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

Announcement

www.jardines.com

To: Business Editor

28th July 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
Results for the Six Months ended 30th June 2023

STRONG PERFORMANCE AS BUSINESS CONTINUES POST-PANDEMIC RECOVERY

Highlights

- Underlying profit of US$823 million, 10% above 2022 and ahead of pre-COVID levels in 2019
- Underlying earnings per share of US$2.84, up 9% against first half of 2022
- Strong performance in Southeast Asia, led by Astra, and recovery continues in North Asia
- DFI Retail ('**DFI**') and Mandarin Oriental half-year results significantly improve from prior year; Zhongsheng contribution down
- Interim dividend of US$0.60, up 9%

"The Group delivered a strong overall performance in the first half of 2023, as the business continued its post-pandemic recovery, with overall results exceeding pre-COVID levels seen in 2019. Astra continued to deliver very good performance and DFI and Mandarin Oriental saw strong recoveries. We are encouraged by the results from most of our businesses in the first half and are optimistic that earnings growth will continue in the remainder of the year.

The Group has a strong balance sheet and will continue to focus on opportunities in its core, growing markets in Asia, to create sustainable long-term growth."

Ben Keswick, *Executive Chairman*

Results

	(unaudited) Six months ended 30th June 2023 US$m	2022 US$m	Change %
Gross revenue including 100% of associates and joint ventures	**54,782**	55,994	-2
Revenue	**18,307**	18,277	-
Underlying profit* attributable to shareholders	**823**	747	+10
Profit attributable to shareholders	**566**	423	+34
Shareholders' funds#	**28,982**	28,826	+1
	US$	US$	%
Underlying earnings per share*	**2.84**	2.60	+9
Earnings per share	**1.95**	1.47	+33
Net asset value per share#	**100.01**	99.47	+1
	US¢	US¢	%
Interim dividend per share	**60**	55	+9

* 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 7 to the condensed financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

\# At 30th June 2023 and 31st December 2022, respectively. Net asset value per share is based on the book value of shareholders' funds.

The interim dividend of US¢60 per share will be payable on 11th October 2023 to shareholders on the register of members at the close of business on 18th August 2023 and will be available in cash with a scrip alternative.

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Issued by: Jardine Matheson Limited
48th Floor Jardine House, Central, Hong Kong

Incorporated in Bermuda with limited liability

CHAIRMAN'S STATEMENT

Overview

The Group's underlying net profit for the first half of 2023 was US$823 million, 10% above the same period last year and ahead of pre-COVID levels in 2019. There were improved performances from most of the Group's businesses in the first half of 2023, compared with the same period last year.

There was a continued very good performance from Astra, whose diversified portfolio enabled it to benefit from the strong overall economic recovery in the Indonesian market.

The results of DFI and Mandarin Oriental significantly improved from the prior year. Hongkong Land's performance, however, was flat compared with the same period last year, as its residential Development Properties business continued to be impacted by a lower planned number of sales completions.

The profit contribution from the Group's interest in Zhongsheng was significantly lower than in the prior year, as the business was impacted by lacklustre consumer demand in the mainstream car market, and the strong performance of the electric vehicle market, on the Chinese mainland.

The Group continues to benefit from its diversified exposure to the key growth markets of Asia. The strong performance of the Group's businesses in Southeast Asia in the first half of 2023 led to 58% of earnings coming from that region and 37% from China (including Hong Kong). The Group's businesses in Hong Kong made good progress following the reopening of borders in early 2023, and there were encouraging performances by Hongkong Land's retail portfolio, DFI's health & beauty and convenience businesses and Maxim's, as visitor numbers began to recover and consumer spending improved.

Underlying earnings per share increased by 9% to US$2.84.

The Group recorded a net non-trading loss in the first half of US$257 million, compared with a net non-trading loss of US$324 million in the first half of 2022. This was mainly a result of a net fair value loss of US$482 million upon the revaluation of investment properties during the period, which was offset by the increase of US$54 million in the fair value of the Group's other investments. The Group recorded a profit attributable to shareholders for the period of US$566 million, compared with US$423 million in the first half of 2022.

Dividend

The Board has announced an interim dividend of US¢60 per share, an increase of 9% over the prior year.

Significant Developments

The Group continued to advance its strategic objectives in the first half of the year.

Evolving the Group Portfolio

The Group remains focussed on evolving its portfolio by deploying and, where appropriate, recycling capital towards strategic higher growth initiatives. 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.

A good example of this is Astra's agreement to acquire a 90% interest in the nickel mining and processing businesses, PT Stargate Pasific Resources and PT Stargate Mineral Asia, as part of its strategy of diversifying into other minerals and renewable energy.

In June 2023, United Tractors' subsidiary, PT Danusa Tambang Nusantara, signed a share subscription agreement to acquire, for approximately US$630 million, a 19.9% stake in Nickel Industries Limited, a leading ASX-listed nickel mining and processing company with assets in Indonesia. This transaction further reflects United Tractors' focus on deploying capital into, and securing future earnings from, non-coal businesses.

During the period, Jardine Cycle & Carriage ('**JC&C**') increased its interest in Refrigeration Electrical Engineering Corporation ('**REE**') from 33.6% to 34.4%, through on-market purchases.

The Group also continued to simplify its portfolio, by divesting a number of businesses which were no longer aligned to its strategic objectives.

The sale of the Group's United Kingdom motors business was completed in March 2023 for proceeds of US$402 million. Also in March 2023, DFI completed the sale of its Malaysian Grocery Retail business, including the Giant brand. DFI will also divest several associated properties in Malaysia, with the sale expected to be completed in the second half of the year.

During the period, Cycle & Carriage Singapore benefitted from the proceeds realised from a sale and leaseback of its Singapore properties.

Driving Innovation and Operational Excellence

The Group continues to focus on delivering operational excellence in our existing and new businesses. There was strong progress in the period in driving greater efficiency and productivity in many of the Group's businesses, including DFI, Jardine Engineering Corporation ('**JEC'**), Gammon, Jardine Restaurant Group, Zung Fu and Hong Kong Air Cargo Terminals Limited ('**HACTL**'), with a positive impact on results.

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HACTL has, for example, introduced robotics into some of its goods handling operations and automation more generally in areas such as automated parts sourcing and fleet monitoring systems. DFI's transformation programme continued to deliver real improvements in operating metrics across its banners. The Group has also seen successful early transitions in Jardine Pacific into its new Global Business Services operation in Foshan, which will bring the business closer to driving improvements in its core back-office data, processes and systems.

The increased efficiencies which are being delivered across our businesses enhance their agility and adaptability and help them address the challenges they face in order to deliver future growth.

As well as driving operational excellence, a key strategic priority is innovation. In this context, Astra continued progress, with its partner WeLab, towards the planned launch of a digital bank, following the acquisition of PT Bank Jasa Jakarta. The digital bank will provide a wide range of online financial services to the under-banked market in Indonesia. In July 2023, Astra complemented and expanded its used car business by acquiring a 99.98% stake in Tokobagus, a leading Indonesian online classified advertisement platform operating under the OLX brand, connecting people to buy and sell goods (including cars). In June 2023, JC&C announced a used car and aftersales partnership with Carro, a leading online auto platform.

We have continued to embed innovation across our businesses, underscored by annual events such as Digital Day and LearnFest, where innovation-related themes are central to the agenda.

Enhancing Leadership and Entrepreneurialism

Jardines continues its work to build our diverse and inclusive culture where everyone can succeed. The Group's Diversity & Inclusion ('**D&I**') Strategy consists of two parts. The first is a 5-year target for D&I, with an initial focus on gender representation. In addition, each Group business has set its own targets to improve D&I in the workplace. The second focuses on five key enablers to drive behavioural and systemic changes. In the first half of 2023, D&I targets were introduced and included in senior leaders' KPIs and factored into their annual performance reviews.

The Group has a clear D&I ambition underpinned by a range of initiatives to drive awareness and understanding, including the introduction of D&I education programmes on inclusive leadership skills for the Group's senior leaders and managers. D&I learning programmes are also now included in the Group's new joiner onboarding programme.

At Jardines, building a Group that attracts, develops and retains exceptional leaders is a key priority and is critical to achieving our strategic ambitions. In May 2023, we announced chief executive leadership transitions in two of our Group companies: DFI and Mandarin Oriental.

At DFI, Scott Price will succeed Ian McLeod as Group Chief Executive with effect from 1st August 2023. Scott is an experienced senior business executive with 25 years' international experience, most of which were spent in Asia, spanning the retail, logistics and consumer packaged goods sectors. Scott was most recently President, International at UPS. Prior to that he spent a number of years in senior positions at Walmart, including as CEO, Asia. We thank Ian for his six years as Group Chief Executive, leading a comprehensive business transformation to strengthen customer and product propositions, systems and processes and supply chain, in order to provide the group with a clear foundation upon which to build future growth.

At Mandarin Oriental, Laurent Kleitman will succeed James Riley as Group Chief Executive with effect from 1st September 2023. Laurent joins the Group from LVMH, where he was President and CEO of Parfums Christian Dior, and brings many years' experience in building iconic consumer brands across the beauty and broader FMCG sectors. We thank James for his 30 years' valued service to the Jardine Matheson Group and especially want to highlight his significant contribution as Group Chief Executive of Mandarin Oriental over the past seven years. James has been instrumental in continuing to expand Mandarin Oriental's development pipeline, elevating the Mandarin Oriental brand globally and driving a wide range of effective sustainability initiatives across the group.

We continue to increase our efforts to support colleagues across our businesses in developing according to their potential and ambitions. This means providing more personalised mentoring and career development, engaging actively to support individual learning and mobility opportunities, recognising and rewarding performance, and continuing to promote a work environment that is diverse and inclusive. The Group also continues to support the growth of the next generation of leaders within our businesses by offering a variety of development programmes.

Progressing Sustainability

Sustainability is a key driver of the Group's strategy, decisions and relationships and underpins our continuing focus on making the Group stronger for the future. The Group continued to progress its sustainability agenda during the period, with a particular focus on increasing the visibility of the extensive range of activities taking place across our businesses.

We published our second Group Sustainability Report at the end of May 2023. The Report highlighted the strong progress across the three pillars of the Group's sustainability strategy in 2022. Under the pillar of *Leading Climate Action*, there was a particular focus on setting decarbonisation targets. Hongkong Land and Gammon have both obtained approval from the Science Based Targets initiative ('**SBTi**') for their 1.5°C-aligned 2030 targets, and other Group companies are following suit: Gammon and HACTL have submitted commitment letters to SBTi, while DFI has committed to 1.5°C-aligned scope 1 and 2 targets for 2030 and 2050.

Our businesses are developing decarbonisation pathways for their operational (Scope 1 and 2) greenhouse gas emissions. We recognise the importance of Scope 3 (value chain) emissions and are working towards understanding and reducing them in due course.

The Group demonstrated its commitment to addressing climate change and promoting decarbonisation by publishing a statement in June 2022 clarifying its 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 coal mines or new thermal coal-fired power plants.

In *Driving Responsible Consumption,* the Group has focussed during the period on reducing waste by strengthening waste management and exploring circular solutions to transform waste into valuable resources. The Group is also aiming to adopt industry-leading practices for biodiversity management and building up expertise to understand our dependencies and impacts on biodiversity.

In relation to the third pillar of our sustainability strategy, *Shaping Social Inclusion*, the Group has a particular focus on promoting education and health initiatives. It continues to provide opportunities to access quality education, including training for our colleagues and providing financial support for students from less affluent backgrounds to access higher education. The Group also advocates for greater awareness of mental health and invests significantly in mental health support. The Group is also investing to achieve positive changes to livelihoods and building stronger communities.

The Group-wide colleague volunteering programme, which aims to facilitate participation by colleagues across the Group in a range of social inclusion and other activities, continues to gather momentum.

People

The Company appointed Janine Feng as an Independent Non-Executive Director in May 2023, supporting our aim of enhancing our approach to governance and our ambition to increase the breadth and diversity of experience and backgrounds on the Company's board. Janine has also been appointed as an independent member of the Board's Audit Committee.

Janine brings valuable expertise and experience both as an independent non-executive director and as a seasoned executive with many years' experience at Carlyle, focussed on Asian buyout opportunities in the financial services, consumer products and healthcare sectors.

Michael Wu was also appointed as an independent member of the Audit Committee in March 2023, in place of Adam Keswick, who stood down with effect from the same date. With these changes, the Board considers that the Audit Committee now comprises only Independent Non-Executive Directors.

Outlook

We are encouraged by the results delivered by most of our businesses in the first half and are optimistic that earnings growth will continue in the remainder of the year.

The Group has a strong balance sheet and will continue to focus on opportunities in its core, growing markets in Asia, to create sustainable long-term growth.

Ben Keswick

Executive Chairman

OPERATING REVIEW

The performance of the Group's businesses is described below, in descending order of contribution to the Group's underlying profit for the first half of the year.

Astra

Astra reported consolidated net revenue in the first half of 2023 of US$10.8 billion, 13% higher than in the first half of 2022. The group's net income, excluding fair value adjustments, was US$1,154 million, 20% higher than in the first half of 2022. This earnings growth reflects improved performances from most of the group's business divisions, especially its automotive, financial services and heavy equipment and mining businesses. Including these fair value adjustments, the group's net income decreased to US$1,163 million, a 4% reduction compared to the same period last year.

Net income from Astra's automotive division increased by 33% to US$379 million, reflecting higher sales volumes.

The wholesale car market increased by 7% in the first half, and Astra's car sales were 7% higher, with its market share marginally up at 55%. The wholesale market for motorcycles grew strongly by 43%, and Astra Honda's motorcycle sales increased by 56% compared with the same period last year, when the business was impacted by production constraints caused by semiconductor supply issues. As a result, its market share in the first half also increased from 77% to 80%. Astra Otoparts reported an 85% increase in net income, mainly due to higher revenues from the original equipment manufacturer segment.

Net income from the group's financial services division increased by 32% to US$255 million, due to higher contributions from the consumer and heavy equipment finance businesses. Consumer finance businesses saw a 27% increase in new amounts financed, while the net income contribution from the group's car-focussed finance companies increased by 36%, due to larger loan portfolios and lower loan loss provisions. The contribution from the motorcycle-focussed financing business increased by 30%, also due to a larger loan portfolio and lower loan loss provisions. Heavy equipment-focussed finance operations saw new amounts financed stable. The net income contribution from this business was 112% higher, mainly due to the growth of the total loan portfolio. General insurance company, Asuransi Astra Buana, reported a 9% increase in net income, as it benefitted from higher underwriting income, while investment income, which continues to be the major contributor to net income, was stable.

The Heavy Equipment, Mining, Construction and Energy division saw net income increase by 11% to US$459 million, largely as a result of higher contributions from its heavy equipment and mining contracting businesses.

United Tractors reported an 8% increase in net income to US$747 million. Komatsu heavy equipment sales increased by 9% and there were also higher revenues from the parts and service businesses. Mining contracting operations reported a 20% increase in overburden removal volume and 18% higher coal production. United Tractors' coal mining subsidiaries recorded an 11% increase in coal sales. Agincourt Resources saw 24% lower gold sales.

Net income from Agribusiness decreased by 55% to US$ 20 million, mainly due to lower crude palm oil selling prices. The group's Infrastructure and Logistics division reported a 42% increase in net income, largely as a result of improved performance in its toll road businesses. Astra now has interests in 396km of operational toll roads along the Trans-Java network and the Jakarta Outer Ring Road.

Hongkong Land

Hongkong Land's underlying net profit for the first six months of 2023 was US$422 million, compared to US$425 million in the equivalent period in 2022. There was a loss attributable to shareholders of US$333 million, after accounting for a net non-cash loss of US$755 million arising mainly from the revaluation of investment properties. This compares with a profit attributable to shareholders of US$292 million in the first half of 2022, which included a net revaluation loss of US$133 million. The group's financial position remains robust, with a strong balance sheet and liquidity.

On the Chinese mainland, the profit contribution from sales completions in the Development Properties business was significantly lower compared to the first half of 2022, due to a substantially fewer planned sales completions.

The pace of recovery in the Chinese residential market was mixed in the first half of 2023, with sales performance varying between cities and individual developments. The group's focus on premium residential products in a select number of top-tier cities has resulted in a better sales performance than the general market, but the weak economic outlook in China weighed on consumer sentiment despite the introduction of policy support measures.

The group's attributable interest in contracted sales was US$745 million in the period, compared to US$419 million and US$881 million in the first and second halves of 2022, respectively. At 30th June 2023, the group had US$2,274 million in sold but unrecognised contracted sales, compared with US$2,087 million at the end of 2022.

During the period, the group completed the acquisition of equity stakes in two existing projects in Nanjing and Wuhan from joint-venture partners. These were acquired in both cases for consideration below development cost, resulting in immediate net fair-value pre-tax accounting gains. The projects are mixed-use in nature, with residential and commercial components.

In Singapore, where the group recognises profits principally on the percentage of completion basis, the profit contribution in the period was broadly unchanged compared to the same period in 2022. Market conditions remained healthy. The group's attributable interest in contracted sales was US$487 million in the first half of 2023, compared to US$270 million and US$345 million in the first and second halves of 2022, respectively.

In the rest of Southeast Asia, total contributions were lower, due to the timing of planned sales completions.

The group's investment properties business in Hong Kong remained resilient and delivered a solid performance amidst challenging market conditions due to uncertainty in the global financial markets. Physical and committed vacancy was 6.9% and 6.2% at the end of June 2023, an increase from 4.9% and 4.7% at the end of 2022, although significantly lower than the average vacancy in the Central market. Negative rental reversions resulted in average office rents decreasing in the first half of 2023.

The group's LANDMARK retail portfolio delivered an improved performance during the first half of 2023, following several challenging years for the retail market in Hong Kong. An increase in tenant sales and the removal of temporary rent relief led to an increase in average retail rents. The LANDMARK retail portfolio remains fully occupied.

Contributions from the group's CENTRAL series luxury retail malls in Beijing and Macau increased, due to higher average rents as tenant sales experienced a strong recovery in the first half.

Hongkong Land's office portfolio in Singapore continued to benefit from healthy leasing momentum, and vacancy on a committed basis remained low.

Since Hongkong Land announced its US$1 billion share buyback programme in September 2021, US$599 million has been invested.

Jardine Motor interests

In prior years, the Group recognised its 21% share of Zhongsheng's results based on publicly available information with six months in arrears as Zhongsheng's interim and annual results have historically been reported after the Group's results announcements. Recognising the growing importance of Zhongsheng to the Group's performance, from 2023, we recognise our share of Zhongsheng's results on a contemporaneous (calendar year) basis using an estimate of Zhongsheng's current period results based on an average of recently published external analyst estimates. It is considered that this change will provide the users of the financial statements with a more meaningful insight into the current year underlying performance of the Group.

The Group's underlying contribution from Zhongsheng for the period was US$89 million. The Group's 'catch up' share of Zhongsheng's results for 1st July 2022 to 31st December 2022 has been presented as a non-trading item in the first half of 2023. In addition, the US$150 million underlying contribution recognised in the first half of 2022 reflected performance for the six months from July to December 2021.

In March, the Group sold its United Kingdom motors business, Jardine Motors Group ('**JMG'**), for proceeds of US$402 million. The Group stopped consolidating JMG's results from February 2023.

Jardine Pacific

Jardine Pacific reported a 10% lower underlying net profit of US$64 million in the first half, compared with an underlying net profit of US$71 million in the equivalent period in 2022. The lower underlying net profit was primarily due to the absence of government support and subsidies received in the same period last year. Excluding government support and subsidies, most businesses performed better year-on-year, although a number of businesses were impacted by labour challenges in the period.

Jardine Pacific operates within three main business segments: engineering, consumer businesses and transport services.

Within the group's engineering businesses, JEC saw satisfactory performance despite pressure on sales. There were improvements in a number of the engineering units in Hong Kong and Thailand, but the business in Singapore remains challenging. Jardine Schindler had an encouraging first half. Although the New Installation market remains very competitive, a stronger Existing Installation performance drove improved results. Gammon delivered good profit growth, driven by effective cost control and higher financing income, partially offset by lower project contributions (due to timing). Gammon's order book remains strong and operational improvement projects are continuing.

Within Jardine Pacific's consumer businesses, Jardine Restaurants Group reported a net loss for the period, due to softer sales in its Hong Kong operations, reflecting changing consumer behaviours post-pandemic. The Taiwan and Vietnam businesses also faced headwinds.

The Zung Fu business in Hong Kong and Macau delivered an improved performance, with a higher number of car deliveries and aftersales service jobs.

Within the group's transport services division, HACTL saw weaker performance due to a reduction in cargo volume handled, as the overall air cargo market contracted and competition increased as passenger flights returned. Jardine Aviation Services reported a lower loss following the recovery in air travel, with more flights handled as well as improved pricing from contract renewals.

The disposal of the Group's shareholding in Greatview, announced in January, is expected to be completed in the coming months.

Jardine Cycle & Carriage

JC&C reported an underlying profit of US$583 million in the first half of 2023, 12% higher than the same period in 2022, mainly due to higher contributions from Astra and its Direct Motor Interests. Excluding the Astra contribution of US$543 million, the business reported an underlying profit for the period of US$40 million, 31% lower than the first half of 2022.

THACO contributed a US$15 million profit, 72% lower than the same period last year, mainly due to lower automotive profits.

There was a 22% higher contribution of US$35 million from the group's Direct Motor Interests, primarily due to an improved performance by Cycle & Carriage Bintang in Malaysia and Tunas Ridean in Indonesia.

Among JC&C's other interests, the contribution from Siam City Cement was 41% lower than in the same period last year at US$9 million. REE's contribution of US$11 million, based on its first-quarter results, was 16% higher than the previous year, with an increasing focus on its investments in renewable energy sources, including solar and hydropower. REE's higher profit contribution was mainly due to higher earnings from its water treatment and distribution businesses. During the period, JC&C increased its interest in REE from 33.6% to 34.4%, through on-market purchases.

JC&C's investment in Vinamilk produced a dividend income of US$9 million, in line with the same period last year. Vinamilk reported an 8% decrease in net profit, mainly due to higher raw material and marketing costs.

DFI Retail Group

DFI's underlying profit improved significantly in the first half compared to the same period last year. Within the group's subsidiaries, higher profits in the Health & Beauty and Convenience divisions were partially offset by lower profit from the Grocery Retail division. Underlying profits from associates also improved significantly, through a combination of better profit performance from Maxim's and reduced losses from Yonghui.

The group reported an underlying profit of US$33 million in the first half, an improvement of US$85 million relative to a loss of US$52 million in the same period last year.

Revenue from the group's Grocery Retail division in the first half was behind the prior year. In North Asia, sales in the prior year were supported by pantry-stocking behaviour during the fifth wave of COVID in Hong Kong. Southeast Asia Grocery Retail revenue was also lower, impacted by the sale of the Malaysian Grocery Retail business in early March 2023 and ongoing cautious customer sentiment driven by rising cost of living pressures. As a result of lower sales performance, overall Grocery Retail profit in the first half was behind the comparable period last year.

The group's Convenience division reported like-for-like sales growth in the first half relative to the prior year, driven by strong foot traffic recovery and effective execution of new product development and promotional activity. In particular, 7-Eleven Singapore reported double-digit like-for-like sales growth in the first half relative to the prior year. Like-for-like sales growth in South China accelerated in the second quarter relative to the first quarter. Underlying profitability for the division improved significantly relative to the prior year.

The Health & Beauty division reported strong double-digit like-for-like sales growth in the first half, compared to prior year. Mannings Hong Kong, in particular, saw very strong sales growth, which accelerated in the second quarter. The strong sales recovery has been underpinned by effective in-store execution and continued market share gains. Guardian also reported strong underlying sales growth, particularly in Malaysia and Indonesia. While still below pre-pandemic levels, underlying profit more than doubled in the first half relative to prior year, supported by a recovery in customer traffic, gross margin expansion and effective in-store execution despite pressure from labour shortages.

The sales performance of the Home Furnishings division in the first half was slightly behind the prior year, impacted by reduced demand for furniture, with border reopening likely driving short-term discretionary spending toward leisure activities. Despite challenges concerning sales performance, underlying profit in the first half was largely in line with the prior year, primarily due to strong cost control. In May 2023, IKEA Taiwan opened a major fulfilment centre to support the e-commerce and fulfilment capability.

Maxim's, the group's 50%-owned associate, reported double-digit sales growth and a turnaround in profit relative to the prior year, when it faced severe challenges in the first half from COVID-related dining restrictions in Hong Kong and on the Chinese mainland.

The group's share of Yonghui losses reduced relative to the prior year. This was primarily driven by improved profit in the first quarter, underpinned by improvement in gross margins and cost optimisation. Robinsons Retail continued to report strong underlying sales and profit growth. Its reported profit, however, was impacted by increased financing costs and reduced income from associates.

Following the completion in March 2023 of the sale of the group's Malaysian Grocery Retail business, the group also aims to complete the sale of several associated properties in Malaysia in the second half of the year.

Mandarin Oriental

Mandarin Oriental reported an underlying profit of US$28 million for the first half of the year, compared to a loss of US$21 million incurred in the equivalent period in 2022. Underlying profit was more than double 2019.

The group's combined Revenue per Available Room ('**RevPAR**') was well ahead of both 2022 and 2019 and strong rates were achieved in many locations, with resorts performing particularly well. Occupancy also strengthened significantly across all regions compared to the first half of 2022.

Particular strength was seen in Europe and the Middle East, where almost all of the group's hotels achieved record rates and strong occupancies, with RevPAR well above both 2022 and 2019 levels. In America, hotels also delivered higher RevPAR than in prior years, driven by improved occupancy.

In Asia, performance from the Chinese mainland hotels improved significantly from 2022, and approached 2019 levels, due to the relaxation of travel restrictions. Hong Kong continued its recovery after the relaxation of travel restrictions in early 2023. Mandarin Oriental, Hong Kong saw higher numbers of both international and Chinese mainland visitors, leading to robust improvements in both room rates and occupancy from 2022 levels.

The combined total revenue of hotels under management in the first half of 2023 was US$882 million, representing a 30% increase compared to the same period last year, and 38% higher than 2019.

The group continues to have a strong pipeline of future openings, with four new hotels and a standalone residences project announced in the first half.

Financial Position

The balance sheet and liquidity of the Group remain strong.

Shareholders' funds were US$29.0 billion at 30th June 2023, compared with US$28.8 billion at 31st December 2022.

Consolidated net debt excluding financial services companies was US$6.9 billion at 30th June 2023, representing gearing of 12%, compared with 13% at 31st December 2022.

The Group had liquidity of US$12.7 billion as at 30th June 2023, consisting of US$5.5 billion in cash reserves and US$7.2 billion in unused, committed debt facilities.

Jardine Matheson Holdings Limited
Consolidated Profit and Loss Account

	(unaudited) Six months ended 30th June						Year ended 31st December		
	2023			2022			2022		
	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	Underlying business performance US$m	Non-trading items US$m	Total US$m
Revenue *(note 2)*	**18,307**	**-**	**18,307**	18,277	-	18,277	37,724	-	37,724
Net operating costs *(note 3)*	**(16,155)**	**135**	**(16,020)**	(16,310)	(35)	(16,345)	(33,598)	(363)	(33,961)
Change in fair value of investment properties	**-**	**(852)**	**(852)**	-	(113)	(113)	-	(930)	(930)
Operating profit	**2,152**	**(717)**	**1,435**	1,967	(148)	1,819	4,126	(1,293)	2,833
Net financing charges									
- financing charges	**(349)**	**-**	**(349)**	(294)	-	(294)	(625)	-	(625)
- financing income	**126**	**-**	**126**	87	-	87	197	-	197
	(223)	**-**	**(223)**	(207)	-	(207)	(428)	-	(428)
Share of results of associates and joint ventures *(note 4)*									
- before change in fair value of investment properties	**647**	**112**	**759**	610	(106)	504	1,232	(411)	821
- change in fair value of investment properties	**-**	**(9)**	**(9)**	-	(21)	(21)	-	(3)	(3)
	647	**103**	**750**	610	(127)	483	1,232	(414)	818
Profit before tax	**2,576**	**(614)**	**1,962**	2,370	(275)	2,095	4,930	(1,707)	3,223
Tax *(note 5)*	**(456)**	**(5)**	**(461)**	(445)	6	(439)	(964)	4	(960)
Profit after tax	**2,120**	**(619)**	**1,501**	1,925	(269)	1,656	3,966	(1,703)	2,263
Attributable to:									
Shareholders of the Company *(notes 6 & 7)*	**823**	**(257)**	**566**	747	(324)	423	1,584	(1,230)	354
Non-controlling interests	**1,297**	**(362)**	**935**	1,178	55	1,233	2,382	(473)	1,909
	2,120	**(619)**	**1,501**	1,925	(269)	1,656	3,966	(1,703)	2,263
	US$		**US$**	US$		US$	US$		US$
Earnings per share *(note 6)*									
- basic	**2.84**		**1.95**	2.60		1.47	5.49		1.22
- diluted	**2.84**		**1.95**	2.60		1.47	5.49		1.22

Jardine Matheson Holdings Limited
Consolidated Statement of Comprehensive Income

	(unaudited) Six months ended 30th June **2023** **US$m**	2022 US$m	Year ended 31st December 2022 US$m
Profit for the period	**1,501**	1,656	2,263
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Net exchange translation gain/(loss) arising during the year	**239**	(435)	(761)
Remeasurements of defined benefit plans	**-**	1	37
Net revaluation surplus on right-of-use assets before transfer to investment properties	**-**	-	39
Tax on items that will not be reclassified	**-**	-	(7)
	239	(434)	(692)
Share of other comprehensive expense of associates and joint ventures	**(22)**	(279)	(467)
	217	(713)	(1,159)
Items that may be reclassified subsequently to profit or loss:			
Net exchange translation differences			
- net gain/(loss) arising during the period	**51**	(360)	(526)
- transfer to profit and loss	**113**	-	4
	164	(360)	(522)
Revaluation of other investments at fair value through other comprehensive income			
- net gain/(loss) arising during the period	**1**	(12)	(20)
- transfer to profit and loss	**-**	(2)	(2)
	1	(14)	(22)
Cash flow hedges			
- net (loss)/gain arising during the period	**(34)**	55	92
- transfer to profit and loss	**(7)**	(5)	(7)
	(41)	50	85
Tax relating to items that may be reclassified	**3**	(11)	(11)
Share of other comprehensive expense of associates and joint ventures	**(130)**	(370)	(487)
	(3)	(705)	(957)
Other comprehensive income/(expense) for the period, net of tax	**214**	(1,418)	(2,116)
Total comprehensive income for the period	**1,715**	238	147
Attributable to:			
Shareholders of the Company	**562**	(353)	(660)
Non-controlling interests	**1,153**	591	807
	1,715	238	147

Jardine Matheson Holdings Limited
Consolidated Balance Sheet

	(unaudited) At 30th June **2023** **US$m**	At 30th June 2022 US$m	At 31st December 2022 US$m
Assets			
Intangible assets	**2,544**	2,577	2,528
Tangible assets	**6,077**	5,905	5,853
Right-of-use assets	**3,987**	4,052	4,184
Investment properties	**30,866**	32,500	31,813
Bearer plants	**490**	484	465
Associates and joint ventures	**17,270**	17,730	17,856
Other investments	**2,973**	2,950	2,801
Non-current debtors	**3,700**	3,008	3,222
Deferred tax assets	**646**	522	575
Pension assets	**15**	24	17
Non-current assets	**68,568**	69,752	69,314
Properties for sale	**3,515**	3,515	3,311
Stocks and work in progress	**3,182**	2,957	3,513
Current debtors	**7,230**	7,163	6,873
Current investments	**56**	15	18
Current tax assets	**146**	143	156
Bank balances and other liquid funds			
- non-financial services companies	**5,128**	5,725	5,526
- financial services companies	**410**	645	372
	5,538	6,370	5,898
	19,667	20,163	19,769
Assets classified as held for sale	**139**	82	65
Current assets	**19,806**	20,245	19,834
Total assets	**88,374**	89,997	89,148

(Consolidated Balance Sheet continued on page 18)

Jardine Matheson Holdings Limited
Consolidated Balance Sheet (continued)

	(unaudited) At 30th June		At 31st December
	2023	2022	2022
	US$m	US$m	US$m
Equity			
Share capital	**73**	72	73
Share premium and capital reserves	**23**	26	26
Revenue and other reserves	**28,886**	29,130	28,727
Shareholders' funds	**28,982**	29,228	28,826
Non-controlling interests	**26,630**	27,846	27,371
Total equity	**55,612**	57,074	56,197
Liabilities			
Long-term borrowings			
- non-financial services companies	**8,988**	11,274	10,541
- financial services companies	**1,675**	1,433	1,532
	10,663	12,707	12,073
Non-current lease liabilities	**2,884**	2,842	2,951
Deferred tax liabilities	**750**	727	791
Pension liabilities	**386**	445	368
Non-current creditors	**210**	180	191
Non-current provisions	**351**	311	336
Non-current liabilities	**15,244**	17,212	16,710
Current borrowings			
- non-financial services companies	**3,073**	2,269	2,500
- financial services companies	**2,066**	1,624	1,663
	5,139	3,893	4,163
Current lease liabilities	**715**	771	772
Current tax liabilities	**508**	565	672
Current creditors	**10,953**	10,308	10,459
Current provisions	**203**	174	175
Current liabilities	**17,518**	15,711	16,241
Total liabilities	**32,762**	32,923	32,951
Total equity and liabilities	**88,374**	89,997	89,148

Jardine Matheson Holdings Limited
Consolidated Statement of Changes in Equity

	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
Six months ended 30th June 2023 (unaudited)											
At 1st January 2023	73	-	26	28,887	2,272	55	(2,487)	-	28,826	27,371	**56,197**
Total comprehensive income	-	-	-	567	-	(27)	22	-	562	1,153	**1,715**
Dividends paid by the Company *(note 8)*	-	-	-	(463)	-	-	-	-	(463)	-	**(463)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,735)	**(1,735)**
Employee share option schemes	-	-	1	-	-	-	-	-	1	1	**2**
Scrip issued in lieu of dividends	1	(1)	-	132	-	-	-	-	132	-	**132**
Repurchase of shares	(1)	-	-	(135)	-	-	-	-	(136)	-	**(136)**
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	3	**3**
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	10	**10**
Change in interests in subsidiaries	-	-	-	65	-	-	-	-	65	(170)	**(105)**
Change in interests in associates and joint ventures	-	-	-	(5)	-	-	-	-	(5)	(3)	**(8)**
Transfer	-	1	(4)	3	-	-	-	-	-	-	**-**
At 30th June 2023	**73**	**-**	**23**	**29,051**	**2,272**	**28**	**(2,465)**	**-**	**28,982**	**26,630**	**55,612**
Six months ended 30th June 2022 (unaudited)											
At 1st January 2022	179	-	25	34,926	2,242	(18)	(1,350)	(6,223)	29,781	28,587	58,368
Total comprehensive expense	-	-	-	417	-	38	(808)	-	(353)	591	238
Dividends paid by the Company *(note 8)*	-	-	-	(448)	-	-	-	-	(448)	-	(448)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(677)	(677)
Issue of shares	-	1	-	-	-	-	-	-	1	-	1
Employee share option schemes	-	-	4	-	-	-	-	-	4	1	5
Scrip issued in lieu of dividends	-	-	-	138	-	-	-	-	138	-	138
Repurchase of shares	(1)	(3)	-	(147)	-	-	-	-	(151)	-	(151)
Reduction of capital	(106)	(1)	-	(6,116)	-	-	-	6,223	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	2	2
Share purchased for a share-based incentive plan in a subsidiary	-	-	-	(15)	-	-	-	-	(15)	(5)	(20)
Change in interests in other subsidiaries	-	-	-	253	-	-	-	-	253	(611)	(358)
Change in interests in associates and joint ventures	-	-	-	18	-	-	-	-	18	(42)	(24)
Transfer	-	3	(3)	-	-	-	-	-	-	-	-
At 30th June 2022	72	-	26	29,026	2,242	20	(2,158)	-	29,228	27,846	57,074

At the Company's annual general meeting on 5th May 2022, shareholders approved the cancellation of the 59% shareholding in the Company held by its subsidiaries 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 that commenced in 2021.

(Consolidated Statement of Changes in Equity continued on page 20)

Jardine Matheson Holdings Limited
Consolidated Statement of Changes in Equity (continued)

	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
Year ended 31st December 2022											
At 1st January 2022	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	-	-	-	(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 2022	73	-	26	28,887	2,272	55	(2,487)	-	28,826	27,371	56,197

Jardine Matheson Holdings Limited
Consolidated Cash Flow Statement

	(unaudited) Six months ended 30th June **2023** **US$m**	2022 US$m	Year ended 31st December 2022 US$m
Operating activities			
Cash generated from operations	**3,189**	2,428	5,287
Interest received	**108**	75	177
Interest and other financing charges paid	**(321)**	(263)	(564)
Tax paid	**(743)**	(485)	(1,006)
	2,233	1,755	3,894
Dividends from associates and joint ventures	**513**	428	931
Cash flows from operating activities	**2,746**	2,183	4,825
Investing activities			
Purchase of subsidiaries	**(31)**	(5)	(19)
Purchase of associates and joint ventures *(note 10(a))*	**(70)**	(193)	(658)
Purchase of other investments *(note 10(b))*	**(167)**	(300)	(645)
Purchase of intangible assets	**(80)**	(68)	(154)
Purchase of tangible assets	**(827)**	(424)	(1,014)
Additions to right-of-use assets	**(5)**	(33)	(53)
Additions to investment properties	**(82)**	(56)	(123)
Additions to bearer plants	**(17)**	(18)	(39)
Advances to and repayments to associates and joint ventures *(note 10(c))*	**(148)**	(556)	(802)
Advances from and repayments from associates and joint ventures (*note 10(d))*	**778**	332	416
Sale of subsidiaries *(note 10e))*	**303**	-	-
Sale of associates and joint ventures	**11**	7	30
Sale of other investments *(note 10(f))*	**68**	145	228
Sale of intangible assets	**-**	-	3
Sale of tangible assets	**274**	29	230
Sale of right-of-use assets	**7**	-	7
Cash flows from investing activities	**14**	(1,140)	(2,593)
Financing activities			
Issue of shares	**-**	1	1
Capital contribution from non-controlling interests	**3**	2	4
Acquisition of the remaining interest in Jardine Strategic	**(3)**	(21)	(21)
Change in interests in other subsidiaries *(note 10(g))*	**(105)**	(360)	(708)
Purchase of own shares	**(136)**	(153)	(173)
Purchase of shares for a share-based incentive plan in a subsidiary	**-**	(20)	(20)
Drawdown of borrowings	**5,175**	4,248	9,047
Repayment of borrowings	**(5,660)**	(4,048)	(9,113)
Principal elements of lease payments	**(430)**	(432)	(875)
Dividends paid by the Company	**(331)**	(310)	(423)
Dividends paid to non-controlling interests	**(1,732)**	(671)	(994)
Cash flows from financing activities	**(3,219)**	(1,764)	(3,275)
Net decrease in cash and cash equivalents	**(459)**	(721)	(1,043)
Cash and cash equivalents at beginning of period	**5,879**	7,278	7,278
Effect of exchange rate changes	**108**	(199)	(356)
Cash and cash equivalents at end of period	**5,528**	6,358	5,879

Jardine Matheson Holdings Limited
Analysis of Profit Contribution

	(unaudited) Six months ended 30th June		Year ended 31st December
	2023 US$m	2022 US$m	2022 US$m
Reportable segments			
Jardine Pacific	**64**	71	182
Jardine Motor Interests	**89**	172	299
Hongkong Land	**224**	220	405
DFI Retail	**26**	(40)	22
Mandarin Oriental	**22**	(17)	6
Jardine Cycle & Carriage	**37**	67	135
Astra	**417**	349	691
	879	822	1,740
Corporate and other interests	**(56)**	(75)	(156)
Underlying profit attributable to shareholders*	**823**	747	1,584
Decrease in fair value of investment properties	**(482)**	(63)	(604)
Sale of Zung Fu China	**-**	-	(28)
Other non-trading items	**225**	(261)	(598)
Profit attributable to shareholders	**566**	423	354
Analysis of Jardine Pacific's contribution			
Jardine Schindler	**21**	17	36
JEC	**16**	16	53
Gammon	**17**	13	39
Jardine Restaurants	**(6)**	13	19
Transport Services	**10**	11	23
Zung Fu Hong Kong	**6**	3	12
Corporate and other interests	**-**	(2)	-
	64	71	182
Analysis of Jardine Motor Interests' contribution			
Zhongsheng	**89**	150	263
Jardine Motors Group United Kingdom	**1**	20	35
Corporate	**(1)**	2	1
	89	172	299

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

Jardine Matheson Holdings Limited
Notes to Condensed Financial Statements

1. Accounting Policies and Basis of Preparation

The condensed financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and on a going concern basis. The condensed financial statements have not been audited or reviewed by the Group's auditors pursuant to the UK Auditing Practices Board guidance on the review of interim financial information.

There are no changes to the accounting policies as described in the 2022 annual financial statements. A standard and a number of amendments were effective from 1st January 2023. Those relevant to the Group's operations are set out below:

<u>IFRS 17 'Insurance Contracts'</u>
(effective from 1st January 2023)

The standard covers recognition, measurement, presentation and disclosure for insurance contracts and is applicable to the Group's insurance businesses in Indonesia. Under IFRS 17, all profits are recognised in the profit and loss over the life of the contracts as insurance services are provided. Prior to the adoption of IFRS 17, for certain insurance contracts, profits were recognised in the profit and loss on initial recognition of the contracts. The different timing of profit recognition will result in an increase in liabilities upon adoption of IFRS 17. A portion of profits, previously recognised and accumulated in equity, prior to 2023, will now be recorded as liability under IFRS 17. It has been assessed that the net impact on adoption of the standard is not material to the Group's consolidated financial statements.

<u>Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</u>
(effective from 1st January 2023)

The amendment requires deferred tax to be recognised on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They typically apply to transactions such as leases of lessees and decommissioning obligations and require the recognition of additional deferred tax assets and liabilities.

<u>Amendments to IAS 12 – International Tax Reform - Pillar Two Model Rules</u>
(effective for annual reporting period commencing on or after 1st January 2023)

The amendment provides a temporary mandatory exception from deferred tax accounting in respect of Pillar Two income taxes and certain additional disclosure requirements. The Group is in the process of assessing the estimated impact of Pillar Two income taxes to its consolidated financial statements and appropriate disclosures will be made in the financial statement for the year ending 31st December 2023.

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

2. Revenue

	Jardine Pacific US$m	Jardine Motor Interests US$m	Hongkong Land US$m	DFI Retail US$m	Mandarin Oriental US$m	Jardine Cycle & Carriage US$m	Astra US$m	Intersegment transactions US$m	Group US$m
Six months ended 30th June 2023									
By product and service:									
Property	2	-	670	-	-	-	23	(4)	**691**
Motor vehicles	257	165	-	-	-	860	4,331	-	**5,613**
Retail and restaurants	423	-	-	4,574	-	-	-	-	**4,997**
Financial services	-	-	-	-	-	-	948	-	**948**
Engineering, heavy equipment, mining and construction	296	-	-	-	-	-	4,562	(22)	**4,836**
Hotels	-	-	-	-	261	-	-	(1)	**260**
Other	-	-	-	-	-	-	962	-	**962**
	978	**165**	**670**	**4,574**	**261**	**860**	**10,826**	**(27)**	**18,307**
Revenue from contracts with customers:									
Recognised at a point in time	712	165	94	4,574	78	832	9,597	(27)	**16,025**
Recognised over time	264	-	9	-	174	24	148	-	**619**
	976	165	103	4,574	252	856	9,745	(27)	**16,644**
Revenue from other sources:									
Rental income from investment properties	2	-	464	-	-	-	7	-	**473**
Revenue from financial services companies	-	-	-	-	-	-	948	-	**948**
Other	-	-	103	-	9	4	126	-	**242**
	2	-	567	-	9	4	1,081	-	**1,663**
	978	**165**	**670**	**4,574**	**261**	**860**	**10,826**	**(27)**	**18,307**
Six months ended 30th June 2022									
By product and service:									
Property	2	-	894	-	-	-	32	(4)	924
Motor vehicles	207	1,088	-	-	-	764	3,774	-	5,833
Retail and restaurants	428	-	-	4,483	-	-	-	-	4,911
Financial services	-	-	-	-	-	-	884	-	884
Engineering, heavy equipment, mining and construction	321	-	-	-	-	-	4,166	(21)	4,466
Hotels	-	-	-	-	198	-	-	-	198
Other	-	-	-	-	-	-	1,061	-	1,061
	958	1,088	894	4,483	198	764	9,917	(25)	18,277
Revenue from contracts with customers:									
Recognised at a point in time	666	1,088	235	4,483	62	714	8,810	(25)	16,033
Recognised over time	290	-	111	-	127	48	98	-	674
	956	1,088	346	4,483	189	762	8,908	(25)	16,707
Revenue from other sources:									
Rental income from investment properties	2	-	456	-	-	-	1	-	459
Revenue from financial services companies	-	-	-	-	-	-	884	-	884
Other	-	-	92	-	9	2	124	-	227
	2	-	548	-	9	2	1,009	-	1,570
	958	1,088	894	4,483	198	764	9,917	(25)	18,277

2. Revenue (continued)

Gross revenue, comprises revenue together with 100% of revenue from associates and joint ventures, is analysed as follows:

	Six months ended 30th June	
	2023	2022
	US$m	US$m
By business:		
Jardine Pacific	**3,334**	2,941
Jardine Motor Interests	**12,066**	14,702
Hongkong Land	**2,642**	2,543
DFI Retail	**13,488**	14,028
Mandarin Oriental	**440**	356
Jardine Cycle & Carriage	**3,486**	4,023
Astra	**19,467**	17,547
Intersegment transactions	**(141)**	(146)
	54,782	55,994

3. Net Operating Costs

	Six months ended 30th June	
	2023	2022
	US$m	US$m
Cost of sales	**(13,230)**	(13,407)
Other operating income	**360**	250
Selling and distribution costs	**(1,957)**	(1,984)
Administration expenses	**(1,144)**	(1,128)
Other operating expenses	**(49)**	(76)
	(16,020)	(16,345)
Net operating costs included the following gains/(losses) from non-trading items:		
Change in fair value of other investments	**55**	(30)
Impairment of assets	**-**	(6)
Sale of businesses	**(1)**	5
Sale of property interests	**82**	-
Other	**(1)**	(4)
	135	(35)

4. Share of Results of Associates and Joint Ventures

	Six months ended 30th June	
	2023	2022
	US$m	US$m
By business:		
Jardine Pacific	**55**	(54)
Jardine Motor Interests	**190**	150
Hongkong Land	**155**	143
DFI Retail	**5**	(65)
Mandarin Oriental	**1**	(1)
Jardine Cycle & Carriage	**54**	93
Astra	**301**	228
Corporate	**(11)**	(11)
	750	483
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Change in fair value of investment properties	**(9)**	(21)
Change in fair value of other investments	**12**	7
Impairment of assets	**-**	(113)
Share of Zhongsheng's results for 1st July 2022 to 31st December 2022 *(note 7)*	**101**	-
Other	**(1)**	-
	103	(127)

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

5. Tax

	Six months ended 30th June	
	2023	2022
	US$m	US$m
Tax charged to profit and loss is analysed as follows:		
Current tax	**(571)**	(485)
Deferred tax	**110**	46
	(461)	(439)
China	**(59)**	(53)
Southeast Asia	**(391)**	(370)
United Kingdom	**(1)**	(5)
Rest of the world	**(10)**	(11)
	(461)	(439)
Tax relating to components of other comprehensive income or expense is analysed as follows:		
Cash flow hedges	**3**	(11)

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

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes.

Share of tax charge of associates and joint ventures of US$140 million *(2022: US$205 million)* is included in share of results of associates and joint ventures. Share of tax charge of US$1 million *(2022: US$21 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$566 million *(2022: US$423 million)* and on the weighted average number of 290 million *(2022: 288 million)* shares in issue during the period.

Diluted earnings per share are calculated on profit attributable to shareholders of US$566 million *(2022: US$423 million),* which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of subsidiaries and on the weighted average number of 290 million *(2022: 288 million)* shares in issue during the period.

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

	Ordinary shares in millions	
	2023	2022
Weighted average number of shares in issue	**290**	644
Company's share of shares held by subsidiaries	**-**	(356)
Weighted average number of shares for basic earnings per share calculation	**290**	288
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	**290**	288

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:

	Six months ended 30th June					
	2023			2022		
	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	**566**	**1.95**	**1.95**	423	1.47	1.47
Non-trading items *(note 7)*	**257**			324		
Underlying profit attributable to shareholders	**823**	**2.84**	**2.84**	747	2.60	2.60

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 on 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.

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	Six months ended 30th June	
	2023	2022
	US$m	US$m
By business:		
Jardine Pacific	**35**	(95)
Jardine Motor Interests	**153**	(1)
Hongkong Land	**(402)**	(70)
DFI Retail	**(19)**	(4)
Mandarin Oriental	**(113)**	2
Jardine Cycle & Carriage	**45**	(125)
Astra	**5**	99
Corporate and other interests	**39**	(130)
	(257)	(324)
Change in fair value of investment properties		
- Hongkong Land	**(402)**	(70)
- other	**(80)**	7
	(482)	(63)
Change in fair value of other investments	**54**	(148)
Impairment of assets	**-**	(114)
Share of Zhongsheng's results for 1st July 2022 to 31st December 2022	**101**	-
Sale of businesses	**11**	4
Sale of property interests	**61**	-
Other	**(2)**	(3)
	(257)	(324)

7. Non-trading items (continued)

Zhongsheng's interim and annual results have historically been reported after the Group's results announcements. In previous years, the Group has recognised its 21% share of Zhongsheng's results based on publicly available reported results as at the Group' s reporting date. Hence, Zhongsheng's contribution in the Group's 2022 half-year financial statements represented its share of Zhongsheng's results for the period from 1st July 2021 to 31st December 2021. From 2023, however, the Group has determined that a better representation of Zhongsheng's current performance would be given using an estimate of its share of Zhongsheng's results on a calendar year basis, based on an average of recent external analyst estimates.

This change has been adopted prospectively from 1st January 2023 as a change in estimate such that the Group's results for the six months ended 30th June 2023 include its share of Zhongsheng's results for a twelve-month period from 1st July 2022 to 30th June 2023. The Group's share of Zhongsheng's results for the six months ended 30th June 2023 are presented as underlying profit, and the results for 1st July 2022 to 31st December 2022 have been presented as a non-trading item.

8. Dividends

	Six months ended 30th June	
	2023	2022
	US$m	US$m
Final dividend in respect of 2022 of US¢160.00 *(2021: US¢156.00)* per share	**463**	1,114
Company's share of dividends paid on the shares held by subsidiaries	**-**	(666)
	463	448

An interim dividend in respect of 2023 of US¢60.00 *(2022: US¢55.00)* per share amounting to a total of US$174 million *(2022: US$159 million)* is declared by the Board and will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2023.

9. Financial Instruments

Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 30th June 2023 and 31st December 2022 are as follows:

	Fair value of hedging instruments **US$m**	Fair value through profit and loss **US$m**	Fair value through other comprehensive income **US$m**	Financial assets at amortised costs **US$m**	Other financial liabilities **US$m**	Total carrying amount **US$m**	Fair value **US$m**
30th June 2023							
Financial assets measured at fair value							
Other investments							
- equity investments	-	1,888	-	-	-	**1,888**	**1,888**
- debt investments	-	10	859	-	-	**869**	**869**
- limited partnership investment funds	-	272	-	-	-	**272**	**272**
Derivative financial instruments	77	-	-	-	-	**77**	**77**
	77	**2,170**	**859**	**-**	**-**	**3,106**	**3,106**
Financial assets not measured at fair value							
Debtors	-	-	-	9,142	-	**9,142**	**8,437**
Bank balances	-	-	-	5,538	-	**5,538**	**5,538**
	-	**-**	**-**	**14,680**	**-**	**14,680**	**13,975**
Financial liabilities measured at fair value							
Derivative financial instruments	(32)	-	-	-	-	**(32)**	**(32)**
Contingent consideration payable	-	(20)	-	-	-	**(20)**	**(20)**
	(32)	**(20)**	**-**	**-**	**-**	**(52)**	**(52)**
Financial liabilities not measured at fair value							
Borrowings	-	-	-	-	(15,802)	**(15,802)**	**(15,655)**
Lease liabilities	-	-	-	-	(3,599)	**(3,599)**	**(3,599)**
Trade and other payable excluding non-financial liabilities	-	-	-	-	(8,460)	**(8,460)**	**(8,460)**
	-	**-**	**-**	**-**	**(27,861)**	**(27,861)**	**(27,714)**

9. Financial Instruments (continued)

Financial instruments by category

	Fair value of hedging instruments US$m	Fair value through profit and loss US$m	Fair value through other comprehensive income US$m	Financial assets at amortised costs US$m	Other financial liabilities US$m	Total carrying amount US$m	Fair value US$m
31st December 2022							
Financial assets measured at fair value							
Other investments							
- equity investments	-	1,790	-	-	-	1,790	1,790
- debt investments	-	10	763	-	-	773	773
- limited partnership investment funds	-	256	-	-	-	256	256
Derivative financial instruments	185	-	-	-	-	185	185
	185	2,056	763	-	-	3,004	3,004
Financial assets not measured at fair value							
Debtors	-	-	-	8,463	-	8,463	8,067
Bank balances	-	-	-	5,898	-	5,898	5,898
	-	-	-	14,361	-	14,361	13,965
Financial liabilities measured at fair value							
Derivative financial instruments	(24)	-	-	-	-	(24)	(24)
Contingent consideration payable	-	(9)	-	-	-	(9)	(9)
	(24)	(9)	-	-	-	(33)	(33)
Financial liabilities not measured at fair value							
Borrowings	-	-	-	-	(16,236)	(16,236)	(15,612)
Lease liabilities	-	-	-	-	(3,723)	(3,723)	(3,723)
Trade and other payable excluding non-financial liabilities	-	-	-	-	(8,239)	(8,239)	(8,239)
	-	-	-	-	(28,198)	(28,198)	(27,574)

9. Financial Instruments (continued)

Fair value estimation

(i) Financial instruments that are measured at fair value
For financial instruments that are measured at fair value in the balance sheet, the corresponding fair value measurements are disclosed by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities ('quoted prices in active markets')
The fair values of listed securities and bonds are based on quoted prices in active markets at the balance sheet date. The quoted market price used for listed investments held by the Group is the current bid price.

(b) Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly ('observable current market transactions')
The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps and caps, cross-currency swaps and forward foreign exchange contracts are calculated by reference to market interest rates and foreign exchange rates.

The fair values of unlisted investments mainly include club and school debentures, are determined using prices quoted by brokers at the balance sheet date.

(c) Inputs for assets or liabilities that are not based on observable market data ('unobservable inputs')
The fair values of other unlisted equity investments and limited partnership investment funds are determined using valuation techniques by reference to observable current market transactions (including price-to earnings and price-to book ratios of listed securities of entities engaged in similar industries) or the market prices of the underlying investments with certain degree of entity specific estimates or discounted cash flow by projecting the cash inflows from these investments.

There were no changes in valuation techniques during the six months ended 30th June 2023 and the year ended 31st December 2022.

9. Financial Instruments (continued)

The table below analyses financial instruments carried at fair value at 30th June 2023 and 31st December 2022, by the levels in the fair value measurement hierarchy:

	Quoted prices in active markets US$m	Observable current market transactions US$m	Unobservable inputs US$m	Total US$m
30th June 2023				
Assets				
Other investments				
- equity investments	1,559	57	272	**1,888**
- debt investments	859	-	10	**869**
- limited partnership investment funds	-	-	272	**272**
	2,418	57	554	**3,029**
Derivative financial instruments at fair value				
- through other comprehensive income	-	77	-	**77**
	2,418	**134**	**554**	**3,106**
Liabilities				
Contingent consideration payable	-	-	(20)	**(20)**
Derivative financial instruments at fair value				
- through other comprehensive income	-	(31)	-	**(31)**
- through profit and loss	-	(1)	-	**(1)**
	-	**(32)**	**(20)**	**(52)**
31st December 2022				
Assets				
Other investments				
- equity investments	1,484	54	252	1,790
- debt investments	763	-	10	773
- limited partnership investment funds	-	-	256	256
	2,247	54	518	2,819
Derivative financial instruments at fair value				
- through other comprehensive income	-	185	-	185
	2,247	239	518	3,004
Liabilities				
Contingent consideration payable	-	-	(9)	(9)
Derivative financial instruments at fair value				
- through other comprehensive income	-	(20)	-	(20)
- through profit and loss	-	(4)	-	(4)
	-	(24)	(9)	(33)

There were no transfers among the three categories for the six months ended 30th June 2023. During the year ended 31st December 2022, equity investments amounted to US$233 million was transferred from ‘Unobservable inputs’ to ‘Quoted prices in active markets’.

9. Financial Instruments (continued)

Movement of unlisted equity and debt investments, and limited partnership investment funds, which are valued based on unobservable inputs during the year ended 31st December 2022 and six months ended 30th June 2023 are as follows:

	US$m
At 1st January 2022	559
Exchange differences	(28)
Additions	217
Disposals	(2)
Transfer to ‘quoted prices in active markets’	(233)
Net change in fair value during the year included in profit and loss	5
At 31st December 2022 and 1st January 2023	518
Exchange differences	10
Additions	15
Net change in fair value during the period included in profit and loss	11
At 30th June 2023	554

(ii) Financial instruments that are not measured at fair value

The fair values of current debtors, bank balances and other liquid funds, current creditors, current borrowings and current lease liabilities are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates. The fair values of non-current lease liabilities are estimated using the expected future payments discounted at market interest rates.

10. Notes to Consolidated Cash Flow Statement

(a) Purchase of associates and joint ventures for the six months ended 30th June 2023 mainly included US$26 million for Hongkong Land's investment in the Chinese mainland; US$8 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation and US$26 million for Astra's acquisition of a 25% interest in PT Equinix Indonesia Jkt.

Purchases for the six months ended 30th June 2022 mainly included US$84 million for Hongkong Land's investments in the Chinese mainland, US$24 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation, US$45 million for Astra's investment in a toll road concession business and US$38 million for Corporate's additional interest in Livi Bank Limited in Hong Kong.

(b) Purchase of other investments for the six months ended 30th June 2023 mainly included Astra's acquisition of securities of US$152 million; and Corporate's additional investments in limited partnership investment funds for US$13 million.

Purchases for the six months ended 30th June 2022 mainly included Astra's acquisition of securities of US$191 million, and Astra's investments in healthcare services and a technology-based logistics startup of US$74 million and US$15 million, respectively.

(c) Advances to and repayments to associates and joint ventures for the six months ended 30th June 2023 included Hongkong Land's advances to and repayments to its property joint ventures of US$127 million and Mandarin Oriental's advance to its associate hotel of US$21 million.

Advances to and repayments to associates and joint ventures for the six months ended 30th June 2022 mainly included Hongkong Land's advances to and repayments to its property joint ventures.

(d) Advances from and repayments from associates and joint ventures for the six months ended 30th June 2023 mainly included Hongkong Land's advances from and repayments from joint ventures of US$710 million and Mandarin Oriental's repayments from its associate and joint venture hotels of US$66 million.

Advances from and repayments from associates and joint ventures for the six months ended 30th June 2022 mainly included Hongkong Land's advances from and repayments from joint ventures.

10. Notes to Consolidated Cash Flow Statement (continued)

(e) Sale of subsidiaries

	2023 **US$m**
Non-current assets	398
Current assets	458
Non-current liabilities	(285)
Current liabilities	(406)
Non-controlling interests	10
Net assets	175
Cumulative exchange translation difference	113
Net profit on disposal	6
Net sales proceeds	294
Consideration settled and payable	54
Transaction costs payable	10
Cash and cash equivalents of subsidiaries disposed of	(55)
Net cash inflow	303

Net cash inflow for sale of subsidiaries for the six months ended 30th June 2023 comprised US$359 million inflow from Jardine Motor Interests' sale of its United Kingdom operation and US$56 million cash outflow from DFI Retail's divestment of its Malaysian grocery retail business.

(f) Sale of other investments for the six months ended 30th June 2023 and 2022 mainly included sale of securities in Astra.

(g) Change in interests in subsidiaries

	Six months ended 30th June	
	2023 **US$m**	2022 US$m
Increase in attributable interests		
- Hongkong Land	**(55)**	(279)
- Jardine Cycle & Carriage	**(32)**	(73)
- Mandarin Oriental	**(18)**	-
- other	**-**	(8)
	(105)	(360)

11. Capital Commitments and Contingent Liabilities

Total capital commitments at 30th June 2023 and 31st December 2022 amounted to US$2,306 million and US$2,500 million, respectively.

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 ongoing. It is anticipated that the court appraisal process will not be concluded for at least a further 12 months and will likely extend further. 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 condensed financial statements.

12. Related Party Transactions

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

	Six months ended 30th June	
	2023	2022
	US$m	US$m
Sales to associates and joint ventures		
- motor vehicles and spare parts	**442**	353
- coal	**603**	467
- crude palm oil	**189**	179
	1,234	999
Purchase from associates and joint ventures		
- motor vehicles and spare parts	**3,254**	2,708

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

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

Jardine Matheson Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The following have been identified previously as the areas of principal risk and uncertainty facing the Company, and they remain relevant in the second half of the year.

- Political and economic risk
- Customers' changing behaviours and market competition
- Investment, partnerships and franchise rights
- IT, facilities and cybersecurity
- Concentration risk
- Talent and labour
- Environmental and climate risk
- Third-party service provider and supply chain management
- Change management, cultural agility and strategic initiatives
- Health, safety and product quality
- Compliance with and changes to laws and regulations
- Pandemic
- Customer exposures and claims on customers
- Financial strength and funding
- Governance and misconduct

For greater detail, please refer to pages 84 to 92 of the Company's 2022 Annual Report, a copy of which is available on the Company's website at www.jardines.com.

Responsibility Statements

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

(a) the condensed financial statements prepared in accordance with IAS 34 'Interim Financial Reporting', give a true and fair view of the assets, liabilities, financial position and profit and losses of the Group; and

(b) the interim management report includes a fair review of all information required to be disclosed under Rules 4.2.7 and 4.2.8 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 interim dividend of US¢60 per share will be payable on 11th October 2023 to shareholders on the register of members at the close of business on 18th August 2023. The shares will be quoted ex-dividend on 17th August 2023 and the share registers will be closed from 21st to 25th August 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.

Dividend Information for Shareholders *(continued)*

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 2023 interim dividend by notifying the United Kingdom transfer agent in writing by 22nd September 2023. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 27th September 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 18th August 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 17th August 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 and 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%), Hongkong Land (53.1%), DFI Retail Group (77.5%), Mandarin Oriental (80.2%), Jardine Cycle & Carriage (76.8%) ('JC&C') and Zhongsheng (21.1%). 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.

- end -

For further information, please contact:

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Brunswick Group Limited
William Brocklehurst (852) 5685 9881

As permitted by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the United Kingdom, the Company will not be posting a printed version of the Half-Year Results announcement for the six months ended 30th June 2023 to shareholders. This Half-Year Results announcement will be made available on the Company's website, www.jardines.com, together with other Group announcements.