,909** | 1,776 | (696) | 1,080 |
| | **3,966** | **(1,703)** | **2,263** | 3,289 | (328) | 2,961 |
| | **US$** | | **US$** | US$ | | US$ |
| Earnings per share *(note 6)* | | | | | | |
| - basic | **5.49** | | **1.22** | 4.83 | | 6.01 |
| - diluted | **5.49** | | **1.22** | 4.83 | | 6.01 |

**Jardine Matheson Holdings Limited**
**Consolidated Statement of Comprehensive Income**
**for the year ended 31st December 2022**

| | 2022 US$m | 2021 US$m |
|---|---|---|
| Profit for the year | **2,263** | 2,961 |
| Other comprehensive expense | | |
| Items that will not be reclassified to profit and loss: | | |
| Net exchange translation loss arising during the year | **(718)** | (62) |
| Remeasurements of defined benefit plans | **37** | 86 |
| Net revaluation surplus before transfer to investment properties | | |
| - tangible assets | **-** | 75 |
| - right-of-use assets | **39** | 3 |
| Tax on items that will not be reclassified | **(7)** | (9) |
| | **(649)** | 93 |
| Share of other comprehensive income of associates and joint ventures | **9** | 9 |
| | **(640)** | 102 |
| Items that may be reclassified subsequently to profit and loss: | | |
| Net exchange translation differences | | |
| - net loss arising during the year | **(569)** | (165) |
| - transfer to profit and loss | **4** | (21) |
| | **(565)** | (186) |
| Revaluation of other investments at fair value through other comprehensive income | | |
| - net loss arising during the year | **(20)** | (2) |
| - transfer to profit and loss | **(2)** | (3) |
| | **(22)** | (5) |
| Cash flow hedges | | |
| - net gain arising during the year | **92** | 75 |
| - transfer to profit and loss | **(7)** | 12 |
| | **85** | 87 |
| Tax relating to items that may be reclassified | **(11)** | (21) |
| Share of other comprehensive expense of associates and joint ventures | **(963)** | (16) |
| | **(1,476)** | (141) |
| Other comprehensive expense for the year, net of tax | **(2,116)** | (39) |
| Total comprehensive income for the year | **147** | 2,922 |
| Attributable to: | | |
| Shareholders of the Company | **(660)** | 1,908 |
| Non-controlling interests | **807** | 1,014 |
| | **147** | 2,922 |

**Jardine Matheson Holdings Limited**
**Consolidated Balance Sheet**
**at 31st December 2022**

| | At 31st December **2022** US$m | 2021 US$m |
|---|---|---|
| **Assets** | | |
| Intangible assets | **2,528** | 2,635 |
| Tangible assets | **5,853** | 6,184 |
| Right-of-use assets | **4,184** | 4,274 |
| Investment properties | **31,813** | 32,847 |
| Bearer plants | **465** | 499 |
| Associates and joint ventures | **17,856** | 17,980 |
| Other investments | **2,801** | 2,908 |
| Non-current debtors | **3,222** | 2,961 |
| Deferred tax assets | **575** | 518 |
| Pension assets | **17** | 32 |
| Non-current assets | **69,314** | 70,838 |
| Properties for sale | **3,311** | 3,345 |
| Stocks and work in progress | **3,513** | 2,793 |
| Current debtors | **6,873** | 6,928 |
| Current investments | **18** | 46 |
| Current tax assets | **156** | 172 |
| Bank balances and other liquid funds | | |
| - non-financial services companies | **5,526** | 6,904 |
| - financial services companies | **372** | 378 |
| | **5,898** | 7,282 |
| | **19,769** | 20,566 |
| Asset classified as held for sale | **65** | 85 |
| Current assets | **19,834** | 20,651 |
| Total assets | **89,148** | 91,489 |

(Consolidated Balance Sheet continued on page 24)

**Jardine Matheson Holdings Limited**
**Consolidated Balance Sheet**
**at 31st December 2022** (continued)

| | At 31st December **2022** US$m | 2021 US$m |
|---|---|---|
| **Equity** | | |
| Share capital | **73** | 179 |
| Share premium and capital reserves | **26** | 25 |
| Revenue and other reserves | **28,727** | 35,800 |
| Own shares held | **-** | (6,223) |
| Shareholders' funds | **28,826** | 29,781 |
| Non-controlling interests | **27,371** | 28,587 |
| Total equity | **56,197** | 58,368 |
| **Liabilities** | | |
| Long-term borrowings | | |
| - non-financial services companies | **10,541** | 11,026 |
| - financial services companies | **1,532** | 1,273 |
| | **12,073** | 12,299 |
| Non-current lease liabilities | **2,951** | 3,022 |
| Deferred tax liabilities | **791** | 743 |
| Pension liabilities | **368** | 451 |
| Non-current creditors | **191** | 250 |
| Non-current provisions | **336** | 309 |
| Non-current liabilities | **16,710** | 17,074 |
| Current creditors | **10,459** | 10,074 |
| Current borrowings | | |
| - non-financial services companies | **2,500** | 2,513 |
| - financial services companies | **1,663** | 1,846 |
| | **4,163** | 4,359 |
| Current lease liabilities | **772** | 812 |
| Current tax liabilities | **672** | 609 |
| Current provisions | **175** | 193 |
| Current liabilities | **16,241** | 16,047 |
| Total liabilities | **32,951** | 33,121 |
| Total equity and liabilities | **89,148** | 91,489 |

**Jardine Matheson Holdings Limited**
**Consolidated Statement of Changes in Equity**
**for the year ended 31st December 2022**

| | Share capital US$m | Share premium US$m | Capital reserves US$m | Revenue reserves US$m | Asset revaluation reserves US$m | Hedging reserves US$m | Exchange reserves US$m | Own shares held US$m | Attributable to shareholders of the Company US$m | Attributable to non-controlling interests US$m | Total equity US$m |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **2022** | | | | | | | | | | | |
| At 1st January | 179 | - | 25 | 34,926 | 2,242 | (18) | (1,350) | (6,223) | 29,781 | 28,587 | **58,368** |
| Total comprehensive income | - | - | - | 374 | 30 | 73 | (1,137) | - | (660) | 807 | **147** |
| Dividends paid by the Company *(note 8)* | - | - | - | (607) | - | - | - | - | (607) | - | **(607)** |
| Dividends paid to non-controlling interests | - | - | - | - | - | - | - | - | - | (994) | **(994)** |
| Unclaimed dividends forfeited | - | - | - | 2 | - | - | - | - | 2 | - | **2** |
| Issue of shares | - | 1 | - | - | - | - | - | - | 1 | - | **1** |
| Employee share option schemes | - | - | 4 | - | - | - | - | - | 4 | 2 | **6** |
| Scrip issued in lieu of dividends | 1 | (1) | - | 184 | - | - | - | - | 184 | - | **184** |
| Repurchase of shares | (1) | (2) | - | (168) | - | - | - | - | (171) | - | **(171)** |
| Reduction of capital | (106) | (1) | - | (6,116) | - | - | - | 6,223 | - | - | **-** |
| Capital contribution from non-controlling interests | - | - | - | - | - | - | - | - | - | 4 | **4** |
| Share purchased for a share-based incentive plan in a subsidiary | - | - | - | (15) | - | - | - | - | (15) | (5) | **(20)** |
| Change in interests in subsidiaries | - | - | - | 322 | - | - | - | - | 322 | (1,030) | **(708)** |
| Change in interests in associates and joint ventures | - | - | - | (15) | - | - | - | - | (15) | - | **(15)** |
| Transfer | - | 3 | (3) | - | - | - | - | - | - | - | **-** |
| At 31st December | **73** | **-** | **26** | **28,887** | **2,272** | **55** | **(2,487)** | **-** | **28,826** | **27,371** | **56,197** |
| 2021 | | | | | | | | | | | |
| At 1st January | 181 | - | 31 | 33,497 | 2,167 | (55) | (1,152) | (5,282) | 29,387 | 33,456 | 62,843 |
| Total comprehensive income | - | - | - | 1,966 | 76 | 37 | (171) | - | 1,908 | 1,014 | 2,922 |
| Dividends paid by the Company *(note 8)* | - | - | - | (505) | - | - | - | - | (505) | - | (505) |
| Dividends paid to non-controlling interests | - | - | - | - | - | - | - | - | - | (669) | (669) |
| Unclaimed dividends forfeited | - | - | - | 1 | - | - | - | - | 1 | 1 | 2 |
| Issue of shares | - | 3 | - | - | - | - | - | - | 3 | - | 3 |
| Employee share option schemes | - | - | 1 | - | - | - | - | - | 1 | - | 1 |
| Scrip issued in lieu of dividends | 1 | (1) | - | 152 | - | - | - | - | 152 | - | 152 |
| Repurchase of shares | (3) | (8) | - | (569) | - | - | - | - | (580) | - | (580) |
| Acquisition of the remaining interest in Jardine Strategic | - | - | - | - | - | - | - | (941) | (941) | (4,627) | (5,568) |
| Subsidiaries disposed of | - | - | - | - | - | - | - | - | - | (5) | (5) |
| Change in interests in subsidiaries | - | - | - | 282 | - | - | - | - | 282 | (581) | (299) |
| Change in interests in associates and joint ventures | - | - | - | 73 | - | - | - | - | 73 | (2) | 71 |
| Transfer | - | 6 | (7) | 29 | (1) | - | (27) | - | - | - | - |
| At 31st December | 179 | - | 25 | 34,926 | 2,242 | (18) | (1,350) | (6,223) | 29,781 | 28,587 | 58,368 |

On 8th March 2021, the Company announced a plan to simplify the Group's parent company structure, including the acquisition for cash of the 15% of Jardine Strategic Holdings Limited's ('Jardine Strategic') issued share capital that the Company and its wholly-owned subsidiaries did not already own (the 'Acquisition'). The Acquisition was implemented by way of an amalgamation of Jardine Strategic and a wholly-owned subsidiary of the Company, under the Companies Act 1981 of Bermuda. The total Acquisition value was approximately US$5.6 billion. The Acquisition was financed by the issuance of a total of US$1.2 billion bonds on 9th April 2021, new revolving credit facilities and existing cash resources.

The Acquisition was completed on 14th April 2021, following shareholders' approval at Jardine Strategic's special general meeting on 12th April 2021. The Acquisition value and the related transaction costs resulted in a reduction of the Group's total equity in 2021.

At the Company's annual general meeting on 5th May 2022, shareholders approved the cancellation of the 59% shareholding in the Company held directly and indirectly by the above amalgamated subsidiary by way of a reduction of capital in the Company. The capital reduction, which was effective on 18th May 2022, constituted the final stage in the Group's simplification of its parent company structure.

**Jardine Matheson Holdings Limited**
**Consolidated Cash Flow Statement**
**for the year ended 31st December 2022**

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| **Operating activities** | | |
| Cash generated from operations | **5,287** | 5,383 |
| Interest received | **177** | 194 |
| Interest and other financing charges paid | **(564)** | (573) |
| Tax paid | **(1,006)** | (728) |
| | **3,894** | 4,276 |
| Dividends from associates and joint ventures | **931** | 800 |
| Cash flows from operating activities | **4,825** | 5,076 |
| **Investing activities** | | |
| Purchase of subsidiaries | **(19)** | (24) |
| Purchase of associates and joint ventures *(note 9(a))* | **(658)** | (194) |
| Purchase of other investments *(note 9(b))* | **(645)** | (467) |
| Purchase of intangible assets | **(154)** | (158) |
| Purchase of tangible assets | **(1,014)** | (620) |
| Additions to right-of-use assets | **(53)** | (25) |
| Additions to investment properties | **(123)** | (118) |
| Additions to bearer plants | **(39)** | (32) |
| Advances to and repayments to associates and joint ventures *(note 9(c))* | **(802)** | (1,100) |
| Advances from and repayments from associates and joint ventures *(note 9(d))* | **416** | 850 |
| Sale of subsidiaries *(note 9(e))* | **-** | 1,510 |
| Sale of associates and joint ventures | **30** | 60 |
| Sale of other investments *(note 9(f))* | **228** | 398 |
| Sale of intangible assets | **3** | - |
| Sale of tangible assets *(note 9 (g))* | **230** | 135 |
| Sale of right-of-use assets | **7** | 13 |
| Sale of investment properties | **-** | 3 |
| Cash flows from investing activities | **(2,593)** | 231 |
| **Financing activities** | | |
| Issue of shares | **1** | 3 |
| Capital contribution from non-controlling interests | **4** | - |
| Acquisition of the remaining interest in Jardine Strategic | **(21)** | (5,490) |
| Change in interests in other subsidiaries *(note 9(h))* | **(708)** | (299) |
| Purchase of own shares | **(173)** | (584) |
| Purchase of shares for a share-based incentive plan in a subsidiary | **(20)** | - |
| Drawdown of borrowings | **9,047** | 12,572 |
| Repayment of borrowings | **(9,113)** | (11,467) |
| Principal elements of lease payments | **(875)** | (894) |
| Dividends paid by the Company | **(423)** | (353) |
| Dividends paid to non-controlling interests | **(994)** | (669) |
| Cash flows from financing activities | **(3,275)** | (7,181) |
| Net decrease in cash and cash equivalents | **(1,043)** | (1,874) |
| Cash and cash equivalents at 1st January | **7,278** | 9,153 |
| Effect of exchange rate changes | **(356)** | (1) |
| Cash and cash equivalents at 31st December | **5,879** | 7,278 |

**Jardine Matheson Holdings Limited**
**Analysis of Profit Contribution**
**for the year ended 31st December 2022**

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| **Reportable segments** | | |
| Jardine Pacific | **182** | 175 |
| Jardine Motors | **299** | 318 |
| Hongkong Land | **405** | 474 |
| DFI Retail | **22** | 82 |
| Mandarin Oriental | **6** | (48) |
| Jardine Cycle & Carriage | **135** | 119 |
| Astra | **691** | 474 |
| | **1,740** | 1,594 |
| Corporate and other interests | **(156)** | (81) |
| Underlying profit attributable to shareholders* | **1,584** | 1,513 |
| Decrease in fair value of investment properties | **(604)** | (681) |
| Sale of Zung Fu China# | **(28)** | 791 |
| Sale of Zung Fu properties in Hong Kong | **-** | 337 |
| Other non-trading items | **(598)** | (79) |
| Profit attributable to shareholders | **354** | 1,881 |
| **Analysis of Jardine Pacific's contribution** | | |
| Jardine Schindler | **36** | 32 |
| JEC | **53** | 49 |
| Gammon | **39** | 39 |
| Jardine Restaurants | **19** | 27 |
| Transport Services | **23** | 31 |
| Zung Fu Hong Kong# | **12** | 4 |
| Corporate and other interests | **-** | (7) |
| | **182** | 175 |
| **Analysis of Jardine Motors' contribution** | | |
| Hong Kong# and Chinese mainland | **263** | 285 |
| United Kingdom | **35** | 38 |
| Corporate | **1** | (5) |
| | **299** | 318 |

* Underlying profit attributable to shareholders is the measure of profit adopted by the Group in accordance with IFRS 8 'Operating Segments'.

\# The operations under Jardine Motors were restructured in 2021. The motor trading business in the Chinese mainland ('Zung Fu China') was sold to the Group's associate, Zhongsheng, in October 2021 *(note 9(e))*. Subsequent to the sale, the motor trading business in Hong Kong and Macau are managed by Jardine Pacific. Accordingly, the results of these operations are presented under Jardine Pacific from October 2021. Operations in the United Kingdom and Zhongsheng remain unchanged with results presented under Jardine Motors.

**Jardine Matheson Holdings Limited**
**Notes**

1. Accounting Policies and Basis of Preparation

The financial information contained in this announcement has been based on the audited results for the year ended 31st December 2022 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

The Group has adopted the following amendments for the annual reporting period commencing 1st January 2022.

Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract (effective from 1st January 2022)

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The Group applied the amendment from 1st January 2022 and there was no material impact on the Group's consolidated financial statements.

There are no other amendments which are effective in 2022 and relevant to the Group's operations, that have a significant impact on the Group's results, financial position and accounting policies.

The Group has not early adopted any standard, interpretation or amendments that have been issued but not yet effective.

2. Revenue

| | Gross revenue | | Revenue | |
|---|---|---|---|---|
| | **2022 US$m** | 2021 US$m | **2022 US$m** | 2021 US$m |
| *By business:* | | | | |
| Jardine Pacific | **6,601** | 5,665 | **2,079** | 1,533 |
| Jardine Motors | **28,882** | 31,568 | **2,044** | 4,988 |
| Hongkong Land | **5,684** | 6,845 | **2,244** | 2,384 |
| DFI Retail | **27,597** | 27,684 | **9,174** | 9,015 |
| Mandarin Oriental | **834** | 510 | **454** | 317 |
| Jardine Cycle & Carriage | **8,243** | 6,434 | **1,589** | 1,403 |
| Astra | **37,173** | 30,909 | **20,205** | 16,285 |
| Intersegment transactions | **(256)** | (245) | **(65)** | (63) |
| | **114,758** | 109,370 | **37,724** | 35,862 |

Gross revenue comprises revenue together with 100% of revenue from associates and joint ventures.

3. Net Operating Costs

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| Cost of sales | **(27,538)** | (26,755) |
| Other operating income | **493** | 1,940 |
| Selling and distribution costs | **(4,017)** | (4,024) |
| Administration expenses | **(2,296)** | (2,283) |
| Other operating expenses | **(603)** | (298) |
| | **(33,961)** | (31,420) |

In relation to the COVID-19 pandemic, the Group received government grants and rent concessions of US$31 million *(2021: US$58 million)* and US$17 million *(2021: US$49 million)*, respectively, for the year ended 31st December 2022. These subsidies were accounted for as other operating income.

| Net operating costs included the following gains/(losses) from non-trading items: | | |
|---|---|---|
| Change in fair value of other investments | **(390)** | (103) |
| Impairment of assets | **(14)** | (5) |
| Sale of Zung Fu China *(note 9(e))* | **(20)** | 899 |
| Sale and closure of other businesses | **5** | - |
| Sale of a hotel property | **41** | - |
| Sale of Zung Fu properties in Hong Kong | **-** | 336 |
| Sale of other property interests | **31** | 25 |
| Restructuring of businesses | **(7)** | (31) |
| Other | **(9)** | (7) |
| | **(363)** | 1,114 |

4. Share of Results of Associates and Joint Ventures

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| *By business:* | | |
| Jardine Pacific | **12** | 118 |
| Jardine Motors | **263** | 206 |
| Hongkong Land | **193** | 434 |
| DFI Retail | **(212)** | (41) |
| Mandarin Oriental | **10** | (22) |
| Jardine Cycle & Carriage | **45** | 139 |
| Astra | **531** | 452 |
| Corporate and other interests | **(24)** | (17) |
| | **818** | 1,269 |
| Share of results of associates and joint ventures included the following gains/(losses) from non-trading items: | | |
| Change in fair value of investment properties | **(3)** | 81 |
| Change in fair value of other investments | **(9)** | 12 |
| Impairment of assets | | |
| - investment in Robinsons Retail | **(171)** | - |
| - investment in Siam City Cement | **(114)** | - |
| - other | **(117)** | (14) |
| | **(402)** | (14) |
| Sale and closure of businesses | **-** | 3 |
| Other | **-** | 9 |
| | **(414)** | 91 |

Results are shown after tax and non-controlling interests in the associates and joint ventures.

In relation to the COVID-19 pandemic, included in share of results of associates and joint ventures were the Group's share of the government grants and rent concessions of US$24 million *(2021: US$18 million)* and US$14 million *(2021: US$19 million),* respectively, for the year ended 31st December 2022.

5. Tax

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| Tax charged to profit and loss is analysed as follows: | | |
| Current tax | **(1,022)** | (974) |
| Deferred tax | **62** | 23 |
| | **(960)** | (951) |
| China | **(139)** | (355) |
| Southeast Asia | **(793)** | (560) |
| United Kingdom | **(6)** | (12) |
| Rest of the world | **(22)** | (24) |
| | **(960)** | (951) |
| Tax relating to components of other comprehensive income is analysed as follows: | | |
| Remeasurements of defined benefit plans | **(7)** | (9) |
| Cash flow hedges | **(11)** | (21) |
| | **(18)** | (30) |

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates.

Share of tax charge of associates and joint ventures of US$490 million *(2021: US$456 million)* is included in share of results of associates and joint ventures. Share of tax charge of US$30 million *(2021: US$11 million)* is included in other comprehensive income of associates and joint ventures.

6. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US$354 million *(2021: US$1,881 million)* and on the weighted average number of 289 million *(2021: 313 million)* shares in issue during the year.

Diluted earnings per share are calculated on profit attributable to shareholders of US$354 million *(2021: US$1,881 million)*, which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of subsidiaries, associates or joint ventures, and on the weighted average number of 289 million *(2021: 313 million)* shares in issue during the year.

The weighted average number of shares is arrived at as follows:

| | Ordinary shares in millions | |
|---|---|---|
| | **2022** | 2021 |
| Weighted average number of shares in issue | **467** | 721 |
| Company's share of shares held by subsidiaries | **(178)** | (408) |
| Weighted average number of shares for basic earnings per share calculation | **289** | 313 |
| Adjustment for shares deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes | **-** | - |
| Weighted average number of shares for diluted earnings per share calculation | **289** | 313 |

Additional basic and diluted earnings per share are also calculated based on underlying profit attributable to shareholders. A reconciliation of earnings is set out below:

| | **2022** | | | 2021 | | |
|---|---|---|---|---|---|---|
| | **US$m** | Basic earnings per share **US$** | Diluted earnings per share **US$** | US$m | Basic earnings per share US$ | Diluted earnings per share US$ |
| Profit attributable to shareholders | **354** | **1.22** | **1.22** | 1,881 | 6.01 | 6.01 |
| Non-trading items *(note 7)* | **1,230** | | | (368) | | |
| Underlying profit attributable to shareholders | **1,584** | **5.49** | **5.49** | 1,513 | 4.83 | 4.83 |

7. Non-trading Items

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties and equity investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets, associates and joint ventures and other investments; provisions for the closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| *By business:* | | |
| Jardine Pacific | **(305)** | 382 |
| Jardine Motors | **(30)** | 789 |
| Hongkong Land | **(335)** | (663) |
| DFI Retail | **(112)** | (4) |
| Mandarin Oriental | **(46)** | (58) |
| Jardine Cycle & Carriage | **(234)** | (85) |
| Astra | **(37)** | (1) |
| Corporate and other interests | **(131)** | 8 |
| | **(1,230)** | 368 |
| An analysis of non-trading items after interest, tax and non-controlling interests is set out below: | | |
| Change in fair value of investment properties | | |
| - Hongkong Land | **(335)** | (664) |
| - other | **(269)** | (17) |
| | **(604)** | (681) |
| Change in fair value of other investments | **(309)** | (62) |
| Impairment of assets | | |
| - investment in Robinsons Retail | **(133)** | - |
| - investment in Siam City Cement | **(87)** | - |
| - other | **(125)** | (12) |
| | **(345)** | (12) |
| Sale of Zung Fu China *(note 9(e))* | **(28)** | 791 |
| Sale and closure of other businesses | **4** | 2 |
| Sale of a hotel property | **37** | - |
| Sale of Zung Fu properties in Hong Kong | **-** | 337 |
| Sale of other property interests | **23** | 18 |
| Restructuring of businesses | **(5)** | (23) |
| Other | **(3)** | (2) |
| | **(1,230)** | 368 |

8. Dividends

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| Final dividend in respect of 2021 of US¢156.00 *(2020: US¢128.00)* per share | **1,114** | 921 |
| Interim dividend in respect of 2022 of US¢55.00 *(2021: US¢44.00)* per share | **159** | 318 |
| | **1,273** | 1,239 |
| Company's share of dividends paid on the shares held by subsidiaries | **(666)** | (734) |
| | **607** | 505 |

A final dividend in respect of 2022 of US¢160.00 *(2021: US¢156.00)* per share amounting to a total of US$464 million *(2021: US$1,114 million)* is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the 2023 Annual General Meeting and will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2023. Final dividend in respect of 2021 of US$448 million, after netting US$666 million paid to the shares held by the Company's subsidiaries, was charged to reserves in the year ended 31st December 2022.

9. Notes to Consolidated Cash Flow Statement

(a) Purchase of associates and joint ventures in 2022 mainly included US$213 million for Hongkong Land's investments in the Chinese mainland; US$34 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation; US$260 million, US$44 million and US$41 million for Astra's investments in PT Bank Jasa Jakarta, toll road concession business and PT Mobilitas Digital Indonesia, respectively.

Purchase in 2021 mainly included US$115 million for Hongkong Land's investments in the Chinese mainland, US$9 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation and US$66 million for Astra's investments in toll road concession business.

(b) Purchase of other investments for 2022 mainly included acquisition of securities of US$327 million, investments in healthcare services of US$99 million, an online consumer credit platform of US$31 million and a technology-based logistics startup of US$14 million in Astra; and investment in limited partnership investments funds for US$151 million in Corporate.

Purchase in 2021 included US$375 million for acquisition of securities in Astra and US$69 million for investment in limited partnership investment funds in Corporate.

(c) Advances to and repayments to associates and joint ventures in 2022 and 2021 mainly included Hongkong Land's advances to its property joint ventures.

(d) Advances from and repayments from associates and joint ventures in 2022 and 2021 mainly included advances from and repayments from Hongkong Land's property joint ventures.

9. Notes to Consolidated Cash Flow Statement (continued)

(e) Sale of subsidiaries

| | 2021 US$m |
|---|---|
| Non-current assets | 605 |
| Current assets | 423 |
| Non-current liabilities | (86) |
| Current liabilities | (250) |
| Non-controlling interests | (5) |
| Net assets | 687 |
| Cumulative exchange translation difference | (25) |
| Profit on disposal | 1,266 |
| Deferred gain on sale and leaseback of properties | 126 |
| Sales proceeds | 2,054 |
| Adjustment for carrying value of an associate | (428) |
| Cash and cash equivalents of subsidiaries disposed of | (116) |
| Net cash inflow | 1,510 |

Net cash inflow for sale of subsidiaries in in 2021 included US$738 million from Jardine Pacific's sale of property holding subsidiaries which hold the Zung Fu Hong Kong properties in Hung Hom and Chai Wan with sale and leaseback arrangements, and US$754 million (net of tax of US$115 million) from Jardine Motors' sale of Zung Fu China to the Group's associate, Zhongsheng, for a total consideration of US$1.3 billion, comprised US$886 million in cash and US$428 million worth of new shares in Zhongsheng, increasing the Group's shareholding in Zhongsheng to 20.9% at 31st December 2021.

(f) Sale of other investments in 2022 mainly included Astra's sale of securities. Sale in 2021 comprised sale of securities of US$246 million and US$152 million in Astra and Corporate, respectively.

(g) Sale of tangible assets in 2022 included US$131 million for Mandarin Oriental's sale of a hotel property.

9. Notes to Consolidated Cash Flow Statement (continued)

(h) Change in interests in subsidiaries

| | **2022 US$m** | 2021 US$m |
|---|---|---|
| Increase in attributable interests | | |
| - Hongkong Land | **(352)** | (192) |
| - Jardine Cycle & Carriage | **(130)** | - |
| - Mandarin Oriental | **(1)** | - |
| - other | **(225)** | (107) |
| | **(708)** | (299) |

Increase in attributable interests in other subsidiaries in 2022 included US$214 million for repurchase of shares in Astra's subsidiary, United Tractors, which consequentially increased Astra's interest from 59.5% to 61.1%.

Increase in 2021 included US$18 million and US$19 million for Jardine Cycle & Carriage's additional 30% and 25% interests in Cycle & Carriage Bintang and Republic Auto, respectively, and US$70 million for Astra's acquisition of the remaining 33% interest in PT Astra Modern Land.

10. Capital Commitments and Contingent Liabilities

Total capital commitments at 31st December 2022 amounted to US$2,500 million *(2021: US$2,864 million).*

Following the acquisition of the 15 per cent of Jardine Strategic not previously owned by the Company and its wholly-owned subsidiaries, which was effected on 14th April 2021, a number of former Jardine Strategic shareholders are seeking an appraisal of the fair value of their shares in Jardine Strategic by the Bermuda court, relying upon the process referred to in the shareholder circular issued in connection with the acquisition. These shareholders claim the consideration of US$33 per share that Jardine Strategic considered to be fair value for its shares, and that all shareholders have already received, did not represent fair value. Although the proceedings were commenced in April 2021, they are still at an early stage and it is anticipated that the court appraisal process will not be concluded for at least a further 12 months. The Board believes that the US$33 per share that was paid represented fair value to Jardine Strategic minority shareholders and is of the opinion that no provision is required in relation to these claims.

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the financial statements.

11. Related Party Transactions

In the normal course of business the Group undertakes a variety of transactions with certain of its associates and joint ventures.

The most significant of such transactions relate to the purchases of motor vehicles and spare parts from its associates and joint ventures in Indonesia including PT Toyota-Astra Motor, PT Astra Honda Motor and PT Astra Daihatsu Motor. Total cost of motor vehicles and spare parts purchased in 2022 amounted to US$6,142 million *(2021: US$4,970 million)*. The Group also sells motor vehicles and spare parts to its associates and joint ventures in Indonesia including PT Astra Honda Motor, PT Astra Daihatsu Motor and PT Tunas Ridean. Total revenue from sale of motor vehicles and spare parts in 2022 amounted to US$763 million *(2021: US$604 million)*.

There were no other related party transactions that might be considered to have a material effect on the financial position or performance of the Group that were entered into or changed during the year.

Amounts of outstanding balances with associates and joint ventures are included in debtors and creditors, as appropriate.

12. Post Balance Sheet Event

The Group has entered into an agreement to sell its entire interest in the automotive dealership business in the United Kingdom. Completion is expected to take place in the first quarter of 2023. The gain on disposal will be recognised as a non-trading item in the 2023 financial statements.

The Group, through a subsidiary of Astra, also entered into a conditional agreement with third parties to acquire 90% of PT Stargate Pasific Resources, a company engaged in the business of nickel mining, and 90% of PT Stargate Mineral Asia, a company engaged in processing of nickel, for a total of approximately US$272 million in December 2022. Completion of the acquisition is subject to the fulfillment of the conditions set out in the agreement.

- more -

**Jardine Matheson Holdings Limited**
**Principal Risks and Uncertainties**

The Board has overall responsibility for risk management and internal control. The process by which the Group identifies and manages risk will be set out in more detail in the Corporate Governance section of the Company's 2022 Annual Report (the 'Report'). Set out below are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure Guidance and Transparency Rules, as well as a summary of the steps taken to mitigate those risks.

These risks are in addition to matters referred to in the Chairman's Statement, Group Managing Director's Review and other parts of the Report.

**Political and economic risk**
*Description*
Changes and uncertainties in the political landscape pose risks for business activity and sentiment in the territories where the Group operates and, consequently, for the current investments and future growth of the Group's businesses.

Most of the Group's businesses are exposed to the risk of adverse developments in global and regional economies and financial markets, either directly, or through the impact such developments might have on the Group's joint venture partners, associates, franchisors, bankers, suppliers or customers. These developments could include recession, inflation, deflation, currency fluctuations, restrictions in the availability of credit, business failures, or increases in financing costs, oil prices or the cost of raw materials.

*Mitigation*
- Maintaining the Group's financial strength and funding sources under scenarios of economic downturn and other stresses.
- Monitoring the volatile macroeconomic environment and considering economic factors in strategic and financial planning processes.
- Making agile adjustments to existing business plans and exploring new business streams and new markets.
- Reviewing pricing strategies and keeping conservative assumptions on global commodity prices.
- Insurance programme covering business interruption due to civil unrest.

**Customers' changing behaviours and market competition**
*Description*
The Group's businesses operate in sectors and regions which are highly competitive and evolving rapidly. Failure to compete effectively, whether in terms of price, product, distribution, service or application of new technologies, can hurt margins, earnings or market share.

Sustainability considerations has increasingly resulted in customers switching to other companies, brands or providers that provide sustainable products or services.

*Mitigation*
- Utilising market intelligence and deploying digital strategies for business-to-consumer businesses.
- Establishing customer relationship management and digital commerce capabilities.
- Diversifying the customer base and reducing dependency on any key customers.
- Re-engineer existing business processes to take advantage of new technological capabilities.
- Invest in and partner with companies that can provide the Group access to different capabilities and technologies.

**Investment, partnerships and franchise rights**
*Description*
Conflicts with joint venture partners or other strategic partners may arise due to (i) different corporate cultures, management styles and risk appetite; (ii) disagreement over business priorities, strategy, and allocation of capital / resources; and (iii) conflicts of interests.

The Group's retail and motor businesses rely on their franchises on relationships with principals, whereby non-compliance with the agreement or a strained relationship with principals might result in principals terminating, not renewing or renegotiating the franchise agreement.

*Mitigation*
- Conducting sufficient research, due diligence and evaluation of investment opportunities and potential business partners.
- In-house Legal reviewing shareholder agreements to ensure adequate rights and protections are in place.
- Developing clear frameworks and levels of authority for investment or partnership decisions.
- Established Group Investment and Business Development Committee to review significant investments.
- Maintaining close relationships with senior management of business partners.
- Requesting and influencing joint ventures and associates to operate in a proper manner and in compliance with policies and procedures.
- Strengthening existing relationships with principals through sustaining strong market shares, achieving high customer retention and complying with dealer standards and principal's policies.

**IT, facilities and cybersecurity**
The Group's businesses are ever more reliant on technology in their operations and face increasing cyber-attacks from groups targeting both individuals and businesses. As a result, the privacy and security of customer and corporate information are at risk of being compromised through a breach of our IT systems or the unauthorised or inadvertent release of information, resulting in brand damage, impaired customer trust, loss of competitiveness or regulatory action.

Cyber-attacks stemming from inadequate cybersecurity or lack of employee cybersecurity awareness may also adversely affect the function of important equipment and facilities and our ability to manage daily business operations, resulting in business interruption, reputational damage, regulatory penalties, lost revenues, repair or other costs.

*Mitigation*
- Engaging external consultants to perform assessments on the business units with industry benchmarks.
- Defining cybersecurity programme and centralised function to provide oversight, promote cybersecurity hygiene, strengthen cybersecurity defences and manage cybersecurity incidents.
- Performing regular vulnerability assessment and penetration testing to identify weaknesses.
- Maintaining and testing disaster recovery plans and backup for data restoration.
- Arranging regular security awareness training at least annually and phishing testing to raise users' cybersecurity awareness.
- Conducting regular internal audits of IT general controls and cybersecurity.

**Concentration risk**
*Description*
Certain locations in Asia contribute a significant portion of the Group's underlying profit and are where many of its key functions and senior management are based. Adverse conditions such as social upheaval, erosion of the rule of law or travel restrictions could reduce a location's competitiveness and impact the Group's businesses concentrated operations in that jurisdiction.

*Mitigation*
The diverse nature of the Group's businesses mitigates concentration risk at a portfolio level. Ongoing strategic initiatives include:
- Exploring diversification of businesses through organic growth, selective acquisitions and establishing support services beyond locations where the Group typically operates.
- Maintaining financial strength under challenging scenarios.
- Further strengthening the Group's brands to sustain competitiveness and resilience.
- Supporting governments with constructive input and activities.

**Talent and labour**
*Description*
The competitiveness of the Group's businesses depends on the quality of the people that it attracts and retains. The unavailability of needed human resources may impact the ability of the Group's businesses to operate at capacity, implement initiatives and pursue opportunities.

Recent and future workforce rationalisation in some businesses may raise the potential for organisational gaps in capabilities, succession and controls.

- more -

*Mitigation*

- Supporting workforce practices that promote well-being and flexible work arrangements that are competitive with the market.
- Ensuring proactive manpower planning and succession planning are in place.
- Enhancing modern employer branding, training for staff members, compensation and benefits, including retention incentives.
- Establishing employee assistance and counselling programmes.
- Enhancing talent development plans to increase employees' visibility on future career paths, including identifying strategic talent pools.
- Delivering new learning academy programmes to equip staff with finance, procurement, human resources, digital, IT and innovation technical capabilities for business transformation.

**Environmental and climate risk**

*Description*

Environmental disasters such as earthquakes, floods and typhoons can damage the Group’s assets and disrupt operations. The Group is also facing higher insurance premiums or reduced coverage for such natural disasters.

Some of the Group’s businesses operate in areas which are sensitive from a biodiversity point of view have the potential to impact the local environment and to be negatively perceived by stakeholders.

*Mitigation*

- Sustainability Leadership Council established to mobilise and coordinate sustainability efforts across the Group.
- A Climate Action Working Group, with representatives from all business units, drives Group-wide initiatives which strengthen collaboration and share knowledge.
- Each business is building a net zero carbon pathway and climate change plan to build climate resilience.
- Conducting climate risk assessments and adaptation action plans based on recommendations of TCFD, including implementing measures to address physical risks posed by climate change and identifying opportunities in global transition to a low carbon economy.
- Company has issued Just Energy Transition commitments to scale up investment in renewable energy and related innovations, diversify into non-coal mineral mining, and make no investments in new thermal or metallurgical coal mines or new thermal coal-fired power plants.

**Third-party service provider and supply chain management**

*Description*

Supply chain disruption caused by key suppliers or service providers, or failure to deliver by contractors / subcontractors could cause significant operational disruption, lack of inventory supply, financial loss and reputational damage to the businesses.

The Group's operations may be materially affected if third parties on which we depend are compromised by cyber-attacks. With increased reliance on third-party ecosystems, the Group has greater exposure to third-party risk if there is insufficient vetting, oversight or visibility over third parties and their subcontractors, particularly on information security, resilience, regulatory compliance, and their ongoing capability.

*Mitigation*

- Ensuring protective terms and conditions in third-party service agreements, including vendors being contractually required to bear higher liability for failures to deliver or if they are responsible for a cyber incident at a Group business.
- Having robust evaluation and selection procedures for vendors and third-party service providers, including an information security assessment where appropriate.
- Engaging suppliers only if they agree to comply with a supplier code of conduct where businesses require.
- Maintaining a minimum safety stock for key / high risk ingredients at all times.
- Sourcing back-up suppliers, warehouses or other alternative plans.
- Maintaining strong relationships with suppliers that are designated by principals.
- Maintaining supplier insurance to cover logistics interruption.
- Ensuring early negotiation of new contracts for key service providers.
- Diversifying the product range to reduce the impact of disruptions to single products.
- Including third-party disruption scenarios as part of business continuity planning.

**Change management, cultural agility and strategic initiatives**

*Description*

Challenges include managing change, fostering an agile and entrepreneurial culture that supports innovation and exploring, and ensuring skilful project management of strategic initiatives.

Dependence on legacy systems and processes may also undermine change initiatives due to inability to support new tools and efficiency improvements.

Inadequate change management, cultural agility or strategic initiatives could lead to erosion of competitive position and reputation, loss of valued employees, project delays, failure to deliver results on invested resources, and lost opportunities for cross-business synergies.

*Mitigation*

- Senior management maintain support and regular communication across the organisation on strategic direction and cultural values.
- Oversight of material strategic initiatives by Steering Committees or Board.
- Encouraging innovation, including cross-organisation sharing of ideas, incentives and championing of change initiatives.
- Encouraging cross-departmental input and involvement on projects.
- Appointing experienced personnel to manage projects and change, including external consultants where needed.
- Exploring potentially disruptive business models by partnering with start-ups or allowing business units autonomy to create new ventures.

**Health, safety and product quality**

*Description*

Several of the Group's businesses engage in construction, production or other physical activities that may lead to serious injury or fatal incidents if work conditions are unsafe or workers do not take due care to observe safety procedures.

The safety and quality of food products, elevators, vehicles and other items delivered by the Group's businesses are fundamental to their reputation with customers. Any actual or perceived deficiency in product safety or quality may damage consumer confidence and the brand's reputation, leading to financial loss.

*Mitigation*

- Establishing and maintaining safe working environments and regular safety training for all employees and subcontractors.
- Establishing contractual requirements for contractors to comply with high expected levels of safety standards.
- Incorporating site safety plans in tenders and contracts.
- Conducting occupational health and safety awareness campaigns.
- Disseminating safety materials such as signage, guard rails and pictorial representations of safe work procedures accessed via mobile phones.
- Purchasing sufficient insurance coverage including employee compensation and motorbike insurance for delivery riders.
- Establishing product quality and safety standards, guidelines.
- Reporting and including quality and food safety as KPIs.
- Establishing and maintaining proper supplier selection processes.
- Implementing comprehensive quality control measures in all retail stores.

- Ensuring suppliers follow the Group's guidelines, principals' requirements and local regulations.
- Conducting regular audits on suppliers, manufacturers, warehouse services providers and own facilities.
- Conducting periodic drills and crisis management procedures for safety incidents, including media handling.
- Obtaining adequate product liability insurance.

**Compliance with and changes to laws and regulations**

*Description*

The Group's businesses are subject to several regulatory regimes in the territories they operate in. New or changing laws and regulations in a wide range of areas such as foreign ownership of assets and businesses, exchange controls, building and environmental standards, competition, tax, employment and data privacy could potentially impact the operations and profitability of the Group's businesses.

Non-compliance may lead to reputational damage from media exposure and financial loss due to litigation or penalties by government authorities.

*Mitigation*

- Engagement of legal experts at early stage to assess implications of new rules.
- Staying connected and informed of relevant new and draft regulations.
- Annual update on new regulations.
- Lobbying of relevant bodies.
- Undertake early scenario planning assessing the implications of new rules and preparing contingencies.

**Pandemic**

*Description*

COVID-19 has demonstrated the wide-ranging and long-lasting impacts and disruptions for businesses, communities and employees that may result from the spread of a pandemic.

Significant disruptions and uncertainties would likely result from global or regional pandemics if they raise the prospect of lockdowns, restrictions on cross-border mobility, interruptions to supply chains, and dampened consumer sentiment while vaccines are unavailable.

*Mitigation*

- Increasing flexibility and resilience of work arrangements, including tools that enable all employees to work remotely.
- Testing business continuity plans periodically for various scenarios including loss of premises, systems, people and extended periods of split teams.
- Increasing resilience of supply chain with sourcing alternative suppliers for key inputs and close coordination with logistics partners.

**Customer exposures and claims on customers**

*Description*

If not carefully managed, receivables from customers could be impaired and lead to financial loss. Customers may also present financial exposures for businesses that provide product warranties or insurance as part of their offering.

For construction projects, claims on customers are substantial parts of the contract sum. Failure to agree claims with customers due to disputes on terms such as delivery of contractual scope or cost estimates may impair profitability and cash flow of the projects.

*Mitigation*

- Setting credit limits based on comprehensive and regular evaluation of customers' creditworthiness.
- Monitoring the ageing of accounts receivable.
- Implementing receivables collection to maximise recoverability.
- Reviewing and ensuring terms and conditions of contracts are acceptable, including payment terms, during tender stage.
- Maintaining sufficient provision for doubtful debts, based on prudent assessment of recoverability of receivables.
- Allocating sufficient allowances for contingencies for each project.
- Considering sanctions lists when assessing potential customers.

**Financial strength and funding**

*Description*

The Group's activities expose it to a variety of risks to its financial strength and funding, including market risk, credit risk and liquidity risk.

The market risk the Group faces includes i) foreign exchange risk from future commercial transactions, net investments in foreign operations and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency; ii) interest rate risk through the impact of rate changes on interest bearing liabilities and assets; and iii) securities price risk as a result of its equity investments and limited partnership investment funds which are measured at fair value through profit and loss, and debt investments which are measured at fair value through other comprehensive income.

The Group's credit risk is primarily attributable to deposits with banks, contractual cash flows of debt investments carried at amortised cost and those measured at fair value through other comprehensive income, credit exposures to customers and derivative financial instruments with a positive fair value.

The Group may face liquidity risk if its credit rating deteriorates or if it is unable to meet its financing commitments.

Several of the Group's businesses and projects may have concessions, franchises or other contracts which contain financial requirements as part of their obligations which, if breached, may lead to termination or renegotiation.

*Mitigation*

- Setting clear policies and limits on market, credit and liquidity risks, including in relation to foreign exchange exposure, interest rate risks, cash management and prohibition on derivatives not used in hedging.
- Regular internal audits of compliance with treasury policies.
- Adopting appropriate credit guidelines to manage counterparty risk.
- When economically feasible, taking borrowings in local currency to hedge foreign exchange exposures on investments.
- Fixing a portion of borrowings in fixed rates.
- Maintaining adequate headroom in committed facilities to facilitate the Group's capacity to pursue new investment opportunities and to provide some protection against market uncertainties.
- Keeping an appropriate funding balance between equity and debt from banks and capital markets, both short and long term in tenor, to give flexibility to develop the business.
- Maintaining sufficient cash and marketable securities, and availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.
- The Group's Treasury operations are managed as cost centres and are not permitted to undertake speculative transactions unrelated to underlying financial exposures.

The detailed steps taken by the Group to manage its exposure to financial risk are set out in the Financial Review and in a note to the financial statements in the Report.

**Governance and misconduct**

*Description*

Ethical breaches, management override of controls, employee fraud and misconduct, or other deficiencies in governance and three lines of internal controls may result in financial loss and reputational damage for the Group.

Inadequate capability and diversity in management or the Board may also lead to sub-optimal deliberations and decisions.

The Group holds minority stakes in various companies. Lack of control or significant influence over these companies may lead to losses on the Group's investment if the companies are mismanaged.

*Mitigation*

- Established Groupwide mandatory Code of Conduct and training that applies to all Group businesses and new joiners.
- Maintaining a robust Corporate Governance Framework which includes whistle-blowing channels.
- Compliance departments of individual businesses reviewing internal controls.
- Maintaining functionally independent internal audit function that reports to the Group Audit Committee on risk management, the control environment and significant non-compliance matters.
- Maintaining Professional Indemnity, Crime and General Liability insurance policies with adequate coverage.

**Monitoring of Risk Management and Internal Control Systems**

The effectiveness of the Company's risk management and internal control systems is monitored by the internal audit function, which reports functionally to the Audit Committee of the Company, and by a series of audit committees or risk management and compliance committees that operate in each significant business unit across the Group. The internal audit function also monitors the approach taken by the business units to managing risk. The findings of the internal audit function and recommendations for any corrective action required are reported to the relevant audit committee and, if appropriate, to the Company's Audit Committee.

## Responsibility Statement

The Directors of the Company confirm to the best of their knowledge that:

(a) the consolidated financial statements prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit and losses of the Group; and

(b) the Chairman's Statement, Group Managing Director's Review, Financial Review and the Principal Risks and Uncertainties of the Company's 2022 Annual Report, which constitute the management report required by the Disclosure Guidance and Transparency Rule 4.1.8, include a fair review of all information required to be disclosed under Rules 4.1.8 to 4.1.11 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority of the United Kingdom.

For and on behalf of the Board

John Witt
Graham Baker

*Directors*

## Dividend Information for Shareholders

The final dividend of US$1.60 per share will be payable on 10th May 2023, subject to approval at the Annual General Meeting to be held on 4th May 2023, to shareholders on the register of members at the close of business on 17th March 2023. The shares will be quoted ex-dividend on 16th March 2023 and the share registers will be closed from 20th to 24th March 2023, inclusive. The dividend will be available in cash with a scrip alternative.

Shareholders will receive their cash dividends in United States Dollars, except when elections are made for alternate currencies in the following circumstances.

**Shareholders on the Jersey branch register**
Shareholders registered on the Jersey branch register will have the option to elect for their dividends to be paid in Sterling. These shareholders may make new currency elections for the 2022 final dividend by notifying the United Kingdom transfer agent in writing by 21st April 2023. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 26th April 2023.

Shareholders holding their shares through CREST in the United Kingdom will receive their cash dividends in Sterling only as calculated above.

**Shareholders on the Singapore branch register who hold their shares through The Central Depository (Pte) Limited ('CDP')**
Shareholders who are on CDP's Direct Crediting Service ('DCS')
For those shareholders who are on CDP's DCS, they will receive their cash dividends in Singapore Dollars unless they opt out of CDP Currency Conversion Service, through CDP, to receive United States Dollars.

Shareholders who are **not on** CDP's DCS
For those shareholders who are not on CDP's DCS, they will receive their cash dividends in United States Dollars unless they elect, through CDP, to receive Singapore Dollars.

Shareholders on the Singapore branch register who wish to deposit their shares into the CDP system by the dividend record date, being 17th March 2023, must submit the relevant documents to M & C Services Private Limited, the Singapore branch registrar, by no later than 5.00 p.m. (local time) on 16th March 2023.

## The Jardine Matheson Group

Jardine Matheson is a diversified Asian-based group founded in China in 1832, with unsurpassed experience in the region. It has a broad portfolio of market-leading businesses, which represent a combination of cash generating activities and long-term property assets which are closely aligned to the increasingly prosperous consumers of the region. The Group's businesses aim to produce sustainable returns by providing their customers with high quality products and services. The Group is committed to driving long-term sustainable success in our businesses and our communities.

Jardine Matheson operates principally in China and Southeast Asia, where its subsidiaries and affiliates benefit from the support of the Group's extensive knowledge of the region and its long-standing relationships. These companies are active in the fields of motor vehicles and related operations, property investment and development, food retailing, health and beauty, home furnishings, engineering and construction, transport services, restaurants, luxury hotels, financial services, heavy equipment, mining and agribusiness.

Jardine Matheson holds interests in Jardine Pacific (100%), Jardine Motors (100%), Hongkong Land (52.9%), DFI Retail Group (77.5%), Mandarin Oriental (79.5%) and Jardine Cycle & Carriage (76.6%) ('JC&C'). JC&C in turn has a 50.1% shareholding in Astra.

Jardine Matheson Holdings Limited is incorporated in Bermuda and has a primary listing in the standard segment of the London Stock Exchange, with secondary listings in Bermuda and Singapore. Jardine Matheson Limited operates from Hong Kong and provides management services to Group companies.

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For further information, please contact:

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2022 can be accessed via the Jardines corporate website, www.jardines.com.