



Jardine Matheson

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

Announcement

www.jardines.com

18th May 2023
For immediate release

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

Jardine Matheson Holdings Limited Interim Management Statement

18th May 2023 – Jardine Matheson Holdings Limited (the ‘Company’) today publishes its Interim Management Statement for the first quarter of 2023.

Most of the Group’s businesses performed strongly in the first quarter compared with the same period last year, with Astra, DFI Retail Group (‘DFI’), Mandarin Oriental and Jardine Pacific all delivering increases in underlying net profit. While the Group achieved a strong overall performance in the period, challenges remain from the global economic environment and softening commodity prices. The Group, however, remains confident in the economic resilience of its markets and is well-positioned to benefit from their recovery.

Hongkong Land’s underlying profit in the first quarter was lower than the same period in 2022. There was a reduced contribution from the Development Properties business, due to fewer planned sales completions on the Chinese mainland. The contribution from Investment Properties was broadly unchanged compared to the same period last year, with improved performance from the retail segment, partly offset by a lower contribution from the Hong Kong office portfolio.

In the group’s Central office portfolio, physical vacancy increased to 6.3%, compared to 4.9% at the end of 2022. On a committed basis, vacancy was 5.8%. Rental reversions continued to be negative in the period. Leasing activity improved in recent months, with a meaningful increase in enquiries in the first quarter compared to the last quarter and the same period last year, but headwinds in global financial markets have dampened incremental office demand from the financial services sector.

Hongkong Land’s Development Properties business saw a modest recovery in market sentiment for residential properties on the Chinese mainland, underpinned by government policy support. The group’s attributable interest in contracted sales was US\$408 million in the first quarter, compared to US\$213 million in the equivalent period in 2022, mainly due to more planned sales launches. Sales activity has continued to recover during April and overall planned sales completions for 2023 are expected to be higher than the prior year.

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

Jardine Pacific saw improved performance from most of its businesses in the period, compared with the first quarter of last year. Jardine Restaurants, however, was impacted by softer sales in Hong Kong and the absence of government support received last year. The disposal of the shareholding in Greatview, announced in late January, remains on track, subject to regulatory approvals.

DFI saw significantly improved year-on-year performance in the first quarter. This principally reflected increased profitability of its associates, in particular a much-improved performance by Maxim's. The Group's subsidiaries also saw improved overall performance, with strong recovery in the Health and Beauty and Convenience divisions more than offsetting lower results in the Grocery Retail division as consumer buying patterns normalised compared with the first quarter of 2022 and digital investments continued.

Mandarin Oriental recorded an underlying profit in the first quarter of 2023, driven by improved performance from its owned hotels and management business. Asia in particular benefitted from the removal of travel restrictions. The group's owned hotels performed robustly, particularly in Hong Kong, Tokyo, and Bangkok, with strong rates.

The first quarter saw the announcement of a new management contract for a luxury beach resort in Mallorca, Spain, scheduled to open by the end of 2024; the rebranding of the Emirates Palace hotel in Abu Dhabi as Emirates Palace Mandarin Oriental, Abu Dhabi; and the closure in March of Mandarin Oriental, Singapore, for a substantial renovation.

Jardine Cycle & Carriage ('JC&C') reported growth in the first quarter of 2023, compared to the same period last year, principally due to a higher contribution from Astra.

Astra reported a 25% increase in underlying earnings, excluding fair value gains from its equity investments, with improvements across most divisions. Astra's automotive division recorded higher car and motorcycle sales, leading to higher lending volumes in its financial services division. The heavy equipment and mining division continued to benefit from high coal prices, resulting in higher volumes in its mining contracting and mining businesses and an increase in heavy equipment sales. The agribusiness division, however, was adversely impacted by lower crude palm oil prices and sales volumes.

Beyond Astra, JC&C's Direct Motor Interests also delivered improved performance, but THACO and Siam City Cement saw lower profits primarily as a result of challenging market conditions in Vietnam.

On 17th April 2023, the Company announced the appointment of Janine Feng as an Independent Non-executive Director with effect from 5th May 2023.

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

Jardine Matheson Holdings Limited is incorporated in Bermuda and has a 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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This and other Group announcements can be accessed through the internet at www.jardines.com.