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

Announcement

www.jardines.com

10th November 2022
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
Interim Management Statement

10th November 2022 – Jardine Matheson Holdings Limited today publishes its Interim Management Statement for the third quarter of 2022.

The performance of most of the Group's businesses continued to improve in the third quarter, compared with the same period last year, particularly in Southeast Asia, led by Astra. The Group's businesses in Hong Kong and on the Chinese mainland, however, continue to be impacted by pandemic restrictions.

Although the Group saw strong profit growth in the first half of the year, its full year results will be affected by fewer planned sales completions and reduced construction activity in Hongkong Land's Development Properties business on the Chinese mainland, as well as moderating growth in Southeast Asia (as a result of strong commodity prices in the second half of 2021). The Group, however, remains resilient and well-positioned to achieve its long-term growth objectives, with a strong balance sheet and liquidity position.

Looking at the individual performances of the Group's businesses, Jardine Pacific reported an improved overall performance in the third quarter, with better underlying performance from a number of businesses, as well as continuing benefit from Hong Kong government subsidies and other support. Several businesses, however, remain impacted by the pandemic restrictions in Hong Kong.

Jardine Pacific's engineering and construction businesses performed well, with strong contributions from Jardine Schindler, Gammon and JEC. The Restaurants business delivered lower profitability, with challenging trading conditions in Hong Kong and Taiwan. Zung Fu Hong Kong and Macau reported a lower profit, caused by rising operating costs.

Within Transport Services, Hactl's contribution decreased due to lower cargo volumes and Jardine Aviation Services reported a higher loss as flight volumes remained low. Greatview's sales grew, but it saw lower margins.

- more -

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

Incorporated in Bermuda with limited liability

The Group's United Kingdom Motors business saw its performance impacted by new car supply shortages caused by ongoing supply chain constraints. Zhongsheng's contribution, in respect of the period from January to June 2022, was slightly lower than the equivalent period last year, reflecting lower new car sales volumes and gross margins due to the impact of the pandemic on the Chinese mainland in the second quarter, although the aftersales and used car businesses remained resilient.

Hongkong Land's Central office portfolio continued to benefit from its unique positioning, despite an increase in vacancies across the city in the period. Vacancy decreased from 5.4% at the end of June 2022 to 5.1% at the end of September 2022 and was materially lower than the overall Central Grade A office market vacancy of 8.3%.

The group's retail portfolio in Hong Kong benefitted from marginally better trading conditions in the third quarter of the year, due to a relaxation of social distancing restrictions. The improved trading conditions resulted in a decline in temporary rent relief in the period, although the group continues to provide support to its tenants on a case-by-case basis. The overall performance of the portfolio, however, continued to be negatively impacted by a lack of overseas visitors. Physical and committed retail vacancy at 30th September 2022 remained low at 1.4%.

In the Development Properties business, market sentiment in respect of residential properties on the Chinese mainland remained weak, due to pandemic-related restrictions and an uncertain economic outlook. In the nine months to 30th September 2022, the group's attributable interest in contracted sales was US$765 million, compared to US$1,618 million in the same period last year.

Hongkong Land's full-year underlying profits are expected to be significantly lower than those of the prior year, primarily due to fewer planned sales completions and the impact of pandemic-related restrictions on construction activities on the Chinese mainland, which will result in some completions being deferred from the second half of 2022 into 2023.

DFI's Health and Beauty, Convenience and IKEA businesses all benefitted from stronger like-for-like sales growth in the third quarter compared to the first half and delivered higher profits than in the equivalent period last year. Grocery Retail, however, saw flat like-for-like sales in North Asia and weaker like-for-like sales in Southeast Asia, and overall profitability was lower as the business continued to be impacted by the higher cost of goods sold; increasing operating costs (particularly in respect of electricity); and e-commerce investment costs.

The group's Convenience business saw performance in Hong Kong, Macau and Singapore improve as pandemic-related movement restrictions were relaxed or removed. In South China, however, sales and profits continued to be impacted by pandemic restrictions and lockdowns.

DFI's Health and Beauty businesses reported a strong sales performance, which led to a significant increase in underlying profitability in the third quarter compared to the same period last year.

The Home Furnishing business saw increasing sales momentum, as government restrictions eased and stock availability improved, and profitability also benefitted from strong cost control.

Although DFI's financial performance improved in the third quarter compared to the first half, pandemic restrictions and inflationary pressures continue to have a significant adverse effect. In addition, planned investments in digital capacity will continue to impact short-term profitability. The group expects profits in the second half to significantly improve relative to the first half but, nevertheless, to be below those in the comparable period last year. Accordingly, full year profits are expected to be materially lower than in 2021.

The return of normal travel conditions in most of the world in early 2022 saw Mandarin Oriental record net underlying profits in the second quarter, and this progress continued in the third quarter.

In the group's Owned Hotels, improvements in occupancy and high rates resulted in increased profitability in the third quarter compared to the second quarter, particularly in Paris and Munich. Two of the group's key profit-generating hotels, in Hong Kong and Tokyo, however, remained subject to stringent travel restrictions throughout the third quarter, which impacted operating performance. The hotels in Bangkok and Singapore continued their recovery following the removal of travel barriers.

The Management Business recorded a significant improvement in profitability in the third quarter compared to the second quarter, with particularly strong contributions from a number of the group's Mediterranean and Middle Eastern properties.

The group opened a hotel in Lucerne and a standalone residences project in Barcelona during the quarter and announced a new hotel in Tianfu, Chengdu. The sale of the Washington D.C., hotel was completed in the period.

Jardine Cycle & Carriage ('JC&C') performed well overall in the third quarter, reflecting improvements across the portfolio. Astra reported a 49% increase in underlying earnings, excluding fair value gains from its equity investments, with improvements across its major divisions, supported by the domestic economic recovery and higher commodity prices. Astra's automotive division benefitted from higher car sales, which offset a decline in motorcycle sales caused by temporary supply chain disruption due to a shortage of semiconductor chips. Its financial services division saw higher lending volumes and lower loan loss provisions, while the heavy equipment and mining division benefitted from higher coal prices, with increased equipment sales. The agribusiness division saw higher crude palm oil prices, although these were offset by lower production.

THACO's automotive performance for the year-to-date improved. JC&C's Direct Motor Interests saw higher contributions from Tunas Ridean in Indonesia and Cycle & Carriage Bintang in Malaysia, partly offset by slightly lower results from Cycle & Carriage in Singapore.

- more -

JC&C's Other Strategic Interests performed well in the first nine months of the year, mainly due to REE's improved profits from its hydropower investments. Increased energy costs, however, adversely impacted Siam City Cement's results.

Jardine Matheson is a diversified Asian-based business group with unsurpassed experience in the region. Its interests include Jardine Pacific, Jardine Motors, Hongkong Land, DFI Retail Group, Mandarin Oriental, Jardine Cycle & Carriage and Astra. These companies are active in the fields of motor vehicles and related operations, property investment and development, food retailing, health & beauty, home furnishings, engineering and construction, transport services, restaurants, luxury hotels, financial services, heavy equipment, mining and agribusiness.

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:

Jardine Matheson Limited
Jonathan Lloyd (852) 2843 8223

Brunswick Group Limited
William Brocklehurst (852) 5685 9881

This and other Group announcements can be accessed through the internet at www.jardines.com.