Jardine Matheson

Jardine Matheson Holdings Limited
Jardine House, Reid Street
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Announcement

www.jardines.com

To: Business Editor

11th March 2021
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
2020 Preliminary Announcement of Results

Resilient performance in challenging conditions

Headlines

- Underlying net profit attributable to shareholders down 32% to US$1,085 million and underlying earnings per share down 30% to US$2.95
- Southeast Asian businesses and Mandarin Oriental severely impacted by the pandemic, but resilience in Hongkong Land, Dairy Farm, Jardine Pacific and Jardine Motors
- Continued investment for the long-term exemplified by US$4.5 billion investment by Hongkong Land in West Bund in Shanghai
- Dividend maintained at US$1.72 per share for the year, reflecting Board's confidence in long-term strength of underlying businesses and balance sheet
- Separate announcement of offer to acquire remaining c.15% of Jardine Strategic for US$33 per share in cash

"2020 has brought major challenges to our teams and businesses, but also demonstrated once again the Group's ability to adapt, perhaps best exemplified by last week's Group restructuring announcement. High levels of uncertainty remain in respect of this year, however, given the continuing impact of the pandemic. The Group's performance in the first part of 2021 is expected to be affected in particular by the continuing headwinds faced by our businesses in Southeast Asia and the ongoing low levels of Chinese mainland and other visitors to Hong Kong. There is continued robust economic activity on the Chinese mainland, but it is uncertain whether this will be maintained. It remains too soon to predict what the impact of the pandemic will be on the Group's performance for the full year. However, we remain confident in our long-term strategy, rooted in the growth markets of Asia, and we will continue to focus on our core priorities of driving operational excellence, evolving the Group's portfolio and finding new growth opportunities, in order to deliver long-term value."

John Witt, *Group Managing Director*

"2020 was a year of exceptional challenge for everyone, with the global pandemic fundamentally changing the way we do business, and carry out our day-to-day lives, against the backdrop of changes in the wider society and the global economy. I am grateful to our teams across all Jardine Matheson companies for the tremendous dedication and commitment they have shown serving our customers in these difficult times and am encouraged by the Group's resilient performance in the face of these challenges, which is reflected in the unchanged dividend for the full year. We have a long track record of successfully navigating change and challenge throughout a history spanning nearly two centuries. The resilience the Group demonstrated in 2020 provides the Board with the confidence to continue to take advantage of long-term opportunities in Asia, while adapting to the changing external environment and rapidly evolving expectations of our stakeholders.

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As announced separately on 8th March, we are taking the important step of simplifying our parent company structure – a move that will create value for our shareholders and increase the Group's operational and financial flexibility. This is further proof that, even in these turbulent times, Jardines is always moving forward and strengthening our ability to grow and prosper. A fundamental pillar of Jardines' success has been the substantial support of our core shareholder group and moving to a conventional ownership structure enables us to demonstrate this unequivocally."

Ben Keswick, *Executive Chairman*

Results summary

	Year ended 31st December		
	2020	2019	Change
	US$m	US$m	%
Gross revenue including 100% of associates and joint ventures	**90,906**	103,308	-12
Revenue	**32,647**	40,922	-20
Underlying profit* before tax	**2,786**	4,678	-40
Underlying profit* attributable to shareholders	**1,085**	1,589	-32
(Loss)/profit attributable to shareholders	**(394)**	2,838	n/a
Shareholders' funds	**29,387**	30,351	-3
	US$	US$	%
Underlying earnings per share*	**2.95**	4.23	-30
(Loss)/earnings per share	**(1.07)**	7.56	n/a
Dividends per share	**1.72**	1.72	-
Net asset value per share#	**81.32**	81.90	-1

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

Net asset value per share is based on the book value of shareholders' funds.

The final dividend of US$1.28 per share will be payable on 12th May 2021, subject to approval at the Annual General Meeting to be held on 6th May 2021, to shareholders on the register of members at the close of business on 26th March 2021 and will be available in cash with a scrip alternative.

Jardine Matheson Holdings Limited (the 'Company')
2020 Preliminary Announcement of Results

CHAIRMAN'S STATEMENT
2020 IN REVIEW

2020 was a year of exceptional challenge for everyone, with the global pandemic fundamentally changing the way we do business, and carry out our day-to-day lives, against the backdrop of changes in wider society and the global economy. Colleagues across the Group have been impacted both personally and professionally over the past year.

The Group's performance, and its resilience more broadly, depend on the passion, hard work, dedication and flexibility of some 400,000 people who work for the Group and the nearly 90 associates, joint venture businesses and others with whom we partner. I want to begin by thanking each of them.

The pandemic has changed the way we all work. The innovation and dedication of colleagues who have embraced new ways of working despite the stress of uncertainty, worries about the health and wellbeing of loved ones and the fast pace of change in the business and operating environment has been impressive. I am especially proud of our frontline staff who have put the needs of customers first despite everything.

COVID-19 and its economic consequences have had a devastating effect on individuals and communities. At Group level and in our operating companies the pandemic has intensified our focus on ensuring the health and wellbeing of our communities, customers and employees.

We have a long track record of successfully navigating change and challenge throughout our history spanning nearly two centuries. The resilience the Group demonstrated in 2020 provides the Board with the confidence, and our Group with the resources, to continue to take advantage of the best long-term opportunities in Asia, while adapting to the changing external environment and evolving expectations of our stakeholders.

PERFORMANCE

The Group's underlying net profit for the year was down 32% at US$1,085 million. The reduction in profit was primarily driven by the weaker performances of the Group's Southeast Asian businesses in Astra and Jardine Cycle & Carriage ('JC&C'), as well as by the severe impact of the pandemic on the Group's hotel business. There was, however, resilience in the performances of Hongkong Land, Dairy Farm, Jardine Pacific and Jardine Motors, in part supported by government employment programmes.

The financial and operational strength of the Group's businesses continues to be supported by its investment strategy and approach to capital allocation. The Board keeps its portfolio of businesses under review and regularly assesses whether action is necessary to ensure that the Group's activities remain aligned with its strategic priorities. Despite the short-term challenges of the pandemic, the Board sees it as essential to continue to invest for the long-term in business opportunities which will drive future growth.

The Group also needs to continue to adapt and embrace technology and the digital economy in order to meet the changing habits of consumers and clients – the way they shop, the way they work, the way they travel – and to compete effectively against new economy businesses in a rapidly changing world. We are making progress in this direction already but there is more to do.

The Board is recommending an unchanged final dividend of US$1.28 per share, which produces a full-year dividend of US$1.72 per share, unchanged from the prior year. Maintaining the dividend demonstrates the Board's confidence in the long-term strength of the Group's underlying businesses.

SIGNIFICANT DEVELOPMENTS

Jardines continues to have a strong presence in, and a key focus on, two of the fastest growing consumer markets in the world: China and Southeast Asia. China again provided the larger contribution to the Group in 2020, underpinned by the Group's significant presence in Hong Kong. The Chinese mainland is an increasingly important market for the Group, contributing 29% of profits in the year, and the Group is focused on growing its businesses there further.

This focus is exemplified by Hongkong Land's strategic acquisition and launch during the year of the West Bund project, a large, predominantly commercial, mixed-use site in a prime waterside location in Shanghai. Planning for the development of the site is progressing well and incorporates an industry-leading approach to sustainability.

Southeast Asia is the other area of key focus for the Group. Our businesses in the region faced considerable challenges in the year as a result of COVID-19, and much of their effort was spent addressing the threats posed by the pandemic. Nevertheless, the Group continues to see the region as a source of significant future growth and it is focused on taking a long-term view towards its businesses there.

At Dairy Farm, the multi-year transformation programme to reshape and reorganise the business, adapting to the needs of customers, has never been more relevant and it continued to progress during the year, despite the impact of the pandemic. The space optimisation plan, new store formats and improvement programmes generated greater efficiencies and delivered tangible results. The launch of the *yuu* rewards programme in July was an important milestone in the group's development. The programme has surpassed expectations in its first nine months and is already proving to be a key enabler of the group's objective of adopting a more customer-centric approach across all banners and driving enhanced levels of consumer engagement.

As separately announced on 8th March, the Company is planning to simplify the parent company structure of the Group so that it has a single holding company. The planned simplification will include the acquisition by the Company, for cash, of the c.15% of the issued share capital of Jardine Strategic Holdings Limited ('JSH') that it does not already own. The Company also intends subsequently to effect the cancellation of JSH's almost 59% shareholding in the Company. The proposed simplification will be materially earnings-enhancing for the Group, streamlines the Group to a conventional ownership structure and increases the Group's financial and operational flexibility.

SUSTAINABILITY

The last few years have seen sustainability rapidly rise up the agenda for companies and their stakeholders, and the pandemic has further accelerated the importance of businesses committing to meaningful action to support their communities and protect the planet. We have always had a multi-generational perspective. A key part of our purpose is to act as stewards and ensure that we leave the Group, our communities, and the planet stronger, healthier, and more resilient for our children and their children. To achieve this, sustainability needs to be fundamental to how we do business, for the Group and our operating companies.

Eighteen months ago we established a Sustainability Leadership Council, to bring together key decision-makers from across our Group companies to help shape our approach to sustainability. We have made significant progress since then, developing a Group sustainability strategy which is aligned to the UN's Sustainable Development Goals and based on three key pillars: addressing climate change; responsible consumption; and social inclusion. We will be driving change in a range of areas under each of these pillars: in the climate area we will be focusing on decarbonisation and effective management of climate risk; reducing plastic and food waste will be key elements of our efforts to promote responsible consumption; and education, health and supporting livelihoods will be the primary areas of focus of our social inclusion agenda.

We have already seen strong initiatives by many of our businesses in a number of these areas, including the long-established social inclusion contributions made by Astra in Indonesia; the focus on addressing climate change by our property and construction businesses; and the efforts to reduce waste by our hotels, restaurants and other businesses. For the first time, however, we now have a clear Group-wide sustainability strategy which will enable Jardines to make a real difference at scale in the communities where we operate. Our priority now is to ensure we deliver on our commitments in each of these areas, and we will be driving forward our agenda in the coming year.

This year we also joined the World Business Council for Sustainable Development (WBCSD), a global organisation of over 200 leading businesses which work together to accelerate the transition to a sustainable world. Our membership of this influential organisation will allow us to learn from our peers and share insights and knowledge as we progress our sustainability priorities.

Our deep connection with millions of people across the Asia region gives us a great opportunity to influence – as well as anticipate – consumer behaviours. As a business, we want to be a force for good and I am committed to keeping sustainability at the heart of Jardines in the years to come.

GOVERNANCE

We made some important changes among our executives and Board in the last year. On 15th June the roles of Executive Chairman and Managing Director, which I had held on a combined basis since January 2019, reverted to being separate roles. I remain in an executive role as Chairman and John Witt has taken on the role of Group Managing Director.

The separation of these roles has enabled us to strengthen and enhance the effectiveness of the Group's leadership as we respond to the exceptional challenges and opportunities 2020 has brought, and position Jardines for long-term success. John has brought a fresh approach to how we run the business, with a strong focus on entrepreneurial spirit and innovative thinking. He has also brought his vast experience to the role.

Also in June, Graham Baker replaced John as Group Finance Director, joining Jardines from Smith + Nephew in the United Kingdom. Graham has extensive experience of large international businesses and he brings a new perspective which will be especially important as we navigate the changes ahead.

Other Board changes during the year included Simon Keswick's retirement as a Director in January 2020, Lord Sassoon's retirement from our Board in April 2020 and Mark Greenberg stepping down as a Director at the end of December 2020. I would like to express my thanks to each of them for their contribution to the Group over many years.

In January 2021, Stuart Gulliver, who joined the Board as a Non-executive Director in January 2019, succeeded Anthony Nightingale as Chair of the Audit Committee. Stuart's great experience and deep knowledge of the markets in which we operate will enable him to make a valuable contribution as we seek to further enhance our governance framework. Anthony remains as a member of the Committee and I would like to thank him for the significant contribution he has made as its Chair over the past five years.

CONCLUSION

2020 was a year of exceptional challenge for everyone, with the global pandemic fundamentally changing the way we do business, and carry out our day-to-day lives, against the backdrop of seismic changes in the wider society and the global economy. I am grateful to our teams across all Jardine Matheson companies for the tremendous dedication and commitment they have shown serving our customers in these difficult times and am encouraged by the Group's performance in the face of these challenges, which is reflected in the unchanged dividend for the full year.

We have a long track record of successfully navigating change and challenge throughout a history spanning nearly two centuries. The resilience the Group demonstrated in 2020 provides the Board with the confidence to continue to take advantage of long-term opportunities in Asia, while adapting to the changing external environment and rapidly evolving expectations of our stakeholders.

Ben Keswick
Executive Chairman

MANAGING DIRECTOR'S REVIEW

INTRODUCTION

I was excited to become Group Managing Director in June 2020 and to lead Jardines at this important time, as we build on nearly 190 years of success, make ourselves ever more relevant for our customers and position the Group for future success. Taking up the role when the business has needed to respond to the challenges of the global pandemic has reinforced my admiration for our people. I would like to thank each of them for their hard work and dedication over the past year, often in very challenging circumstances.

Protecting and ensuring the wellbeing of our colleagues has been a top priority throughout the year. We have taken extensive actions in this regard, including giving colleagues access to support and resources to address mental health concerns, encouraging flexible working practices and making health and safety a high priority. Our businesses have also been taking action to support suppliers, partners and the communities we operate in, to help them weather the crisis. This has included working with suppliers to help them develop more efficient ways of working, providing rent relief to tenants in our retail portfolios, particularly in Hong Kong and Singapore, and extensive CSR (corporate social responsibility) support in our communities.

My first nine months in the role have strengthened my conviction that pace, innovation and adaptability are all more important than ever if Jardines is to stay nimble and achieve further success. We have shown great resilience in the past year while making notable progress in modernising the core of our business and changing how we do business to reflect the evolving environment in which we find ourselves. The pace of change in each of our markets has, however, only accelerated over the past year, and we need to drive forward our strategic priorities with conviction and a heightened sense of urgency in the coming year.

<u>Evolving the Group Portfolio</u>

We will build on our proven track record of actively managing our portfolio to be in the more attractive markets of Asia and in businesses where we can achieve market leading positions, in order to sustain growth and create long-term sustainable value. The healthy geographic diversification we have with presence in China and Southeast Asia, as well as our balance of businesses across sectors has underpinned our resilient performance against challenging market conditions.

We have separately announced on 8th March an offer by the Company to acquire the remaining c.15% minority stake holding in JSH that it does not already own, for US$33 per share in cash. Part of the consideration will be met by existing cash resources of the Group, with the remainder funded by committed debt facilities. On a proforma basis, this would take our 2020 year-end gearing from 6% to 16%.

Our capital allocation framework, which prioritises new organic project investments in our businesses, strategic growth initiatives, and support for the dividend, together with the Group's commitment to strong investment grade metrics, remains unchanged. Accordingly, in the near term, we expect to prioritise debt reduction ahead of further, material new inorganic investments. As debt levels are reduced, both through continued organic cash generation from our strong underlying assets and diversified portfolio, and further active portfolio management, we will deploy capital towards new strategic growth areas.

Throughout, we will continue to seek mutually beneficial and enduring partnerships with local leaders to support our growth plans in priority markets. We recently announced a strategic co-operation with Hillhouse Capital, a leading Asian private equity firm, that deploys technology to drive innovation in its portfolio companies, with sustainable, long-term growth as its primary goal. The strategic co-operation will enable both of our companies to partner on mutually beneficial investment and business development opportunities predominantly in China, as well as Southeast Asia. There is also expected to be close collaboration between the Jardines and Hillhouse investment and value creation teams and their portfolio companies, in particular in the areas of consumer technology and digital enablement.

We are rising to the challenge of digital – finding new inorganic growth opportunities which complement our current businesses or enable our wider participation in the digital economy. We are actively seeking partnership and investment opportunities to evolve our portfolio to increase exposure to the digital economy, emerging industries and new geographies. We have begun to form new partnerships - including joint ventures with Gojek and WeLAB in Indonesia and with Bank of China and JD Technology in Hong Kong to form the livi virtual bank. We need to build on the progress we have made so far to develop more new partnerships in this space.

At the same time as we look for investment and partnership opportunities, we will continue to regularly review our business portfolio and prune assets which are no longer seen as being aligned with our Group strategy, or where we believe there are better owners of the assets than Jardines. This was exemplified by the disposals this year of our stake in Permata Bank and our technology business JTH, as well as the sale of our interest in JLT in 2019. In 2020, we also sold our Wellcome Taiwan business, and combined our interest in Rose Pharmacy with Robinsons Retail's pharmacy business in the Philippines.

The Group is focused on developing and implementing its portfolio strategy and on increasing its decision-making agility, so we can act with speed to seize opportunities when they arise and maximise our portfolio value.

Driving Operational Excellence

Our management teams are focused on driving operational excellence in our businesses and in new ventures we undertake. A key priority in this context is for our existing businesses to accelerate the pace at which they adopt technology and embrace digital ways of working. This will enable our businesses to adapt to, and meet the challenges and opportunities of, the rapidly changing competitive environment in which they operate, which is increasingly dominated by new economy businesses. Digital techniques and tools have the power to transform the way we interact with our customers and maintain competitive leadership. Dairy Farm's launch of *yuu* – Hong Kong's most innovative and comprehensive rewards platform – is already completely changing the way we engage with customers and helping us move beyond a transactional focus to drive new ways of meeting and anticipating individual customer needs and preferences.

Our other businesses are also forging new partnerships with digital innovators, including JD Technology and Gojek, to enter adjacent areas and to develop innovative products and services.

We are also seeing impressive progress being made in a number of our businesses, including the transformation programme in Dairy Farm and the business improvement initiatives being carried out in JEC and Jardine Restaurants. The increased efficiencies which these initiatives have created are helping our businesses navigate the challenges posed by the pandemic. There is still more to do, however, in many of our businesses to set them up for future success.

Enhancing Leadership and Entrepreneurialism

Another key priority is attracting, developing and retaining leadership talent in our teams and supporting our businesses' management teams to do the same in their organisations.

We must provide our colleagues with appropriate training and other support to equip them with the right skills to navigate the challenges and opportunities they face, both in the short term in the context of COVID-19 and for the longer-term. In this context we have made great progress in the past year in developing a comprehensive programme of online learning and academies across the Group, which has seen high levels of participation and demonstrates our commitment to supporting our colleagues in acquiring the new skills they need.

As we grow, it is essential that we maintain a high pace of change and foster a greater level of entrepreneurialism among both current and future leaders.

Progressing Sustainability

We are committed to integrating sustainability into the strategy and business models of our Group companies. Real value can be realised from sustainable businesses - this is not merely a stakeholder management and check-box exercise but rather our objective is that sustainability should be at the core of our strategies and decision-making.

Many of our businesses are already actively pursuing sustainability strategies. This year, we will drive a more aligned, focused approach to sustainability across all our Group companies to maximise the impact we have in our communities and on the environment. We aim to actively share the positive actions our diverse businesses are taking in this area, by reporting more effectively on ESG (environmental, social and governance) issues, with a Group sustainability report to be published in 2022.

Our businesses will also this year launch programmes to enable colleagues to actively engage in support of our corporate sustainability priorities.

SUMMARY OF PERFORMANCE

The Group's underlying net profit for the year fell by 32% to US$1,085 million, with underlying earnings per share down 30% to US$2.95.

The reduction in profit was primarily driven by the weaker performances of the Group's Southeast Asian businesses in Astra and JC&C, as well as by the severe impact of the pandemic on the Group's hotel business. Astra's business in Indonesia saw lower profit contributions from most of its divisions, as did JC&C's motor and other interests across Southeast Asia. Mandarin Oriental was significantly impacted by the pandemic and the resulting travel reduction.

The performances of Hongkong Land, Dairy Farm, Jardine Pacific and the Group's Motors business were, however, resilient. Group results benefitted in a number of markets from government support relating to COVID-19, which totalled US$282 million attributable to the Group and supported the continuing employment of the Group's employees.

Hongkong Land delivered a solid performance in its Investment Properties business and benefitted from a recovery in sentiment in its Development Properties business on the Chinese mainland in the second half. Dairy Farm saw strong performance from its Grocery Retail and Home Furnishings businesses, and its transformation programme continued to deliver benefits. Its Health and Beauty and Convenience businesses, however, as well as the restaurants business of its associate Maxim's, all suffered due to the impact of the pandemic.

After taking account of decreases in property valuations totalling some US$1.4 billion, the Group recorded a net loss of US$394 million.

Jardine Matheson is a diversified group of market-leading businesses focused principally on two of the regions that are driving global growth: China and Southeast Asia. In 2020, 73% of the Group's underlying profit came from China compared to 56% in 2019 – with a stronger performance both from the Chinese mainland and Hong Kong – and 34% from Southeast Asia, compared with 42% in 2019.

The Group's balance sheet remains strong with gearing of 6%, down from 7% at the end of December 2019. The Group will take on an additional debt in order to acquire the c.15% of JSH shares it does not already own, and its gearing will increase from 6% at the end of 2020 to 16% immediately after the completion of the acquisition.

The Group's capital investment, including expenditure on properties for sale, was US$7.6 billion in 2020, and capital investment at its associates and joint ventures was US$2.5 billion. Excluding the investment in the West Bund project in Hongkong Land, there was some scaling down of investments in the year in response to a decline in demand by consumers, but the Group continues to invest for the long-term and ensure that its businesses have the resources to drive future growth.

INDIVIDUAL BUSINESS PERFORMANCE

Jardine Pacific

Jardine Pacific produced an underlying net profit of US$182 million, 11% higher than 2019. Net profit after net non-trading gains was US$514 million. There was an extensive focus in the year across Jardine Pacific's businesses on driving operational improvements. These initiatives required significant investment but the benefits are beginning to be seen in improved business performance and Jardine Pacific is well set for future growth.

	Group Interest	Group Share of Underlying profit	
	%	**2020**	2019
		US$m	US$m
Analysis of Jardine Pacific's contribution:			
Jardine Schindler	**50**	**32**	48
JEC	**50-100**	**51**	41
Gammon	**50**	**38**	36
Jardine Restaurants	**100**	**32**	13
Transport Services	**42-50**	**24**	18
JTH	**100**	**5**	7
Corporate, property and other interests*		**-**	1
		182	164

**including Greatview, held through Jardine Strategic*

Jardine Restaurants saw profits rise by US$19 million, with a better performance from Pizza Hut in Hong Kong and Taiwan driven by strong delivery sales, partly offset by asset impairment on loss-making stores. There were weaker performances by other banners which were more affected by COVID-19. JEC delivered good profit growth. Its Hong Kong operations saw stable performance, but some of the regional businesses had a difficult year. Gammon had a good year, with a profit contribution of US$38 million, 7% higher than last year, mainly due to the timing of project completions. The order book remains healthy, boosted by securing some large civil projects at Hong Kong International Airport. HACTL's performance was better than last year, due to an 8% increase in cargo throughput and productivity improvements.

Jardine Schindler saw lower profits, with underperformance in most countries, in particular softer sales and margins in its New Installation business. Jardine Aviation Services delivered an overall loss. Its performance was impacted by the very low flight volumes resulting from the ongoing challenges to the aviation sector, and the business also incurred operational efficiency costs.

All Jardine Pacific businesses benefitted from the receipt of government support, which enabled them to take steps to preserve employment.

Under other interests, Greatview reported good sales growth. Its China business remained resilient, while its international business benefitted from the group's ongoing market and customer rationalisation strategy. The disposal of JTH was completed with the sale of Innovix in September 2020.

Jardine Motors

The Group's Motors business produced higher underlying net profit in 2020 of US$214 million, a 9% increase, benefitting from a higher contribution from the investment in Zhongsheng in respect of the second half of 2019 and the first half of 2020. There was also a higher contribution from Zung Fu on the Chinese mainland, which delivered better performance in car sales - benefitting from a rapid recovery in demand from the second quarter onwards - and also implemented cost mitigation measures.

The Hong Kong business saw a lower underlying performance and difficult market conditions continued in the United Kingdom as a result of the pandemic, which led to the temporary closure of dealerships and lower demand.

Hongkong Land

Hongkong Land delivered underlying profit of US$963 million, 11% lower than the prior year. Performance was negatively impacted by COVID-19, particularly in relation to retail rent relief in the Investment Properties business and a lower contribution from Development Properties as a result of fewer planned residential completions. On the Chinese mainland, however, sentiment in the group’s markets has recovered to pre-pandemic levels.

There was a loss attributable to shareholders of US$2,647 million, reflecting net losses of US$3,611 million due to lower valuations of Investment Properties. This compares to a profit attributable to shareholders of US$198 million in 2019, which included net revaluation losses of US$878 million.

The group’s balance sheet remains strong and it remains well-financed, with net debt of US$4.6 billion at the year end, up from US$3.6 billion at the end of 2019 – primarily due to the acquisition of the West Bund site – and with net gearing of 13% at the year end, up from 9% at the end of 2019.

Investment Properties

In Hong Kong, office leasing activity in Central was largely subdued as a result of economic uncertainties brought about by the pandemic. However, as a result of the group’s active lease management in recent years, the group’s Central office portfolio performed relatively well amidst the current market downturn. Rental reversions were broadly neutral, and average rents rose slightly. Singapore saw lower vacancy, positive rental reversions and increased rents.

Retail market sentiment in Hong Kong was severely impacted by the pandemic and resulting travel restrictions, although there were modest improvements in the second half of the year. The contribution from the group’s retail portfolio was lower, mainly due to the provision of rent relief. In Beijing, WF CENTRAL experienced a significant decline in tenant sales and footfall in the first half of the year due to the pandemic, but trading performance in the second half of the year recovered to pre-pandemic levels buoyed by the strong recovery in luxury retail spending on the Chinese mainland.

Development Properties

The Development Properties division was impacted by varying levels of disruption across the Chinese mainland due to the temporary suspension of sales and development activities, with full year performance affected by construction delays which led to fewer planned residential completions. There were also construction delays in Singapore. Sentiment on the Chinese mainland has, however, recovered to pre-pandemic levels.

Planning and development of the West Bund site in Shanghai are proceeding on schedule. The acquisition provides an attractive opportunity to develop and operate a commercial complex of scale in line with Hongkong Land's long-term strategy. The project mainly comprises office and retail space, with a developable area of 1.1 million sq. m. and will be developed in five phases to 2027.

The project will be jointly developed with a strategic investor headquartered on the Chinese mainland and a government-held SPV (special purpose vehicle). The group will maintain a 43% interest in the joint venture.

Hongkong Land participated in a number of land auctions on the Chinese mainland during the year, but it remained difficult to secure new sites due to a highly competitive primary land market. The group did, however, secure a wholly-owned, predominantly residential project in Chongqing.

During the year the group continued to focus on addressing changes in customer behaviours, and the need to adapt and align to new situations resulting from COVID-19, and it is continuing to add to its suite of digital services and flexible spaces that are available to tenants and customers.

In November 2020, the group launched its multi-year Hongkong Land Home Fund, which was initiated to focus on creating initiatives that benefit younger generations and the group's aspiration to foster a more inclusive society. Initiatives financed by the Fund will be launched in the coming months. The group received the 'Sustainability Achievement of the Year' award at the RICS Awards 2020 in Hong Kong in relation to its management of the Hong Kong Central Portfolio.

Dairy Farm

Dairy Farm's underlying profit for the year was US$276 million, 14% lower than last year.

<u>Grocery Retail</u>

There was a good performance by Grocery Retail, which saw higher contributions from Hong Kong, Singapore, Malaysia and Taiwan. Profit growth was driven by the benefits realised from improvement programmes, strong like-for-like sales growth and government support. The performance of the business in Indonesia was significantly impacted by pandemic-related movement restrictions, which reduced hypermarket custom.

<u>Home Furnishings</u>

IKEA delivered good profit growth, mainly in Hong Kong and Taiwan, with new store openings and strong e-commerce growth offsetting pandemic-related disruptions. The business also benefitted from lower cost of goods, strong cost controls, reduced pre-opening expenses and government support. IKEA has a strong development pipeline, with two new stores to open in 2021.

<u>Health and Beauty</u>

There was a significantly lower contribution from Dairy Farm's Health and Beauty business, with Mannings in North Asia severely impacted by low tourist traffic. The business has implemented price investment and cost management initiatives in order to address the challenges it faces.

Convenience

The group's Convenience business saw profits reduced by lower sales and a sales mix shift to lower margin products.

Associates

The performance of 50%-owned Maxim's was badly impacted by pandemic-related restrictions, which led to reduced visits to stores and some store closures.

Dairy Farm's 20.1%-owned associate Yonghui performed well, with strong sales and profit growth in the first half.

The launch of the *yuu* rewards programme at the end of July 2020 represents a critical milestone in driving Dairy Farm's modernisation and digital transformation. *yuu* will support a more customer-centric approach across all the Dairy Farm banners and drive an enhanced level of customer engagement.

During the period, Dairy Farm also launched Meadows, its new own-brand offering, in Hong Kong, Singapore and Malaysia. Over 600 items have already been launched across banners and markets at lower prices. There has been a very positive reaction from customers. The future growth of the group's own-brand offering will allow it to leverage scale and help it to gain competitive advantage.

Dairy Farm's multi-year transformation programme to reshape and reorganise the business, adapting to the changing needs of customers, continued to gain momentum during 2020. Opportunities continue to be unlocked across the group as the business seeks to leverage its scale effectively and develop a more coherent approach to improving its customer proposition, both by banner and at a country level. The group's space optimisation plan, new store formats and improvement programmes generated greater efficiencies and delivered tangible benefits in the year.

Mandarin Oriental

Mandarin Oriental moved from an underlying profit of US$41 million in 2019 to an underlying loss of US$206 million in 2020, as all hotels were severely impacted by COVID-19.

Government actions to curtail the pandemic drastically reduced both international and domestic travel in 2020. Many countries imposed significant restrictions on freedom of movement and on hospitality operations.

Against this background, combined total revenue of the group's hotels under management fell by 55% in 2020 compared to 2019 and the group's profitability was severely impacted.

A US$31 million impairment of the carrying value of the Geneva hotel occurred during the year, following a significant decrease in the market value of the leasehold interest. In addition, there was a 15% decrease in the valuation of the Causeway Bay redevelopment (previously the site of The Excelsior hotel in Hong Kong). The redevelopment, net of future construction costs, was valued at some US$2.5 billion, a decrease of US$475 million during the year.

Extensive cost reductions were implemented from early in the year, including a 33% reduction in payroll costs through a combination of measures, including furlough, unpaid leave, reduced pay and redundancies. Substantial reductions in non-payroll costs were also achieved. Many of these measures are continuing. Results benefitted from government financial support in some countries.

Trading conditions remain extremely challenging and the group's performance will not substantially improve until travel restrictions are relaxed. An underlying loss is expected to be reported for the first half of 2021.

In Asia, most hotels were able to remain operational through the year, albeit with sharply reduced occupancy due to constraints on travel. There was, however, a recovery in the second half of the year for hotels on the Chinese mainland. In Europe and America, hotels closed for much of the second quarter, with most reopening thereafter. The relaxation of restrictions on travel allowed some recovery in business levels. A resurgence in COVID-19 cases towards the end of the year, however, brought back many, even stricter, restrictions. The group's managed hotels in resort locations, such as Dubai and Bodrum, performed well when travel conditions permitted.

The group's development pipeline remains strong, with many projects at an advanced stage. The group took over the management of the Emirates Palace in Abu Dhabi at the beginning of 2020 and the Al-Faisaliah in Riyadh in March 2021, increasing the total number of hotels under operation to 34. New management contracts were signed and announced in 2020 in respect of Zurich and Vienna. In 2021, a new resort location was announced in Da Nang, Vietnam. The recently restored Mandarin Oriental Ritz, Madrid, in which the group has a 50% interest, and the Mandarin Oriental Bosphorus, Istanbul are expected to open in the first half of this year.

Jardine Cycle & Carriage

JC&C's underlying profit attributable to shareholders was 50% lower than the same period last year at US$429 million. After accounting for non-trading items, profit attributable to shareholders was US$540 million, 39% lower than the same period last year. Non-trading items in 2020 included a US$188 million gain on the disposal of Astra's investment in Permata Bank and US$109 million unrealised fair value gains related to non-current investments. These were partly offset by an impairment loss of US$182 million in respect of the group's investment in Siam City Cement, reflecting several years of challenging market conditions.

Astra's contribution to the group's underlying profit of US$309 million was 57% down from the previous year. There were weaker performances from its automotive, financial services, and heavy equipment and mining divisions.

The underlying profit from Direct Motor Interests was 78% lower at US$14 million, mainly due to lower contributions from Cycle & Carriage Singapore and Tunas Ridean in Indonesia.

Other Strategic Interests contributed an underlying profit of US$120 million, down 5% from the previous year.

Direct Motor Interests

Direct Motor Interests faced challenging trading conditions during the year. Cycle & Carriage Singapore saw lower sales and weaker margins. Passenger car sales and market share both fell. In Indonesia, Tunas Ridean's automotive business saw reduced sales, while its consumer finance operations were adversely impacted by lower lending volumes and increased loan provisioning. Cycle & Carriage Bintang in Malaysia contributed a lower loss than the prior year, with improved sales in the second half of the year due to a sales tax reduction, as well as cost savings initiatives.

Other Strategic Interests

Under Other Strategic Interests, Thaco saw a lower underlying performance than last year. Its automotive business provided a lower contribution due to reduced margins, attributable mainly to difficult market conditions in the first half of the year as a result of the pandemic, partly offset by higher unit sales. Thaco's real estate business saw better performance than the previous year, as sales resumed on the back of a market recovery, while its new venture in the agriculture sector contributed a loss.

Siam City Cement's contribution was higher than the previous year, with margins benefitting from improved operational efficiencies, which helped to offset a decline in sales.

There was a higher contribution from REE, due to a stronger performance by the real estate business and the effect of an increase in JC&C's shareholding to 29.8%, partly offset by weaker performances from its hydropower investments and its M&E business.

The group's investment in Vinamilk delivered slightly higher dividend income of US$37 million. Vinamilk's export business continued to grow while its domestic dairy segment remained relatively stable.

Astra

Astra's net profit for 2020 under Indonesian accounting standards, including the gain from the sale of the group's investment in Permata Bank, was Rp16.2 trillion, equivalent to US$1.1 billion, 26% lower than 2019. Excluding this one-off gain, the group's net income would have decreased by 53% to Rp10.3 trillion (equivalent to US$0.7 billion), primarily due to weaker performances by its automotive, heavy equipment and mining, and financial services divisions, as a result of the impact of the pandemic and related containment measures.

Automotive

Net income from Astra's automotive division decreased by 68% to US$185 million, reflecting a significant drop in sales volume. After suffering a net loss in the second quarter, the automotive division saw a return to profitability in the second half of the year following the partial easing of pandemic containment measures. The wholesale market for cars declined by 48% in 2020 and Astra's car sales were 50% lower, reflecting a slight decline in its market share.

The wholesale market for motorcycles declined by 44% and Astra Honda Motor's sales decreased by 41%, with an increased market share. Astra Otoparts saw a decrease in net income, mainly due to lower revenues from the original equipment manufacturer, replacement market and export segments.

Financial Services

Net income from the group's financial services division decreased by 44% to US$226 million in 2020, primarily due to increased provisions to cover higher non-performing loans in the consumer and heavy equipment-focused finance businesses. The consumer finance businesses saw a 23% decrease in new amounts financed. There was a 46% decrease in the contribution from the group's car-focused finance companies and a fall of 42% in the contribution from its motorcycle-focused business.

Astra's heavy equipment-focused finance operations saw a 17% decrease in new amounts financed to US$246 million. The net income contribution from this segment decreased by 59%.

General insurance company Asuransi Astra Buana reported a 16% decrease in net income, mainly caused by lower underwriting income. In November, the group acquired a further 49.99% of PT Astra Aviva Life (now PT Asuransi Jiwa Astra) from Aviva International Holdings Limited, bringing its ownership to 99.99%.

Astra completed the sale of Permata Bank in May 2020 for a consideration of US$1.1 billion.

Heavy Equipment, Mining and Construction

Net income from Astra's heavy equipment, mining and construction division decreased by 49% to US$234 million, mainly due to lower heavy equipment sales and mining contracting volume caused by weaker coal prices for most of the year. Komatsu heavy equipment sales fell by 47%, while parts and service revenues were also lower.

Mining contractor Pamapersada Nusantara recorded 17% lower overburden removal volume and 13% lower coal production. United Tractors' coal mining subsidiaries achieved 9% higher coal sales, but their performance was affected by lower coal prices. Agincourt Resources reported 22% lower gold sales at 320,000 oz.

General contractor Acset Indonusa reported a net loss of US$90 million, mainly due to the slowdown of several ongoing projects and reduced project opportunities during the pandemic. In September 2020, the company raised US$102 million from a rights issue to reduce debt and strengthen its capital structure. United Tractors' ownership of Acset increased from 50.1% to 64.8% as a result.

Agribusiness

Net income from the group's agribusiness division was US$45 million, significantly higher than 2019, mainly due to higher crude palm oil prices, which rose by 28%. Crude palm oil and derivatives sales fell by 14%.

Infrastructure and Logistics

Astra's infrastructure and logistics division saw its net income fall significantly from US$21 million to US$3 million in 2020, due to lower toll road revenues and lower operating margin in Serasi Autoraya. The group's toll road concessions experienced a 12% fall in traffic volume. Serasi Autoraya's net income decreased by 55%, mainly due to lower operating margins in its car rental business and lower used car sales, despite a slight increase in the number of vehicles under contract.

In November, the group acquired Jakarta Marga Jaya, which owns a 35% stake in Marga Lingkar Jakarta, the operator of the 7.7km Kebon Jeruk-Ulujami toll road, part of the Jakarta Outer Ring Road I.

Information Technology

Net income from the group's information technology division was 81% lower at US$2 million, primarily due to lower revenues in the document solution and office service businesses of Astra Graphia.

Property

Net income from the group's property division increased slightly to US$6 million, mainly as a result of higher occupancy at Menara Astra and earnings recognised from its Asya Residences development project.

OUTLOOK

High levels of uncertainty remain in respect of this year, given the continuing impact of the pandemic. The Group's performance in the first part of 2021 is expected to be affected in particular by the continuing headwinds faced by our businesses in Southeast Asia and the ongoing low levels of Chinese mainland and other visitors to Hong Kong. There is continued robust economic activity on the Chinese mainland, but it is uncertain whether this will be maintained. It remains too soon to predict what the impact of the pandemic will be on the Group's performance for the full year. However, we remain confident in our long-term strategy, rooted in the growth markets of Asia, and we will continue to focus on our core priorities of driving operational excellence, evolving the Group's portfolio and finding new growth opportunities, in order to deliver long-term value.

John Witt
Group Managing Director

Jardine Matheson Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2020

	2020 Underlying business performance **US$m**	**2020** Non-trading items **US$m**	**2020** Total **US$m**	2019 Underlying business performance US$m	2019 Non-trading items US$m	2019 Total US$m
Revenue *(note 2)*	**32,647**	**-**	**32,647**	40,922	-	40,922
Net operating costs *(note 3)*	**(30,310)**	**458**	**(29,852)**	(36,931)	1,576	(35,355)
Change in fair value of investment properties	**-**	**(3,477)**	**(3,477)**	-	(832)	(832)
Operating profit/(loss)	**2,337**	**(3,019)**	**(682)**	3,991	744	4,735
Net financing charges						
- financing charges	**(637)**	**-**	**(637)**	(787)	-	(787)
- financing income	**242**	**-**	**242**	253	-	253
	(395)	**-**	**(395)**	(534)	-	(534)
Share of results of associates and joint ventures *(note 4)*						
- before change in fair value of investment properties	**844**	**(268)**	**576**	1,221	20	1,241
- change in fair value of investment properties	**-**	**(177)**	**(177)**	-	(11)	(11)
	844	**(445)**	**399**	1,221	9	1,230
Profit/(loss) before tax	**2,786**	**(3,464)**	**(678)**	4,678	753	5,431
Tax *(note 5)*	**(483)**	**(3)**	**(486)**	(941)	(16)	(957)
Profit/(loss) after tax	**2,303**	**(3,467)**	**(1,164)**	3,737	737	4,474
Attributable to:						
Shareholders of the Company *(notes 6 & 7)*	**1,085**	**(1,479)**	**(394)**	1,589	1,249	2,838
Non-controlling interests	**1,218**	**(1,988)**	**(770)**	2,148	(512)	1,636
	2,303	**(3,467)**	**(1,164)**	3,737	737	4,474
	US$		**US$**	US$		US$
Earnings/(loss) per share *(note 6)*						
- basic	**2.95**		**(1.07)**	4.23		7.56
- diluted	**2.95**		**(1.07)**	4.23		7.56

Jardine Matheson Holdings Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2020

	2020 US$m	2019 US$m
(Loss)/profit for the year	**(1,164)**	4,474
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans	**6**	6
Net revaluation surplus before transfer to investment properties		
- right-of-use assets	**-**	2,943
Tax on items that will not be reclassified	**(1)**	2
	5	2,951
Share of other comprehensive income/(expense) of associates and joint ventures	**1**	(5)
	6	2,946
Items that may be reclassified subsequently to profit or loss:		
Net exchange translation differences		
- net gain arising during the year	**712**	489
- transfer to profit and loss	**(227)**	58
	485	547
Revaluation of other investments at fair value through other comprehensive income		
- net gain arising during the year	**19**	20
- transfer to profit and loss	**(4)**	(1)
	15	19
Cash flow hedges		
- net loss arising during the year	**(70)**	(92)
- transfer to profit and loss	**5**	(5)
	(65)	(97)
Tax relating to items that may be reclassified	**12**	29
Share of other comprehensive income of associates and joint ventures	**268**	282
	715	780
Other comprehensive income for the year, net of tax	**721**	3,726
Total comprehensive (expense)/income for the year	**(443)**	8,200
Attributable to:		
Shareholders of the Company	**74**	5,201
Non-controlling interests	**(517)**	2,999
	(443)	8,200

Jardine Matheson Holdings Limited
Consolidated Balance Sheet
at 31st December 2020

	At 31st December **2020** US$m	2019 US$m
Assets		
Intangible assets	**2,695**	2,849
Tangible assets	**6,862**	7,379
Right-of-use assets	**4,768**	5,129
Investment properties	**34,273**	37,377
Bearer plants	**497**	503
Associates and joint ventures	**16,545**	15,640
Other investments	**2,940**	2,720
Non-current debtors	**3,032**	3,045
Deferred tax assets	**485**	457
Pension assets	**11**	3
Non-current assets	**72,108**	75,102
Properties for sale	**2,339**	2,441
Stocks and work in progress	**2,849**	3,824
Current debtors	**6,753**	8,196
Current investments	**61**	29
Current tax assets	**158**	253
Bank balances and other liquid funds		
- non-financial services companies	**8,801**	6,927
- financial services companies	**402**	256
	9,203	7,183
Asset classified as held for sale	**21,363**	21,926
Current assets	**55**	-
	21,418	21,926
Total assets	**93,526**	97,028

(Consolidated Balance Sheet continued on page 22)

Jardine Matheson Holdings Limited
Consolidated Balance Sheet
at 31st December 2020 (continued)

	At 31st December **2020** **US$m**	2019 US$m
Equity		
Share capital	**181**	183
Share premium and capital reserves	**31**	32
Revenue and other reserves	**34,457**	35,418
Own shares held	**(5,282)**	(5,282)
Shareholders' funds	**29,387**	30,351
Non-controlling interests	**33,456**	34,720
Total equity	**62,843**	65,071
Liabilities		
Long-term borrowings		
- non-financial services companies	**8,576**	6,976
- financial services companies	**1,246**	1,697
	9,822	8,673
Non-current lease liabilities	**3,040**	3,260
Deferred tax liabilities	**699**	789
Pension liabilities	**507**	462
Non-current creditors	**366**	356
Non-current provisions	**322**	314
Non-current liabilities	**14,756**	13,854
Current creditors	**8,645**	9,893
Current borrowings		
- non-financial services companies	**3,945**	4,737
- financial services companies	**1,930**	1,853
	5,875	6,590
Current lease liabilities	**850**	902
Current tax liabilities	**368**	540
Current provisions	**189**	178
Current liabilities	**15,927**	18,103
Total liabilities	**30,683**	31,957
Total equity and liabilities	**93,526**	97,028

Jardine Matheson Holdings Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2020

	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
2020											
At 1st January	183	-	32	34,903	2,167	(22)	(1,630)	(5,282)	30,351	34,720	**65,071**
Total comprehensive expense	-	-	-	(371)	-	(33)	478	-	74	(517)	**(443)**
Dividends paid by the Company *(note 8)*	-	-	-	(637)	-	-	-	-	(637)	111	**(526)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(840)	**(840)**
Unclaimed dividends forfeited	-	-	-	1	-	-	-	-	1	-	**1**
Issue of shares	-	2	-	-	-	-	-	-	2	-	**2**
Employee share option schemes	-	-	1	-	-	-	-	-	1	1	**2**
Scrip issued in lieu of dividends	1	(1)	-	134	-	-	-	-	134	-	**134**
Repurchase of shares	(3)	(2)	-	(549)	-	-	-	-	(554)	-	**(554)**
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	(13)	**(13)**
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	39	**39**
Change in interests in subsidiaries	-	-	-	18	-	-	-	-	18	(45)	**(27)**
Change in interests in associates and joint ventures	-	-	-	(3)	-	-	-	-	(3)	-	**(3)**
Transfer	-	1	(2)	1	-	-	-	-	-	-	**-**
At 31st December	**181**	**-**	**31**	**33,497**	**2,167**	**(55)**	**(1,152)**	**(5,282)**	**29,387**	**33,456**	**62,843**
2019											
At 1st January	184	36	182	32,739	213	(20)	(2,020)	(5,245)	26,069	32,729	58,798
Total comprehensive income	-	-	-	2,859	1,954	(2)	390	-	5,201	2,999	8,200
Dividends paid by the Company *(note 8)*	-	-	-	(646)	-	-	-	-	(646)	113	(533)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(964)	(964)
Unclaimed dividends forfeited	-	-	-	1	-	-	-	-	1	-	1
Issue of shares	-	3	-	-	-	-	-	-	3	-	3
Employee share option schemes	-	-	4	-	-	-	-	-	4	-	4
Scrip issued in lieu of dividends	1	(1)	-	133	-	-	-	-	133	-	133
Repurchase of shares	(2)	(40)	-	(286)	-	-	-	-	(328)	-	(328)
Increase in own shares held	-	-	-	-	-	-	-	(37)	(37)	37	-
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	14	14
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	18	18
Change in interests in subsidiaries	-	-	-	(50)	-	-	-	-	(50)	(227)	(277)
Change in interests in associates and joint ventures	-	-	-	1	-	-	-	-	1	1	2
Transfer	-	2	(154)	152	-	-	-	-	-	-	-
At 31st December	183	-	32	34,903	2,167	(22)	(1,630)	(5,282)	30,351	34,720	65,071

Jardine Matheson Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2020

	2020 US$m	2019 US$m
Operating activities		
Cash generated from operations	**5,930**	5,269
Interest received	**209**	186
Interest and other financing charges paid	**(692)**	(759)
Tax paid	**(804)**	(964)
	4,643	3,732
Dividends from associates and joint ventures	**632**	1,133
Cash flows from operating activities	**5,275**	4,865
Investing activities		
Purchase of subsidiaries *(note 9(a))*	**(87)**	(28)
Purchase of associates and joint ventures *(note 9(b))*	**(206)**	(1,088)
Purchase of other investments *(note 9(c))*	**(494)**	(409)
Purchase of intangible assets	**(131)**	(224)
Purchase of tangible assets	**(659)**	(1,234)
Additions to right-of-use assets	**(37)**	(60)
Additions to investment properties *(note 9(d))*	**(4,660)**	(171)
Additions to bearer plants	**(35)**	(44)
Advance to and repayment to associates and joint ventures *(note 9(e))*	**(725)**	(1,025)
Advance from and repayment from associates and joint ventures *(note 9(f))*	**1,437**	920
Sale of subsidiaries *(note 9(g))*	**2,821**	60
Sale of Jardine Lloyd Thompson *(note 7)*	**-**	2,084
Sale of other associates and joint ventures *(note 9(h))*	**1,138**	3
Sale of other investments *(note 9(i))*	**445**	450
Sale of intangible assets	**1**	-
Sale of tangible assets	**47**	63
Sale of right-of-use assets	**-**	3
Sale of investment properties	**11**	-
Cash flows from investing activities	**(1,134)**	(700)
Financing activities		
Issue of shares	**2**	3
Capital contribution from non-controlling interests	**39**	18
Change in interests in subsidiaries *(note 9(j))*	**(27)**	(277)
Purchase of own shares	**(549)**	(328)
Drawdown of borrowings	**7,967**	9,029
Repayment of borrowings	**(7,557)**	(8,105)
Principal elements of lease payments	**(962)**	(1,016)
Dividends paid by the Company	**(392)**	(400)
Dividends paid to non-controlling interests	**(840)**	(964)
Cash flows from financing activities	**(2,319)**	(2,040)
Net increase in cash and cash equivalents	**1,822**	2,125
Cash and cash equivalents at 1st January	**7,157**	4,953
Effect of exchange rate changes	**174**	79
Cash and cash equivalents at 31st December	**9,153**	7,157

Jardine Matheson Holdings Limited
Analysis of Profit Contribution
for the year ended 31st December 2020

	2020 US$m	2019 US$m
Reportable segments		
Jardine Pacific	**182**	164
Jardine Motors	**214**	196
Hongkong Land	**412**	460
Dairy Farm	**181**	210
Mandarin Oriental	**(138)**	27
Jardine Cycle & Carriage	**64**	84
Astra	**197**	455
	1,112	1,596
Corporate and other interests	**(27)**	(7)
Underlying profit attributable to shareholders*	**1,085**	1,589
Decrease in fair value of investment properties	**(1,424)**	(337)
Sale of Jardine Lloyd Thompson *(note 7)*	**-**	1,507
Other non-trading items	**(55)**	79
(Loss)/profit attributable to shareholders	**(394)**	2,838
Analysis of Jardine Pacific's contribution		
Jardine Schindler	**32**	48
JEC	**51**	41
Gammon	**38**	36
Jardine Restaurants	**32**	13
Transport Services	**24**	18
JTH	**5**	7
Corporate and other interests	**-**	1
	182	164
Analysis of Jardine Motors' contribution		
Hong Kong and Chinese mainland	**226**	196
United Kingdom	**(12)**	1
Corporate	**-**	(1)
	214	196

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

1. Accounting Policies and Basis of Preparation

The financial information contained in this announcement has been based on the audited results for the year ended 31st December 2020 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

The Group has elected to early adopt the 'Interest Rate Benchmark Reform – Phase 1: Amendments to IFRS 9, IAS 39 and IFRS 7' (effective 1st January 2020) in relation to hedge accounting for the Group's annual reporting period commencing 1st January 2019.

The Group has adopted the following changes in relation to rent concessions for the annual reporting period commencing 1st January 2020.

<u>COVID-19 Related Rent Concessions: Amendment to IFRS 16 Leases</u>

The Group has early adopted the Amendment, which was effective 1st June 2020. Where the Group is a lessee, the practical expedient is applied to account for the change in lease payments resulting from rent concessions granted as a direct consequence of the COVID-19 pandemic and elects not to assess these concessions as lease modifications when all of the following conditions are met:

(i) the revised lease payments are substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(ii) reduction in lease payments relates to payment due on or before 30th June 2021; and

(iii) there is no substantive change to the other terms and conditions of the lease.

Rent concessions fulfilling the above conditions are recognised in the profit and loss over the period in which they cover.

Apart from the above, there are no other amendments which are effective in 2020 and relevant to the Group's operations, that have a significant impact on the Group's results, financial position and accounting policies.

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

2. Revenue

	Gross revenue		Revenue	
	2020 US$m	2019 US$m	**2020 US$m**	2019 US$m
By business:				
Jardine Pacific	**6,178**	6,767	**1,906**	2,635
Jardine Motors	**22,931**	22,967	**5,031**	5,690
Hongkong Land	**4,948**	4,437	**2,094**	2,320
Dairy Farm	**28,159**	27,665	**10,269**	11,192
Mandarin Oriental	**298**	908	**184**	567
Jardine Cycle & Carriage	**6,189**	6,958	**1,269**	1,788
Astra	**22,388**	33,887	**11,965**	16,803
Intersegment transactions	**(185)**	(281)	**(71)**	(73)
	90,906	103,308	**32,647**	40,922

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

3. Net Operating Costs

	2020 US$m	2019 US$m
Cost of sales	**(24,349)**	(30,727)
Other operating income	**1,422**	2,272
Selling and distribution costs	**(4,367)**	(4,457)
Administration expenses	**(2,213)**	(2,341)
Other operating expenses	**(345)**	(102)
	(29,852)	(35,355)

In relation to the COVID-19 pandemic, the Group had received government grants, the majority of which were in support of employee retention, and rent concessions of US$255 million and US$76 million, respectively, for the year ended 31st December 2020. These subsidies were accounted for as other operating income.

Net operating costs included the following gains/(losses) from non-trading items:		
Change in fair value of other investments	**142**	71
Asset impairment	**(65)**	-
Sale of Jardine Lloyd Thompson	**-**	1,507
Sale and closure of other businesses	**422**	32
Sale of property interests	**9**	16
Restructuring of businesses	**(62)**	(15)
Reclassification of joint ventures as subsidiaries	**10**	(14)
Closure of a hotel	**-**	(32)
Other	**2**	11
	458	1,576

4. Share of Results of Associates and Joint Ventures

	2020 US$m	2019 US$m
By business:		
Jardine Pacific	**49**	133
Jardine Motors	**135**	116
Hongkong Land	**92**	240
Dairy Farm	**85**	126
Mandarin Oriental	**(27)**	(2)
Jardine Cycle & Carriage	**(99)**	128
Astra	**199**	494
Corporate and other interests	**(35)**	(5)
	399	1,230
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Change in fair value of investment properties	**(177)**	(11)
Change in fair value of other investments	**9**	(1)
Asset impairment	**(275)**	-
Sale of businesses	**-**	20
Other	**(2)**	1
	(445)	9

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

In relation to the COVID-19 pandemic, included in share of results of associates and joint ventures were the Group's share of the government grants, the majority of which were in support of employee retention, and rent concessions of US$125 million and US$30 million, respectively, for the year ended 31st December 2020.

5. Tax

	2020 US$m	2019 US$m
Tax charged to profit and loss is analysed as follows:		
Current tax	**(603)**	(984)
Deferred tax	**117**	27
	(486)	(957)
China	**(209)**	(319)
Southeast Asia	**(277)**	(611)
United Kingdom	**4**	(5)
Rest of the world	**(4)**	(22)
	(486)	(957)
Tax relating to components of other comprehensive income is analysed as follows:		
Remeasurements of defined benefit plans	**(1)**	2
Cash flow hedges	**12**	29
	11	31

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

Share of tax charge of associates and joint ventures of US$301 million *(2019: US$431 million)* is included in share of results of associates and joint ventures. Share of tax credit of US$9 million *(2019: US$17 million)* is included in other comprehensive income of associates and joint ventures.

6. Earnings/(Loss) per Share

Basic earnings/(loss) per share are calculated on loss attributable to shareholders of US$394 million *(2019: profit of US$2,838 million)* and on the weighted average number of 368 million *(2019: 375 million)* shares in issue during the year.

Diluted earnings/(loss) per share are calculated on loss attributable to shareholders of US$394 million *(2019: profit of US$2,838 million)*, which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of subsidiaries, associates or joint ventures, and on the weighted average number of 368 million *(2019: 375 million)* shares in issue during the year.

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

	Ordinary shares in millions **2020**	2019
Weighted average number of shares in issue	**731**	737
Company's share of shares held by subsidiaries	**(363)**	(362)
Weighted average number of shares for basic earnings per share calculation	**368**	375
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	**368**	375

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:

	2020			2019		
	US$m	Basic (loss)/ earnings per share **US$**	Diluted (loss)/ earnings per share **US$**	US$m	Basic earnings per share US$	Diluted earnings per share US$
(Loss)/profit attributable to shareholders	**(394)**	**(1.07)**	**(1.07)**	2,838	7.56	7.56
Non-trading items *(note 7)*	**1,479**			(1,249)		
Underlying profit attributable to shareholders	**1,085**	**2.95**	**2.95**	1,589	4.23	4.23

7. Non-trading Items

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

	2020 US$m	2019 US$m
By business:		
Jardine Pacific	**332**	121
Jardine Motors	**(23)**	4
Hongkong Land	**(1,545)**	(376)
Dairy Farm	**(3)**	2
Mandarin Oriental	**(316)**	(64)
Jardine Cycle & Carriage	**(49)**	9
Astra	**120**	2
Corporate and other interests	**5**	1,551
	(1,479)	1,249

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

	2020 US$m	2019 US$m
Change in fair value of investment properties		
- Hongkong Land	**(1,546)**	(391)
- other	**122**	54
	(1,424)	(337)
Change in fair value of other investments	**100**	49
Asset impairment	**(223)**	-
Sale of Jardine Lloyd Thompson	**-**	1,507
Sale and closure of other businesses	**93**	48
Sale of property interests	**9**	10
Restructuring of businesses	**(37)**	(9)
Reclassification of joint ventures as subsidiaries	**3**	(9)
Closure of a hotel	**-**	(19)
Other	**-**	9
	(1,479)	1,249

Asset impairment in 2020 included impairment of goodwill in Jardine Cycle & Carriage's investment in Siam City Cement of US$116 million.

Profit on sale and closure of other businesses in 2020 included profit of US$120 million from sale of Astra's 44.6% interest in Permata Bank with net proceeds of US$1,136 million.

In 2019, the Group sold its 41% interest in Jardine Lloyd Thompson with net proceeds of US$2.1 billion, generating a profit on sale of US$1.5 billion.

8. Dividends

	2020 US$m	2019 US$m
Final dividend in respect of 2019 of US¢128.00 *(2018: US¢128.00)* per share	**938**	943
Interim dividend in respect of 2020 of US¢44.00 *(2019: US¢44.00)* per share	**322**	325
	1,260	1,268
Company’s share of dividends paid on the shares held by subsidiaries	**(623)**	(622)
	637	646

A final dividend in respect of 2020 of US¢128.00 *(2019: US¢128.00)* per share amounting to a total of US$921 million *(2019: US$938 million)* is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the 2021 Annual General Meeting. The net amount after deducting the Company’s share of the dividends payable on the shares held by subsidiaries of US$464 million *(2019: US$464 million)* will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2021.

9. Notes to Consolidated Cash Flow Statement

(a) Purchase of subsidiaries

	2020 Fair value US$m	2019 Fair value US$m
Non-current assets	**(118)**	(3)
Current assets	**(417)**	(72)
Non-current liabilities	**9**	8
Current liabilities	**388**	3
Fair value of identifiable net assets acquired	**(138)**	(64)
Goodwill	**(59)**	(4)
Adjustment for non-controlling interests	**-**	14
Total consideration	**(197)**	(54)
Adjustment for contingent consideration	**-**	10
Payment for deferred consideration	**(21)**	-
Adjustment for deferred consideration	**4**	-
Carrying value of associates and joint ventures	**39**	15
Cash and cash equivalents of subsidiaries acquired	**88**	1
Net cash outflow	**(87)**	(28)

For the subsidiaries acquired during 2020, the fair values of the identifiable assets and liabilities at the acquisition dates are provisional and will be finalised within one year after the acquisition dates.

The fair values of the identifiable assets and liabilities at the acquisition dates of certain subsidiaries acquired during 2019 as included in the comparative figures were provisional. The fair values were finalised in 2020. As the difference between the provisional and the finalised fair values were not material, the comparative figures have not been adjusted.

Net cash outflow for purchase of subsidiaries in 2020 included US$14 million for Jardine Motor's acquisition of a dealership business in the Chinese mainland; US$21 million for Dairy Farm's payment for deferred consideration on acquisition of a 100% interest in San Miu Supermarket Limited in Macau in 2015; and US$44 million for Astra's acquisition of a 100% interest in PT Jakarta Marga Jaya, a toll road business company, and US$7 million for Astra's increased interest in PT Asuransi Jiwa Astra, a life insurance company, from 50% to 100%.

Goodwill in 2020 mainly arose from the acquisition of PT Asuransi Jiwa Astra of US$56 million, attributable to synergy with Astra's existing insurance business. None of the goodwill is expected to be deductible for tax purposes.

Revenue and loss after tax since acquisition in respect of subsidiaries acquired during the year amounted to US$30 million and US$1 million, respectively. Had the acquisitions occurred on 1st January 2020, consolidated revenue and loss after tax for the year ended 31st December 2020 would have been US$32,891 million and US$1,165 million, respectively.

9. Notes to Consolidated Cash Flow Statement (continued)

(b) Purchase of associates and joint ventures in 2020 mainly included US$153 million for Hongkong Land's investments primarily in the Chinese mainland; US$15 million for Dairy Farm's capital injection into an associate for the development of e-commerce platform to support the group's digital business; and US$24 million for Astra's settlement of deferred consideration on acquisition of toll road concessions in 2019.

Purchase in 2019 mainly included US$553 million for Hongkong Land's investments primarily in the Chinese mainland; US$168 million for Jardine Cycle & Carriage's additional interest in Truong Hai Auto Corporation; US$208 million and US$42 million for Astra's investments in toll road concessions and capital injections into its associates and joint ventures, respectively; and US$64 million for Jardine Strategic's 20% interest in Livi Bank Limited, a virtual bank in Hong Kong.

(c) Purchase of other investments in 2020 mainly included US$478 million for Astra's acquisition of securities. Purchase in 2019 mainly included Astra's additional investment in Gojek and investments in other securities of US$100 million and US$299 million, respectively.

(d) Additions to investment properties in 2020 mainly included US$4,485 million for Hongkong Land's acquisition of a mixed-use site in the Xuhui District in Shanghai, Chinese mainland.

(e) Advance to and repayment to associates and joint ventures in 2020 comprised US$684 million for Hongkong Land's advance to its property joint ventures and US$41 million for Mandarin Oriental's shareholders' loans to its associate and joint venture hotels. Advance to associates and joint ventures in 2019 mainly included Hongkong Land's advance to its property joint ventures.

(f) Advance from and repayment from associates and joint ventures in 2020 and 2019 mainly included advance from and repayment from Hongkong Land's property joint ventures.

9. Notes to Consolidated Cash Flow Statement (continued)

(g) Sale of subsidiaries

	2020 US$m	2019 US$m
Non-current assets	**5,192**	85
Current assets	**398**	165
Non-current liabilities	**(101)**	(49)
Current liabilities	**(268)**	(156)
Non-controlling interests	**(13)**	-
Net assets	**5,208**	45
Cumulative exchange translation difference	**(248)**	-
Profit on disposal	**46**	29
Sales proceeds	**5,006**	74
Adjustment for carrying value of a joint venture	**(2,119)**	-
Adjustment for deferred payments	**14**	-
Cash and cash equivalents of subsidiaries disposed of	**(80)**	(14)
Net cash inflow	**2,821**	60
Analysis of net cash inflow from sale of subsidiaries:		
Proceeds received	**4,827**	60
Deposits refunded	**(2,006)**	-
	2,821	60

Net cash inflow for sale of subsidiaries in 2020 included US$2,566 million, being proceeds received of US$4,572 million net of deposits refunded of US$2,006 million, for Hongkong Land's sale of a 57% interest in a wholly-owned company which became a 43%-owned joint venture. The company owns a mixed-use site in Xuhui District in Shanghai, Chinese mainland.

The remaining net cash inflow in 2020 of US$255 million included US$47 million for Hongkong Land's sale of its entire 80% interest in a development properties subsidiary in Vietnam; and US$109 million for Dairy Farm's sale of its entire 100% interest in Wellcome Taiwan and US$84 million for Dairy Farm's sale of its entire 100% interest in Rose Pharmacy to its 20%-owned associate, Robinsons Retail Holdings, Inc.

The revenue and profit after tax in respect of subsidiaries disposed of during the year amounted to US$1,179 million and US$14 million, respectively.

(h) Sale of other associates and joint ventures in 2020 mainly included US$1,136 million for Astra's sale of its entire 44.6% interest in Permata Bank.

(i) Sale of other investments in 2020 comprised Astra's sale of securities. Sale in 2019 comprised US$158 million in Hongkong Land and US$276 million in Astra.

9. Notes to Consolidated Cash Flow Statement (continued)

(j) Change in interests in subsidiaries

	2020 US$m	2019 US$m
Increase in attributable interests		
- Mandarin Oriental	**(25)**	(5)
- Jardine Strategic	**-**	(253)
- other	**(2)**	(19)
	(27)	(277)

10. Capital Commitments and Contingent Liabilities

Total capital commitments at 31st December 2020 amounted to US$2,698 million *(2019: US$2,931 million).*

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

11. Related Party Transactions

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

The most significant of such transactions relate to the purchases of motor vehicles and spare parts from its associates and joint ventures in Indonesia including PT Toyota-Astra Motor, PT Astra Honda Motor and PT Astra Daihatsu Motor. Total cost of motor vehicles and spare parts purchased in 2020 amounted to US$3,104 million *(2019: US$5,446 million)*. The Group also sells motor vehicles and spare parts to its associates and joint ventures in Indonesia including PT Astra Honda Motor, PT Astra Daihatsu Motor and PT Tunas Ridean. Total revenue from sale of motor vehicles and spare parts in 2020 amounted to US$387 million *(2019: US$664 million)*.

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

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

12. Post Balance Sheet

On 8th March 2021, the Company announced a plan to simplify the Group's parent company structure, including the acquisition for cash of the 15% of Jardine Strategic Holdings Limited's ('Jardine Strategic') issued share capital that the Company and its wholly-owned subsidiaries do not already own (the 'Acquisition'). The Acquisition will be implemented by way of an amalgamation of Jardine Strategic and a wholly-owned subsidiary of the Company, under the Bermuda Law. The total Acquisition value is approximately US$5.5 billion, which will be financed by an acquisition financing facility, as well as existing cash resources and available lines of credit.

The Acquisition is expected to become effective in April 2021. The Acquisition value and the related transaction costs will result in a reduction of the Group's total equity in the year ending 31st December 2021.

Jardine Matheson Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The process by which the Group identifies and manages risk will be set out in more detail in the Corporate Governance section of the Company's 2020 Annual Report (the 'Report'). The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority of the United Kingdom and are in addition to the matters referred to in the Chairman's Statement, Managing Director's Review and other parts of the Report.

Economic Risk
Most of the Group's businesses are exposed to the risk of negative developments in global and regional economies and financial markets, either directly or through the impact such developments might have on the Group's joint venture partners, associates, franchisors, bankers, suppliers or customers. These developments could include recession, inflation, deflation, currency fluctuations, restrictions in the availability of credit, business failures, or increases in financing costs, oil prices or the cost of raw materials. Such developments might increase operating costs, reduce revenues, lower asset values or result in some or all of the Group's businesses being unable to meet their strategic objectives.

Commercial Risk and Financial Risk
Risks are an integral part of normal commercial activities, and where practicable steps are taken to mitigate them. Risks can be more pronounced when businesses are operating in volatile markets.

A number of the Group's businesses make significant investment decisions in respect of developments or projects and these are subject to market risks. This is especially the case where projects are longer-term in nature and take more time to deliver returns.

The Group's businesses operate in sectors and regions which are highly competitive and evolving rapidly, and failure to compete effectively, whether in terms of price, tender terms, product specification, application of new technologies or levels of service, can have an adverse effect on earnings or market share. Significant competitive pressure may also lead to reduced margins.

It is essential for the products and services provided by the Group's businesses to meet appropriate quality and safety standards and there is an associated risk if they do not, including the risk of damage to brand equity or reputation, which might adversely impact the ability to achieve acceptable revenues and profit margins.

The potential impact on many of our businesses of disruption to IT systems or infrastructure, whether as a result of cyber-crime or other factors, could be significant. There is also an increasing risk to our businesses from adverse social media commentary, which could influence customer and other stakeholder behaviours and impact operations or profitability, or lead to reputational damage.

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The steps taken by the Group to manage its exposure to financial risk will be set out in the Financial Review and in a note to the Financial Statements in the Report.

Concessions, Franchises and Key Contracts

A number of the Group's businesses and projects are reliant on concessions, franchises, management, outsourcing or other key contracts. Cancellation, expiry or termination, or the renegotiation of any such concession, franchise, management, outsourcing or other key contracts, could have an adverse effect on the financial condition and results of operations of certain subsidiaries, associates and joint ventures of the Group.

Regulatory and Political Risk

The Group's businesses are subject to a number of regulatory regimes in the territories in which they operate. Changes in such regimes, in relation to matters such as foreign ownership of assets and businesses, exchange controls, planning controls, emission regulations, tax rules and employment legislation, could have the potential to impact the operations and profitability of the Group's businesses.

Changes in the political environment, including political or social unrest, in the territories where the Group operates could adversely affect the Group's businesses.

Terrorism, Pandemic and Natural Disasters

The Group's operations are vulnerable to the effects of terrorism, either directly through the impact of an act of terrorism or indirectly through the effect on the Group's businesses of generally reduced economic activity in response to the threat, or an actual act, of terrorism.

The Group businesses could be impacted by a global or regional pandemic which seriously affects economic activity or the ability of businesses to operate smoothly. In addition, many of the territories in which the Group operates can experience from time to time natural disasters such as earthquakes and typhoons.

Cybersecurity Risk

The Group's businesses are ever more reliant on technology in their operations and face increasing numbers of cyberattacks from groups targeting both individuals and businesses. The privacy and security of customer and corporate information is at risk of being compromised through a breach of our or our suppliers' IT systems or the unauthorised or inadvertent release of information, resulting in brand damage, impaired competitiveness or regulatory action. Cyberattacks may also adversely affect our ability to manage our business operations or operate information technology and business systems, resulting in business interruption, lost revenues, repair or other costs.

Responsibility Statement

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

(a) the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board; and

(b) the sections of the Company's 2020 Annual Report, including the Chairman's Statement and Managing Director's Review and the Principal Risks and Uncertainties, which constitute the management report, include a fair review of all information required to be disclosed by the Disclosure Guidance and Transparency Rules 4.1.8 to 4.1.11 issued by the Financial Conduct Authority of the United Kingdom.

For and on behalf of the Board

John Witt
Graham Baker

Directors

Dividend Information for Shareholders

The final dividend of US$1.28 per share will be payable on 12th May 2021, subject to approval at the Annual General Meeting to be held on 6th May 2021, to shareholders on the register of members at the close of business on 26th March 2021. The shares will be quoted ex-dividend on 25th March 2021 and the share registers will be closed from 29th March to 2nd April 2021, inclusive. The dividend will be available in cash with a scrip alternative.

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

Shareholders on the Jersey branch register
Shareholders registered on the Jersey branch register will have the option to elect for their dividends to be paid in Sterling. These shareholders may make new currency elections for the 2020 final dividend by notifying the United Kingdom transfer agent in writing by 28th April 2021. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 3rd May 2021.

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

Dividend Information for Shareholders (continued)

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 26th March 2021, 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 25th March 2021.

About the Jardine Matheson Group

Jardine Matheson is a diversified Asian-based group with unsurpassed experience in the region, having been founded in China in 1832. 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.

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 directly in Jardine Pacific (100%) and Jardine Motors (100%), while its 85%-held Group holding company, Jardine Strategic, holds interests in Hongkong Land (50%), Dairy Farm (78%), Mandarin Oriental (79%) and Jardine Cycle & Carriage (75%) ('JC&C'). JC&C in turn has a 50% shareholding in Astra. Jardine Strategic also has a 59% shareholding in Jardine Matheson.

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

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For further information, please contact:

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2020 can be accessed through the internet at www.jardines.com.