Jardine Matheson

Jardine Matheson Holdings Limited
Jardine House, Reid Street
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Announcement

www.jardines.com

To: Business Editor

7th March 2024
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
2023 Preliminary Announcement of Results

SOLID PERFORMANCE IN CHALLENGING MARKET CONDITIONS

Highlights

- Underlying profit up 5% to US$1.66 billion (+7% at CER°)
- Record performance in South East Asia, driven by Astra
- Strong recoveries at DFI Retail and Mandarin Oriental
- Significant capital investments at Astra to drive future growth
- Full year dividend up 5% to US$2.25

"Jardines delivered a very solid performance in 2023, benefitting from its diversified portfolio, with results above pre-pandemic levels. Challenging conditions on the Chinese mainland and in Vietnam adversely impacted Zhongsheng, Hongkong Land and THACO. Astra, however, delivered a record performance in South East Asia and both DFI Retail and Mandarin Oriental drove strong recoveries.

I want to thank our colleagues across the Group for their unwavering commitment to their customers and businesses.

The Group anticipates a challenging year ahead, as a result of ongoing economic headwinds in key markets, but with new leadership in place across several Group companies, and an effective long-term strategy, we are optimistic about the future and believe that we are well-positioned to take advantage of opportunities for mid- and long-term growth."

Ben Keswick, *Executive Chairman*

Results summary

	Year ended 31st December			
	2023	2022	Change	Change at
	US$m	US$m	%	CER°
		restated Ω		%
Revenue	**36,049**	37,496	-4	
Underlying profit* before tax	**5,034**	4,930	+2	
Underlying profit* attributable to shareholders	**1,661**	1,584	+5	+7
Profit attributable to shareholders	**686**	354	+94	
Shareholders' funds	**29,010**	28,850	+1	
	US$	**US$**		
Underlying earnings* per share	**5.74**	5.49	+5	+6
Earnings per share	**2.37**	1.22	+94	
Dividends per share	**2.25**	2.15	+5	

* 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 40 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.

Ω The 2022 financials have been restated due to changes in accounting policies upon adoption of IFRS 17 'Insurance Contracts', as set out in note 1 to the financial statements.

° CER means Constant Exchange Rates

The final dividend of US$1.65 per share will be payable on 15th May 2024, subject to approval at the Annual General Meeting to be held on 8th May 2024, to shareholders on the register of members at the close of business on 22nd March 2024 and will be available in cash with a scrip alternative.

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Jardine Matheson Holdings Limited (the 'Company')

2023 Preliminary Announcement of Results

CHAIRMAN'S STATEMENT

2023 OVERVIEW

2023 saw the Group's underlying profit rise to a new high, as many of our businesses benefitted from the post-pandemic reopening of markets, particularly in the first half of the year. The Group's diversified portfolio continued to generate strong cash flows, supporting a strong balance sheet and creating a solid foundation for future growth. Full details of the business's performance, and significant developments during the year, are provided in the Group Managing Director's Review.

The Board is recommending an increased final dividend of US$1.65 per share, which produces a full-year dividend of US$2.25 per share, up 5% from the prior year.

GOVERNANCE

Our approach to governance reflects what the Board believes is most appropriate for the Group's unique shareholding structure, size and its operations in Asia. However, as our environment and the Group evolves, we continue to review its effectiveness on an ongoing basis. In the last year, we have brought greater diversity and sectoral expertise to the Boards of both Jardine Matheson and our listed subsidiaries, with multiple new executive and independent non-executive appointments.

At JMH, Janine Feng and Keyu Jin joined the Company's Board on 5th May 2023 and 31st January 2024 respectively, as independent non-executive directors. From 1st April 2024, the Board will comprise 50% independent non-executive directors.

Anthony Nightingale retired from the Board on 31st January 2024, and Y.K. Pang and David Hsu will step down from the Board on 31st March 2024. Y.K. will remain as a Senior Adviser of the Company. I would like to thank Anthony, Y.K. and David for their contributions to the Board and the wider Group over many years.

Janine Feng also joined the Audit Committee on 5th May 2023 and, following Michael Wu's appointment to the Committee in March 2023, in place of Adam Keswick, who stood down with effect from the same date, the Board considers that the Audit Committee now comprises only independent non-executive directors.

Following recent changes, the audit committees of each of our listed subsidiary Boards now have a majority of independent members and are chaired by an independent non-executive director.

SUSTAINABILITY

As a long-term business, sustainability is at the forefront of our business practices and I am pleased to say we have made significant strides in progressing our agenda. The culture within the Group is fast becoming one where sustainability is seen as a business opportunity and an integral part of our day-to-day business lives.

We are increasingly focussed on the three main pillars of our sustainability strategy: Leading Climate Action, Driving Responsible Consumption and Shaping Social Inclusion, and I am really pleased that the progress we have made in these areas has been reflected in our improved ESG ratings.

Good business is sustainable business, and with our focussed approach we believe the future growth of the Company will also benefit the communities in which we invest. I am proud to say that sustainability is now something that is embedded as a core element of our strategy, and all future investments will take account of it as a key part of the decision-making process.

I continue to chair our Sustainability Leadership Council, which includes all Group CEOs, and together we will continue to ensure that Jardines maximises the long-term business opportunities that a consistent and integrated sustainability programme should produce.

CONCLUSION

Jardines delivered a very solid performance in 2023 as the Group benefitted from its diversified portfolio, with results above pre-pandemic levels. Our two large auto associates, Zhongsheng and THACO, were significantly impacted by tough market conditions in the Chinese mainland and Vietnam respectively. Hongkong Land was also impacted by the downturn in the Chinese property sector. Astra, however, delivered a record performance and both DFI Retail and Mandarin Oriental drove strong recoveries.

The Group enters 2024 facing continued challenging market conditions in key segments in China and Vietnam, as well as lower market prices for a number of Astra's key commodity outputs in Indonesia. However, we remain confident in our long-term strategy and will continue to create opportunities to deliver growth and long-term value, benefitting from our diversified portfolio.

Ben Keswick

Executive Chairman

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GROUP MANAGING DIRECTOR'S REVIEW

The Group performed well in 2023 and, despite facing increasing headwinds in the second half of the year, achieved a new record level of profit.

We remain focussed on addressing the short-term challenges our businesses face from local and global economic pressures. As the pace of change increases, we are focussed on advancing our strategic priorities with urgency, as outlined below.

Enhancing Leadership and Entrepreneurialism

In the last year, the Group has made several significant senior appointments to enhance leadership and drive future growth, including the appointment of new chief executives at DFI Retail, Mandarin Oriental and Hongkong Land.

Scott Price succeeded Ian McLeod as Group Chief Executive of DFI Retail with effect from 1st August 2023. Scott is an experienced senior business executive with 25 years' international experience, mostly in Asia, spanning the retail, logistics and consumer packaged goods sectors.

Since joining DFI Retail, Scott has visited all its formats and markets to meet colleagues and learn about the group's business and customers. He has introduced a new strategic framework, which will support the group's capital allocation priorities and growth plans over the coming three to five years. The new framework is centred on putting the customer first – evolving the business at the same pace as customers' changing shopping behaviours; focussing on the group's people – embedding core values throughout the group, speeding up decision making and improving diversity, equity and inclusion to ensure local relevancy of decision-making to customers; and driving improved shareholder returns - through a disciplined capital and resource allocation approach.

Laurent Kleitman succeeded James Riley as Group Chief Executive of Mandarin Oriental with effect from 1st September 2023. Laurent joined the group from LVMH, where he was President and CEO of Parfums Christian Dior, and brings many years' experience in building iconic consumer brands across the beauty and broader FMCG sectors.

In his first few months at Mandarin Oriental, Laurent has visited the group's properties around the world, met with owners and partners and spent time listening to and learning from the group's many colleagues. Going forward, he aims to scale up the management business, further elevate the brand to become the reference point in luxury hospitality and enrich the group's service proposition to guests and owners.

In November 2023, we announced that Michael Smith will succeed Robert Wong as the new Chief Executive of Hongkong Land, effective 1st April 2024. Michael brings 30 years of real estate, capital markets and investment banking experience. He was most recently Regional Chief Executive Officer of Europe and the US at Mapletree Investments, a global real estate development, investment, capital and property management company. Michael grew Mapletree Investment's Europe and US businesses through his successful build-out of an entrepreneurial and high-performance organisation.

Elton Chan, currently the Chief Executive of Jardine Schindler Group and a non-Executive Director of Zhongsheng, will succeed Y.K. Pang as Chief Executive of the Jardine Pacific group of companies, with effect from 1st April 2024. Prior to his current role at Jardine Schindler Group, Elton was Managing Director of Zung Fu China. He joined Jardines in 2004 and has worked in a range of senior management roles across the Group.

I would like to thank Ian, James, Robert and Y.K. for their significant contributions to the Group.

A crucial part of building an entrepreneurial culture is finding, developing and keeping the right leadership talent, and this is a high priority for the Group and its companies. We also recognise the importance of having the right management structure to support the future development of our portfolio and identify new growth areas.

During the year, we have continued to invest in developing our leaders and giving them opportunities to advance their careers within different businesses across the Group, with multiple senior management progressions happening during the period.

We are also focussed on assessing and developing the next generation of leaders across our businesses. We offer colleagues the training and support they need to deal with the challenges and opportunities they face, both in the near- and the long-term. We supplement our talent planning with Group-wide leadership development programmes, co-designed with world-class institutions including IMD and INSEAD.

Jardines also continues to build a diverse and inclusive culture where anyone can succeed. Our strategy includes a five-year Inclusion, Equity and Diversity target, with an initial focus on gender representation. In addition, each Group business has set its own targets for improving Inclusion, Equity and Diversity in the workplace.

Evolving the Group Portfolio

We see the evolution of the Group's portfolio as crucial to ensuring the long-term growth and sustainability of our business. We allocate capital towards strategic growth initiatives, both at the Group level and within our Group companies, while divesting non-strategic and lower-yielding assets.

Our diversified presence in China and South East Asia, as well as our balanced portfolio across sectors, has enabled us to perform well even in challenging market conditions. We continue to focus on further strengthening our position in the high-potential markets of Asia and in those industries where we can establish a leading position, to create long-term value and ensure sustainable growth.

Our primary goal is to expand our operations in areas with the greatest potential for future growth, including a number of emerging ASEAN markets. We aim to align ourselves with key trends in these markets, such as continuing urbanisation and the expanding middle class. We are actively seeking growth opportunities in markets like Indonesia and Vietnam, while also developing our business interests in China.

We also recognise the continuing growth opportunities in our established markets, such as Hong Kong and Singapore, which provide a stable foundation and strong cash flow.

Our capital allocation strategy prioritises organic investment in our portfolio to drive long-term growth and returns, while also aiming to increase dividends over time. We then focus on investing in new business opportunities and carrying out share buybacks in our companies as appropriate. Our strategy is supported by a strong balance sheet, and we are increasingly focussed on ensuring that our investment opportunities align with our sustainability goals.

During 2023 and, as we enter 2024, we have continued to progress the simplification of the Group's portfolio and lay the foundations for the next stage of its growth. In March 2023, we completed the sale of our Motors business in the United Kingdom for US$402 million. In September 2023, the Group completed the sale of its 28.22% stake in Hong Kong-listed Greatview Aseptic Packaging Company for US$128 million. In March 2024, the Group completed the sale of its 50% stake in Jardine Aviation Services Group.

In March 2023, DFI Retail sold its Malaysian Grocery Retail business and it completed the sale of several associated properties over the course of the second half of the year.

In line with Mandarin Oriental's strategy for driving future growth, primarily through developing its management business and realising capital, in 2023 the group sold its Jakarta hotel to Astra and signed an option to sell its Paris hotel, in each case retaining the management contract.

Against the backdrop of challenging market conditions in China, the Group continued to make strategic investments in South East Asia.

Astra continued its diversification into non-coal assets, as part of its commitment to a just transition, with United Tractors' acquisition of interests in two nickel mining and processing businesses: the acquisition of a 90% effective share ownership of PT Stargate Pasific Resources and PT Stargate Mineral Asia, for total consideration of US$319 million; and the acquisition of a 19.99% interest in Nickel Industries, for US$616 million.

Astra took further steps to deliver its commitment to transition away from coal and into renewables through the acquisition by its subsidiary United Tractors, in December 2023, of a 49.6% interest for US$52 million in Supreme Energy Sriwijaya, which owns an operating geothermal project in South Sumatera with a total existing capacity of 98 MW.

Astra progressed its healthcare strategy by investing an additional US$100 million in Halodoc, a leading digital health ecosystem platform in Indonesia, bringing its ownership to 21%.

The Group's commitment to South East Asia was reinforced with Jardine Cycle & Carriage's ('JC&C') investment of a further US$350 million in Truong Hai Group Corporation ('THACO') in Vietnam, through subscription for a five-year convertible bond. JC&C also increased its interest in Refrigeration Engineering Electrical ('REE') from 33.6% to 34.9% through a series of on-market purchases, for around US$14 million. In Singapore, JC&C completed a sale and leaseback arrangement of its properties for US$225 million.

The Company repurchased 4.4 million of its own shares for cancellation in 2023 for US$209 million, primarily in order to cancel the impact of scrip issues during the year on overall share count and EPS. The Group also acquired 5.8 million shares in JC&C for US$136 million during the year.

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

Driving Innovation and Operational Excellence

The Group continues to focus on delivering operational excellence in both its existing and new businesses, and 2023 saw strong progress in driving greater efficiency and productivity. Many of the Group's businesses progressed improvement initiatives in the year, with HACTL increasing its capacity to handle pallets by 30% by enhancing its use of robotics, as well as introducing automation more generally to increase efficiency. DFI's transformation programme also continued to deliver real improvements in operating metrics across its banners. The Group is progressing its implementation of an in-house Global Business Services function to support the Group's businesses, while Mandarin Oriental has made encouraging progress in driving operational efficiency through modernising its systems and processes required to support evolving business needs.

The increased efficiencies which are being delivered across our businesses help them demonstrate adaptability and agility in addressing the challenges they face in delivering future growth.

The Group has continued to focus on driving innovation as a key strategic priority. In November 2023, Astra launched Bank Saqu, a digital banking service with a focus on small business owners and small entrepreneurs in Indonesia. In the automotive space, Astra acquired the leading online used car platform in Indonesia. This has been integrated with Astra's existing used car business to create a preeminent position in both online/offline used car sales as the market grows. In June 2023, JC&C announced a used car and aftersales partnership with Carro, a leading online auto platform.

Mandarin Oriental is implementing its Guest Experience Programme, which will greatly improve the group's ability to recognise, understand and engage guests. A redesign of *Fans of M.O.* will enhance Mandarin Oriental's ability to attract and retain guests. Mandarin Oriental is also establishing a bespoke relationship management service, to build brand-level loyalty with ultra-high net worth guests.

We continue to seek new inorganic growth opportunities in the digital economy, emerging industries and new geographies. This is well illustrated by Astra's partnership with Equinix, one of the world's largest digital infrastructure companies, to develop data centres in Indonesia, as well as United Tractors' acquisition of interests in Supreme Energy Sriwijaya, Nickel Industries and Stargate.

Progressing Sustainability

Sustainability remains a key strategic priority for the Group. In 2023, we continued to leverage and build on the work our Group companies are doing on sustainability, to create an aligned, focussed approach which maximises the impact Jardines has in its communities and on the environment, and enables us to create real scale in what we do.

In *Leading Climate Action*, we continue to build momentum on our net-zero strategy and our businesses have set decarbonisation targets to align with the trajectory needed to limit global warming to 1.5^{o}C. All our businesses have also developed decarbonisation pathways to achieve their targets for reducing Scope 1 and 2 emissions. We are working towards understanding and reducing our Scope 3 emissions over time.

In *Driving Responsible Consumption*, most businesses have identified their material waste streams and set individual waste reduction/diversion targets, and we are looking for synergies and cooperation opportunities between our businesses on circular solutions. We are also building up expertise to understand our dependencies and impacts on biodiversity, so we can adopt industry-leading practices for biodiversity management.

The Group continues to operate some businesses in Indonesia which are the focus of stakeholders on environmental and biodiversity-related issues, but we believe that our businesses are taking appropriate and extensive steps to protect biodiversity and the environment, while at the same time supporting the communities where they operate.

In relation to *Shaping Social Inclusion*, we are prioritising the promotion of access to quality education and efforts to create greater awareness of mental health.

SUMMARY OF PERFORMANCE

The Group delivered a good performance in 2023, with a 5% increase (+7% at Constant Exchange Rates ('CER')) in underlying profit to US$1,661 million, and 5% growth (+6% at CER) in underlying earnings per share to US$5.74.

Growth was primarily driven by strong results from Astra and significantly improved contributions from DFI Retail and Mandarin Oriental. Growth continued in the second half in all three businesses, but saw a marked slowdown as market conditions weakened (and prior year comparables became tougher). There was a significantly lower contribution in 2023 from Zhongsheng and contributions from JC&C's other businesses (ex-Astra), Hongkong Land and Jardine Pacific were also lower. Further details of the individual businesses are provided below.

Net non-trading items were negative. The net non-trading losses in 2023 consisted primarily of the Group's fair value losses arising from the revaluation of the Group's investment properties portfolio of US$1,066 million and impairment of goodwill of US$172 million, offset by gain on sale of property interests of US$105 million and the US$101 million share of Zhongsheng's 2022 second half profit (resulting from a change in accounting policy as explained under the Zhongsheng section below).

Cashflow remained strong both at Group and parent company level. The Group's cash flows from operating activities for the year was US$4.6 billion and free cashflow at parent company[1] was US$778 million, amply covering the Company's external dividend payments by 1.7x. The Group's balance sheet remains strong with gearing of 15%, slightly up from 13% at the end of 2022, despite significant capex and enhanced external dividend payments at Astra during the year.

The Group continued to focus during 2023 on making organic and strategic investments to sustain the business and drive future growth. The Group's organic capital expenditure in 2023, including expenditure on properties for sale, was US$3.4 billion (2022: US$3.8 billion), and strategic investments added a further US$1.8 billion (2022: US$1.5 billion) to capital expenditure in 2023. Additional capital investment within the Group's associates and joint

[1] Free Cash Flow at parent company is defined as recurring dividends received from subsidiaries, associates, joint ventures and other investments, less corporate costs and net interest expenses.

ventures was over US$5.2 billion (2022: US$4.3 billion). The Group continues to invest for the long-term and ensure that its businesses have the resources to drive future growth.

These results demonstrate, once again, the value of our diversified portfolio, enabling Jardines to produce a resilient profit and cash performance, despite challenging conditions in a number of our sectors and markets.

The strong performance of the Group's businesses in Indonesia, together with the challenges faced by our businesses in Hong Kong and on the Chinese mainland, led to 56% of the Group's profit for the period coming from South East Asia and 37% from China.

INDIVIDUAL BUSINESS PERFORMANCE

Certain financial information of the Group's listed subsidiaries presented and referred to below represents the financial information of each respective business of the Group as reported within their own Annual Report ('100% basis'). References to profit attributable to shareholders is therefore the performance attributable to the shareholders of the respective business, which we believe provides the reader a better understanding of the relevant listed Group subsidiaries. The Jardine Matheson Group's attributable interest in each business is disclosed, where relevant, within the segmental information in Note 2 of the financial statements.

Jardine Pacific

The Jardine Pacific group of companies reported underlying net profit of US$164 million, 10% lower than 2022. There were good performances by most businesses, although the group's consumer businesses continued to be impacted by weaker consumer sentiment in Hong Kong. The lower underlying net profit was primarily due to the absence of government support and subsidies received last year (US$28 million), as well as the net loss incurred by Jardine Restaurants.

There was significant focus in the year across the group's businesses on driving operational improvements, and the benefits are now starting to be seen in better business performance.

	Group Interest	Group Share of Underlying profit		Change
	%	**2023 US$m**	2022 US$m	%
Analysis of Jardine Pacific's contribution:				
Jardine Schindler	50	**42**	36	+16
JEC	100	**57**	53	+6
Gammon	50	**45**	39	+15
Transport Services	42-50	**30**	23	+32
Jardine Restaurants	100	**(15)**	19	n/a
Zung Fu Hong Kong	100	**10**	12	-18
Corporate and other interests		**(5)**	-	
TOTAL		**164**	182	-10

Within Jardine Pacific's B2B businesses, Jardine Schindler produced a good performance with higher sales, although gross margins were impacted by mix. A stable contribution from the Existing Installation business helped offset the challenging New Installation market. JEC performed satisfactorily and its Hong Kong businesses reported solid performances. There were improvements from its regional businesses in Thailand and Singapore, and its order book remained strong.

Gammon reported higher profits, reflecting higher sales. Margins remained under pressure due to the timing of projects, but good cost control and higher financing income helped drive a better performance. Gammon's ongoing operational improvement projects continue to generate encouraging results.

In Transport Services, there was a satisfactory performance from HACTL, despite lower cargo volume being handled and higher financing costs. Jardine Aviation reported a net profit for the year, benefitting from higher flight volumes as the recovery in air travel continued, as well as improved pricing from contract renewals. In March 2024, the group completed the sale of its 50% stake in Jardine Aviation. HACTL continues to face labour shortages.

The group's consumer-facing businesses faced challenges. Jardine Restaurants incurred a net loss, with macro challenges seen across all markets and the absence of government support received in Hong Kong last year. In Hong Kong, weekend traffic has been impacted by the trend of Hong Kong locals increasingly visiting Shenzhen, and both Pizza Hut and KFC Hong Kong reported losses. The Taiwan operations performed well despite intensified competition, while the Vietnam businesses were impacted by the slow recovery in the Vietnamese economy.

Zung Fu Hong Kong reported a lower profit year on year. Despite higher Mercedes passenger cars deliveries and better After Sales performance, the overall contribution from Mercedes fell, driven by lower margins and commercial vehicles sales. Hyundai experienced supply constraints which impacted the number of car deliveries and margin. The business also incurred start-up costs from its newly acquired *smart* and Denza car distributorships.

Jardine Pacific reported a net non-trading gain of US$23 million in the year, compared to a net non-trading loss of US$305 million in 2022. The 2022 non-trading loss included a decrease in the fair value of the group's investment properties and impairment of the group's investments.

Zhongsheng

The Group received a substantially lower underlying contribution of US$139 million from its 21% interest in Zhongsheng in 2023 (2022 reported contribution from Zhongsheng was US$263 million), as its new car business faced a challenging market environment for new luxury vehicle sales volumes and margins during the year, due to China's EV transition and intense auto market competition.

As noted last year, we have changed our accounting for Zhongsheng's results in 2023 to reflect an estimate of their results for the second half of the year, based on recent external analysts' forecasts. We believe this is a better way to ensure the Group's financial statements reflect current progress and developments at Zhongsheng, amid the fast-moving automotive market on the Chinese mainland. This change has been adopted prospectively from 1st January 2023 and, as such, the Group's share of Zhongsheng's estimated 2023 results is presented as underlying profit. Whereas, for the 2022 contribution from Zhongsheng, the Group reported its results with six months in arrears. Had the current year accounting policy also applied in 2022, the drop in underlying contribution from Zhengsheng recognised in 2023 would have been approximately 40% smaller. The Group's share of its 2022 second half results is included as a non-trading item, so as not to distort the current year's underlying performance.

Despite the significant reduction in Zhongsheng's 2023 contribution and continuing challenging market conditions, we believe that Zhongsheng has strong market insight, deep relationships in the Chinese mainland premium vehicle segment, and superb capabilities to execute its well-developed strategy focussing on aftermarket auto services and used car business, which will deliver long-term value for the Group.

Hongkong Land

Hongkong Land's underlying performance during the year was impacted by lower profits from Development Properties, which offset improved results from Investment Properties. Challenging market conditions impacted total contributions from Development Properties business on the Chinese mainland. Profits from the group's Investment Properties increased, mainly due to an improved performance from its luxury retail and Singapore office portfolios, offsetting reduced contributions from the Hong Kong office portfolio.

Underlying profit attributable to shareholders fell by 5% to US$734 million. The loss attributable to shareholders was US$582 million after including net non-cash losses of US$1,317 million arising primarily from the revaluation of the group's Investment Properties portfolio. This compares to a profit attributable to shareholders of US$203 million in 2022, which included net non-cash losses of US$573 million from lower property revaluations. In both years, the net negative revaluation movements principally arose in Hong Kong, where there was a gradual decrease in valuations of the group's prime office portfolio, primarily due to a decline in market rents and a mild expansion of capitalisation rates.

Investment Properties

In Hong Kong, the Central office market remained weak, reflecting subdued capital market sentiment, although the group's Central office portfolio remained resilient and continued to outperform the overall market. At the end of 2023, physical vacancy was 7.4%, while on a committed basis it was 6.8%, compared with 4.7% at the end of 2022. Vacancy was, however, well below the 9.9% vacancy for the Central Grade A office market overall. Average office rents were HK$106 per sq. ft. in 2023, decreasing from HK$111 per sq. ft. in the prior year due to negative rental reversions.

The group's LANDMARK retail portfolio saw a steady recovery in tenant sales and footfall in 2023, following the relaxation of pandemic restrictions and the reopening of Hong Kong's borders. Average retail rents increased from HK$177 per sq. ft. in 2022 to HK$203 per sq. ft. in 2023, mainly due to mildly positive rental reversions and the removal of temporary rent relief. Vacancy, on both a physical and committed basis, remained low at 1.5%.

In Singapore, the group's office portfolio continued to perform well. Average office rents increased to S$10.9 per sq. ft. in 2023, from S$10.6 per sq. ft. in 2022. On a committed basis, vacancy in the group's office portfolio remained low at 0.9%, compared with 2.2% at the end of 2022.

Contributions from our luxury retail portfolio in Beijing and Macau were higher than the prior year, as footfall and retail sales improved following the lifting of pandemic restrictions.

In Shanghai, work continued to progress well on the West Bund development, the group's 43%-owned prime 1.1 million sq. m. mixed-use development. The project's first phase, consisting of a luxury residential tower and serviced apartments, completed construction at the end of 2023, with residential sales to be launched in 2024. The rest of the West Bund development is targeted to be completed in phases from 2024 to 2027.

The combined value of the group's prime Investment Properties portfolio reduced by 5% in 2023.

Development Properties

As anticipated, the profit contribution from the group's Development Properties business on the Chinese mainland was lower than the prior year, due to a combination of lower sales, reduced profit margins and the impairment of some residential for sale assets, in particular two residential projects in Wuhan.

The group's attributable interest in contracted sales in 2023 increased to US$1,530 million, from US$1,300 million in 2022. At 31st December 2023, the group had an attributable interest of US$2,031 million in sold but unrecognised contracted sales, compared with US$2,087 million at the end of 2022.

In Singapore, Development Properties profits recognised were largely in line with the prior year. The group's attributable interest in contracted sales was US$587 million, compared with US$615 million in the prior year. During the year, the group launched sales for 638-unit Tembusu Grand – in which 59% was sold or reserved as at the end of the year. There was solid sales performance at the 638-unit Leedon Green and 407-unit Piccadilly Grand and Galleria developments, which are both effectively sold out.

The group's joint venture projects in the rest of South East Asia performed within expectations, producing a combined profit contribution in line with the prior year.

DFI Retail Group

The past few years have been very challenging for DFI Retail, its customers, colleagues and shareholders. Following the pandemic, DFI Retail is resetting and aligning its business to a new 'Customer First, People Led, Shareholder Driven' strategic framework, which is crucial to supporting its capital allocation priorities and growth plans to improve performance over the coming years.

The group reported underlying profit after tax of US$155 million for the full year, a substantial improvement from the US$29 million reported in the prior year, supported by strong growth in profitability across subsidiaries and improved performance by associates. The group reported a non-trading loss of US$123 million, predominantly due to the goodwill impairment in respect of the Macau Food business and Giant Singapore, and foreign exchange losses associated with the divestment of the Malaysian Grocery Retail business. These losses were partially offset by gains from property divestments, resulting in total reported profits of US$32 million.

Food

Sales revenue for the Food division in 2023 was US$3.3 billion. Excluding the impact of the Malaysian Grocery Retail divestment, revenue for the division was 5% lower. Underlying operating profit for the division was US$45 million for the year, compared to US$91 million in the prior year.

Within North Asia, first half performance was impacted by the absence this year of the pantry-stocking seen during the fifth wave of COVID in Hong Kong in the equivalent period last year. North Asia’s performance, however, improved in the second half and profit during that period also increased compared to the prior year. South East Asia Food sales performance was adversely affected by intense competition and weakening consumer sentiment caused by rising cost of living pressures.

Convenience

Total Convenience sales were US$2.4 billion, an increase of 8% compared to the prior year. Like-for-like (‘LFL’) sales grew by 5% compared to the prior year. Convenience underlying operating profit was US$88 million for the year, an increase of 74% compared to the prior year.

Within Hong Kong, there were strong sales in the first half, with sales in the second half broadly in line with the prior year, as results were impacted by the rising frequency of outbound travel from Hong Kong residents, particularly during weekends. Operating profit improved strongly due to a favourable shift in mix away from cigarette sales, as well as ongoing strong cost control.

7-Eleven South China benefitted from the Chinese economy reopening. Profit increased significantly as a result of strong LFL sales growth, favourable margin impact from product mix shift and ongoing strong cost control. 7-Eleven Singapore also reported strong sales growth, as the business continued to benefit from the economy reopening and strong in-store execution, with profit almost doubling, despite labour and utility cost pressures.

Health and Beauty

Health and Beauty division revenue increased by 21% to US$2.4 billion, with LFL sales growing by over 20%. Underlying operating profit increased by 127% to US$213 million for the year.

The Mannings business, particularly in Hong Kong, benefitted from the recovery in the economy and increased tourism traffic. LFL sales were consistently strong over the course of the year, which supported positive market share momentum. Healthcare as a category performed strongly, representing over 50% of Mannings’ revenue. Mannings’ profit increased significantly due to strong sales growth, gross margin expansion, operating leverage and ongoing strong cost control.

Home Furnishings

IKEA reported sales revenue of US$794 million, 5% behind the prior year. Overall, LFL sales reduced by 7% in 2023, due to reduced home renovation and furniture demand, as a result of a softening in property market sentiment. Operating profit was US$19 million, US$27 million behind the prior year, primarily as a result of the revenue shortfall.

Associates

Maxim’s reported a strong recovery, as customers returned to dining out. Its contribution to the group’s underlying profit more than doubled relative to the prior year, to US$79 million.

The group’s share of Yonghui’s underlying losses was US$36 million for the year, compared to a US$80 million share of underlying losses in the prior year. The reduction in losses was underpinned by an improvement in gross margin and cost optimisation. Yonghui’s sales performance in the year continued to be impacted by challenging macroeconomic conditions and intense competition.

Robinsons Retail's underlying profit contribution reduced from US$24 million to US$15 million. Robinsons Retail continued to report strong sales and core net earnings growth. For reporting purposes, however, DFI Retail's share of Robinsons Retail's underlying profits was adversely impacted by foreign exchange losses and higher net financing charges reported by Robinsons Retail.

Mandarin Oriental

In 2023, Mandarin Oriental's performance benefitted from consumers' robust appetite for luxury leisure travel. The group continued to provide the exceptional levels of service for which the brand is legendary and secured record room rates. The business also continued to build occupancy, which translated into substantial improvements in Revenue Per Available Room ('RevPAR') across almost all hotels.

Underlying profit increased to US$81 million, from US$8 million in 2022, with underlying earnings per share at US¢6.41, compared with US¢0.60 in 2022. Non-trading losses of US$446 million primarily comprised a non-cash decrease in the valuation of the Causeway Bay site under development, resulting in a loss attributable to shareholders of US$365 million.

Net debt fell to US$225 million at the end of 2023, from US$376 million at the end of 2022. This reflected significantly higher operating cashflow from the business, net of ongoing capital investment, as well as proceeds from disposals. Gearing as a percentage of adjusted shareholders' funds was 5%, compared to 8% at the end of 2022.

In 2023, the management business delivered strong operating performance, with a 30% increase in hotel management fees and a 55% improvement in EBITDA. Combined Total Revenue for hotels under management was US$1.9 billion in 2023, 21% above 2022. This increase was driven primarily by a 29% increase in RevPAR, primarily due to a gradual recovery of occupancy across all geographies, a continuation of high rates in Europe, Middle East and Africa, and a solid rebound in rates in Asia. Food & Beverage ('F&B') revenue increased by 18% year-on-year.

Mandarin Oriental's 13 owned properties reported a combined EBITDA 63% higher than 2022, and most properties maintained or improved their earnings. There were materially improved contributions by Hong Kong and Tokyo, both of which were severely impacted by stringent travel restrictions in 2022. London and Geneva also delivered considerably improved results, driven by better RevPAR and F&B performance. There were lower earnings in 2023 from Singapore, due to its closure for renovation and repositioning, and Miami.

In 2023, the group opened two new hotels and completed one rebranding, expanding its portfolio to a total of 38 hotels and nine residences. Eight new hotel and residences projects were announced during the year. These projects will strengthen Mandarin Oriental's brand presence in a broader range of destinations and enrich its customer proposition in existing locations. At the end of 2023, the group's development pipeline had a total of 28 hotels and two standalone residences expected to open over the next five years, with four of these expected in 2024.

As part of Mandarin Oriental's regular review of its asset portfolio, the property in Jakarta was sold to Astra in June 2023, while retaining the management contract. The group has also announced the sale of the Paris hotel, while retaining a long-term hotel agreement. The Causeway Bay site in Hong Kong, which is being redeveloped as a mixed-use office and retail complex, remains on track to complete in the first half of 2025.

Jardine Cycle & Carriage

JC&C's underlying profit attributable to shareholders increased by 6% to US$1,160 million, mainly supported by record results from Astra. After accounting for non-trading items, the group's profit attributable to shareholders was US$1,215 million, 64% higher than the previous year. The non-trading items recorded in the year mainly comprised a US$81 million gain from the sale and leaseback of properties under Cycle & Carriage Singapore, partly offset by unrealised fair value losses of US$20 million related to non-current investments.

Astra contributed US$1,019 million to the group's underlying profit, 12% higher than the previous year, reflecting improved performances from most of its businesses.

Direct Motor Interests contributed US$68 million, an increase of 8%, with higher profits from Tunas Ridean in Indonesia and Cycle & Carriage Bintang in Malaysia.

The contribution from the group's Other Strategic Interests was 2% down at US$84 million, due to lower earnings reported by REE, offset by higher profits in Siam City Cement.

THACO

THACO contributed US$36 million, 57% down from the previous year. This was mainly due to a significantly lower automotive profit, reflecting the slowdown of Vietnam's economy, weakened consumer sentiment and greater competitive pressure. Unit sales were 28% down, with a market share decline from 23% to 21%. Losses from its agricultural operations were, however, lower than the previous year.

The group's continued commitment to Vietnam and THACO was demonstrated by JC&C's investment of a further US$350 million in THACO through its subscription for a five-year convertible bond.

Astra

Astra's consolidated revenue of US$20.6 billion and underlying net profit of US$2,175 million under IFRS, were 3% and 9% higher than the previous year, respectively. This earnings growth reflected improved performances from most of the group's businesses, especially the automotive and financial services divisions.

The following performance review on Astra's businesses is based on results prepared under Indonesian accounting standards.

Under Indonesian accounting standards, Astra reported a record net income of Rp33.8 trillion, equivalent to US$2.2 billion, 17% higher than 2022 in its reporting currency. Excluding the fair value loss on the group's investments in GoTo and Hermina, Astra's net profit of Rp34.0 trillion, or US$2.2 billion, was 12% higher than the same period last year in its reporting currency.

Automotive

Net income increased by 18% to US$750 million, reflecting higher sales in the motorcycle and components businesses.

The wholesale car market decreased by 4% to 1.0 million units in 2023. Astra's car sales in 2023 were 2% lower, but market share increased from 55% to 56%. The wholesale motorcycle market grew by 19% in 2023. Astra Honda Motor's sales increased by 22% compared with the prior year and its market share increased from 77% to 78%.

The group's 80%-owned components business, Astra Otoparts, reported a 39% increase in net income to US$121 million in 2023, mainly due to improved operating margin and higher contributions from its associates.

Financial Services

Net income increased by 30% to US$516 million in 2023, primarily due to higher contributions from its consumer finance businesses.

The group's consumer finance and heavy equipment-focussed finance businesses saw a 15% and 8% increase, respectively, in new amounts financed to US$7.7 billion and US$0.7 billion, respectively. The net income contribution from the heavy equipment-focussed finance businesses increased significantly by 75% to US$12 million, mainly due to a larger loan portfolio.

General insurance company Asuransi Astra Buana reported a 14% increase in net income to US$92 million, mainly due to higher insurance revenue. The group's life insurance company, Asuransi Jiwa Astra, recorded a 2% increase in gross written premiums to US$401 million.

Heavy Equipment, Mining, Construction and Energy

Net income was stable at US$832 million, with improved performances from construction machinery and mining contracting offsetting lower contributions from the group's coal and gold mining businesses.

United Tractors reported a 2% decrease in net income to US$1,354 million. Komatsu heavy equipment sales decreased by 8%, while revenues from the parts and service businesses were higher.

General contractor Acset Indonusa, 87.7%-owned by United Tractors, reported a lower net loss of US$18 million, compared with a net loss of US$30 million in the previous year.

Agribusiness

Net income decreased by 39% to US$55 million, largely due to lower selling prices of crude palm oil.

Infrastructure and Logistics

Net income increased by 85% to US$64 million, due to improved performance in its toll road, transportation solutions and logistics businesses.

The group has interests in 396km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road. The group's toll road concessions saw 7% higher daily toll revenue during the year.

Serasi Autoraya's net income increased by 26% to US$14 million, mainly due to higher contributions from transportation solutions and logistics services, with vehicles under contract relatively stable at 25,800 units, which more than offset a lower contribution from used car earnings.

Information Technology

The group's information technology division, represented by 76.9%-owned Astra Graphia, reported a 45% increase in net income to US$7 million, primarily due to improved operating margin.

Property

The group's property division saw a 10% increase in net income to US$9 million, mainly due to an improvement in occupancy at Menara Astra.

OUTLOOK

There was a very solid performance overall by the Group in 2023, exceeding pre-pandemic profit levels despite increasingly challenging conditions as the year progressed.

The Group enters 2024 facing continued market challenges in key segments in China and Vietnam, as well as lower market prices for a number of Astra's key commodity outputs in Indonesia.

We remain confident, however, in our long-term strategy across our core markets in Asia and will continue to focus on our strategic priorities in order to deliver growth and long-term value, benefitting from our diversified portfolio.

John Witt

Group Managing Director

Jardine Matheson Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2023

	2023 Underlying business performance **US$m**	**2023** Non-trading items **US$m**	**2023** Total **US$m**	2022 Underlying business performance US$m restated	2022 Non-trading items US$m	2022 Total US$m restated
Revenue *(note 2)*	**36,049**	**-**	**36,049**	37,496	-	37,496
Net operating costs *(note 3)*	**(31,760)**	**(75)**	**(31,835)**	(33,370)	(363)	(33,733)
Change in fair value of investment properties	**-**	**(1,779)**	**(1,779)**	-	(930)	(930)
Operating profit	**4,289**	**(1,854)**	**2,435**	4,126	(1,293)	2,833
Net financing charges						
- financing charges	**(769)**	**-**	**(769)**	(625)	-	(625)
- financing income	**253**	**-**	**253**	197	-	197
	(516)	**-**	**(516)**	(428)	-	(428)
Share of results of associates and joint ventures *(note 4)*						
- before change in fair value of investment properties	**1,261**	**107**	**1,368**	1,232	(411)	821
- change in fair value of investment properties	**-**	**18**	**18**	-	(3)	(3)
	1,261	**125**	**1,386**	1,232	(414)	818
Profit before tax	**5,034**	**(1,729)**	**3,305**	4,930	(1,707)	3,223
Tax *(note 5)*	**(932)**	**(11)**	**(943)**	(964)	4	(960)
Profit after tax	**4,102**	**(1,740)**	**2,362**	3,966	(1,703)	2,263
Attributable to:						
Shareholders of the Company *(notes 6 & 7)*	**1,661**	**(975)**	**686**	1,584	(1,230)	354
Non-controlling interests	**2,441**	**(765)**	**1,676**	2,382	(473)	1,909
	4,102	**(1,740)**	**2,362**	3,966	(1,703)	2,263
	US$		**US$**	US$		US$
Earnings per share *(note 6)*						
- basic	**5.74**		**2.37**	5.49		1.22
- diluted	**5.73**		**2.37**	5.49		1.22

Jardine Matheson Holdings Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2023

	2023 US$m	2022 US$m
Profit for the year	**2,362**	2,263
Other comprehensive income/(expense)		
Items that will not be reclassified to profit and loss:		
Net exchange translation gain/(loss) arising during the year	**88**	(761)
Remeasurements of defined benefit plans	**(18)**	37
Net revaluation surplus before transfer to investment properties		
- tangible assets	**1**	-
- right-of-use assets	**63**	39
Tax on items that will not be reclassified	**4**	(7)
	138	(692)
Share of other comprehensive income/(expense) of associates and joint ventures	**24**	(467)
	162	(1,159)
Items that may be reclassified subsequently to profit and loss:		
Net exchange translation differences		
- net gain/(loss) arising during the year	**29**	(526)
- transfer to profit and loss	**111**	4
	140	(522)
Revaluation of other investments at fair value through other comprehensive income		
- net loss arising during the year	**(12)**	(20)
- transfer to profit and loss	**-**	(2)
	(12)	(22)
Cash flow hedges		
- net (loss)/gain arising during the year	**(40)**	92
- transfer to profit and loss	**(36)**	(7)
	(76)	85
Tax relating to items that may be reclassified	**9**	(11)
Share of other comprehensive expense of associates and joint ventures	**(78)**	(487)
	(17)	(957)
Other comprehensive income/(expense) for the year, net of tax	**145**	(2,116)
Total comprehensive income for the year	**2,507**	147
Attributable to:		
Shareholders of the Company	**729**	(660)
Non-controlling interests	**1,778**	807
	2,507	147

Jardine Matheson Holdings Limited
Consolidated Balance Sheet
at 31st December 2023

	At 31st December **2023** **US$m**	2022 US$m restated
Assets		
Intangible assets	**2,274**	2,485
Tangible assets	**6,585**	5,853
Right-of-use assets	**4,080**	4,184
Investment properties	**30,166**	31,813
Bearer plants	**481**	465
Associates and joint ventures	**18,473**	17,856
Other investments	**3,329**	2,801
Non-current debtors	**3,833**	3,269
Deferred tax assets	**644**	575
Pension assets	**8**	17
Non-current assets	**69,873**	69,318
Properties for sale	**3,480**	3,311
Stocks and work in progress	**3,664**	3,513
Current debtors	**6,691**	6,799
Current investments	**55**	18
Current tax assets	**159**	156
Cash and bank balances		
- non-financial services companies	**4,519**	5,526
- financial services companies	**361**	372
	4,880	5,898
	18,929	19,695
Asset classified as held for sale	**380**	65
Current assets	**19,309**	19,760
Total assets	**89,182**	89,078

(Consolidated Balance Sheet continued on page 19)

Jardine Matheson Holdings Limited
Consolidated Balance Sheet
at 31st December 2023 (continued)

	At 31st December **2023** **US$m**	2022 US$m restated
Equity		
Share capital	**72**	73
Share premium and capital reserves	**22**	26
Revenue and other reserves	**28,916**	28,751
Shareholders' funds	**29,010**	28,850
Non-controlling interests	**26,921**	27,410
Total equity	**55,931**	56,260
Liabilities		
Long-term borrowings		
- non-financial services companies	**9,486**	10,541
- financial services companies	**1,647**	1,532
	11,133	12,073
Non-current lease liabilities	**2,966**	2,951
Deferred tax liabilities	**862**	791
Pension liabilities	**370**	368
Non-current creditors	**268**	200
Non-current provisions	**359**	336
Non-current liabilities	**15,958**	16,719
Current borrowings		
- non-financial services companies	**3,419**	2,500
- financial services companies	**2,094**	1,663
	5,513	4,163
Current lease liabilities	**754**	772
Current tax liabilities	**471**	671
Current creditors	**10,308**	10,318
Current provisions	**203**	175
	17,249	16,099
Liabilities directly associated with assets classified as held for sale	**44**	-
Current liabilities	**17,293**	16,099
Total liabilities	**33,251**	32,818
Total equity and liabilities	**89,182**	89,078

Jardine Matheson Holdings Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2023

	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
2023											
At 1st January											
- as previously reported	73	-	26	28,887	2,272	55	(2,487)	-	28,826	27,371	**56,197**
- change in accounting policies *(note 1)*	-	-	-	24	-	-	-	-	24	39	**63**
- as restated	73	-	26	28,911	2,272	55	(2,487)	-	28,850	27,410	**56,260**
Total comprehensive income	-	-	-	662	51	(44)	60	-	729	1,778	**2,507**
Dividends paid by the Company *(note 8)*	-	-	-	(637)	-	-	-	-	(637)	-	**(637)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(2,037)	**(2,037)**
Unclaimed dividends forfeited	-	-	-	2	-	-	-	-	2	1	**3**
Employee share option schemes	-	-	10	-	-	-	-	-	10	3	**13**
Scrip issued in lieu of dividends	-	(1)	-	183	-	-	-	-	182	-	**182**
Repurchase of shares	(1)	-	-	(208)	-	-	-	-	(209)	-	**(209)**
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	41	**41**
Share purchased for a share-based incentive plan in a subsidiary	-	-	-	(7)	-	-	-	-	(7)	(2)	**(9)**
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	37	**37**
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	5	**5**
Change in interests in subsidiaries	-	-	-	75	-	-	-	-	75	(315)	**(240)**
Change in interests in associates and joint ventures	-	-	-	15	-	-	-	-	15	-	**15**
Transfer	-	1	(14)	13	-	-	-	-	-	-	**-**
At 31st December	**72**	**-**	**22**	**29,009**	**2,323**	**11**	**(2,427)**	**-**	**29,010**	**26,921**	**55,931**
2022											
At 1st January											
- as previously reported	179	-	25	34,926	2,242	(18)	(1,350)	(6,223)	29,781	28,587	58,368
- change in accounting policies *(note 1)*	-	-	-	24	-	-	-	-	24	39	63
- as restated	179	-	25	34,950	2,242	(18)	(1,350)	(6,223)	29,805	28,626	58,431
Total comprehensive income	-	-	-	374	30	73	(1,137)	-	(660)	807	147
Dividends paid by the Company *(note 8)*	-	-	-	(607)	-	-	-	-	(607)	-	(607)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(994)	(994)
Unclaimed dividends forfeited	-	-	-	2	-	-	-	-	2	-	2
Issue of shares	-	1	-	-	-	-	-	-	1	-	1
Employee share option schemes	-	-	4	-	-	-	-	-	4	2	6
Scrip issued in lieu of dividends	1	(1)	-	184	-	-	-	-	184	-	184
Repurchase of shares	(1)	(2)	-	(168)	-	-	-	-	(171)	-	(171)
Reduction of capital	(106)	(1)	-	(6,116)	-	-	-	6,223	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	4	4
Share purchased for a share-based incentive plan in a subsidiary	-	-	-	(15)	-	-	-	-	(15)	(5)	(20)
Change in interests in subsidiaries	-	-	-	322	-	-	-	-	322	(1,030)	(708)
Change in interests in associates and joint ventures	-	-	-	(15)	-	-	-	-	(15)	-	(15)
Transfer	-	3	(3)	-	-	-	-	-	-	-	-
At 31st December	73	-	26	28,911	2,272	55	(2,487)	-	28,850	27,410	56,260

At the Company's annual general meeting on 5th May 2022, shareholders approved the cancellation of the 59% shareholding in the Company held by its subsidiaries by way of a reduction of capital in the Company. The capital reduction, which was effective on 18th May 2022, constituted the final stage in the Group's simplification of its parent company structure that commenced in 2021.

Jardine Matheson Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2023

	2023 **US$m**	2022 US$m
Operating activities		
Cash generated from operations	**5,549**	5,287
Interest received	**217**	177
Interest and other financing charges paid	**(758)**	(564)
Tax paid	**(1,307)**	(1,006)
	3,701	3,894
Dividends from associates and joint ventures	**883**	931
Cash flows from operating activities	**4,584**	4,825
Investing activities		
Purchase of subsidiaries *(note 9(a))*	**(378)**	(19)
Purchase of associates and joint ventures *(note 9(b))*	**(1,166)**	(658)
Purchase of other investments *(note 9(c))*	**(671)**	(645)
Purchase of intangible assets	**(114)**	(154)
Purchase of tangible assets	**(1,667)**	(1,014)
Additions to leasehold land under right-of-use assets	**(31)**	(53)
Additions to investment properties	**(151)**	(123)
Additions to bearer plants	**(35)**	(39)
Advances to associates and joint ventures *(note 9(d))*	**(455)**	(802)
Repayments from associates and joint ventures *(note 9(e))*	**1,252**	416
Sale of subsidiaries *(note 9(f))*	**365**	-
Sale of associates and joint ventures *(note 9(g))*	**134**	30
Sale of other investments *(note 9(h))*	**161**	228
Sale of intangible assets	**-**	3
Sale of tangible assets *(note 9 (i))*	**364**	230
Sale of right-of-use assets	**38**	7
Cash flows from investing activities	**(2,354)**	(2,593)
Financing activities		
Issue of shares	**-**	1
Capital contribution from non-controlling interests	**41**	4
Acquisition of the remaining interest in Jardine Strategic	**(5)**	(21)
Change in interests in other subsidiaries *(note 9(j))*	**(240)**	(708)
Purchase of own shares	**(209)**	(173)
Purchase of shares for a share-based incentive plan in a subsidiary	**(9)**	(20)
Drawdown of borrowings	**9,873**	9,047
Repayment of borrowings	**(9,475)**	(9,113)
Principal elements of lease payments	**(856)**	(875)
Dividends paid by the Company	**(455)**	(423)
Dividends paid to non-controlling interests	**(2,037)**	(994)
Cash flows from financing activities	**(3,372)**	(3,275)
Net decrease in cash and cash equivalents	**(1,142)**	(1,043)
Cash and cash equivalents at 1st January	**5,879**	7,278
Effect of exchange rate changes	**59**	(356)
Cash and cash equivalents at 31st December	**4,796**	5,879

- more -

Jardine Matheson Holdings Limited
Analysis of Profit Contribution
for the year ended 31st December 2023

	2023 US$m	2022 US$m
Reportable segments		
Jardine Pacific	**164**	182
Jardine Motor Interests	**139**	299
Hongkong Land	**389**	405
DFI Retail	**120**	22
Mandarin Oriental	**65**	6
Jardine Cycle & Carriage	**102**	135
Astra	**786**	691
	1,765	1,740
Corporate and other interests	**(104)**	(156)
Underlying profit attributable to shareholders*	**1,661**	1,584
Decrease in fair value of investment properties	**(1,066)**	(604)
Other non-trading items	**91**	(626)
Profit attributable to shareholders	**686**	354
Analysis of Jardine Pacific's contribution		
Jardine Schindler	**42**	36
JEC	**57**	53
Gammon	**45**	39
Transport Services	**30**	23
Jardine Restaurants	**(15)**	19
Zung Fu Hong Kong	**10**	12
Corporate and other interests	**(5)**	-
	164	182
Analysis of Jardine Motor Interests' contribution		
Zhongsheng	**139**	263
Jardine Motors Group United Kingdom	**1**	35
Corporate	**(1)**	1
	139	299

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

Jardine Matheson Holdings Limited
Notes

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 2023 which have been prepared in conformity with International Financial Reporting Standards ('IFRS Accounting Standards'), including International Accounting Standards ('IAS') and Interpretations as issued by the International Accounting Standards Board ('IASB').

The Group has adopted the following standard and amendments for the annual reporting period commencing 1st January 2023.

IFRS 17 'Insurance Contracts'
(effective from 1st January 2023)

The standard covers recognition, measurement, presentation and disclosure for insurance contracts and is applicable to the Group's insurance businesses in Indonesia. Prior to the adoption of IFRS 17, profits were recognised in the profit and loss on initial recognition of certain insurance contracts. Under IFRS 17, all profits are recognised in the profit and loss over the life of the contracts as insurance services are provided. The adoption of IFRS 17 resulted in certain restatements to the Group's financial statements.

The effect of adopting IFRS 17 on the consolidated profit and loss account for the year ended 31st December 2022 was as follows:

(a) On the consolidated profit and loss account

For the year ended 31st December 2022	As previously reported US$m	Adjustment upon adoption of IFRS 17 Increase/ (decrease) US$m	Restated US$m
Revenue	37,724	(228)	37,496
Net operating costs	(33,961)	228	(33,733)
Change in fair value of investment properties	(930)	-	(930)
Operating profit	2,833	-	2,833

1. Accounting Policies and Basis of Preparation (continued)

(b) On the consolidated balance sheet

At 31st December 2022	As previously reported US$m	Adjustment upon adoption of IFRS 17 Increase/ (decrease) US$m	Restated US$m
Assets			
Intangible assets	2,528	(43)	2,485
Non-current debtors	3,222	47	3,269
Debtors	6,873	(74)	6,799
Total assets	**89,148**	**(70)**	**89,078**
Equity			
Revenue and other reserves	28,727	24	28,751
Non-controlling interests	27,371	39	27,410
Total equity	**56,197**	**63**	**56,260**
Liabilities			
Non-current creditors	191	9	200
Current tax liabilities	672	(1)	671
Current creditors	10,459	(141)	10,318
Total liabilities	**32,951**	**(133)**	**32,818**
Total equity and liabilities	**89,148**	**(70)**	**89,078**

The consolidated balance sheet on 1st January 2022 has not been presented, as the impact of adoption of IFRS 17 is not significant.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
(effective from 1st January 2023)

The amendments require entities to disclose material rather than significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. Material accounting policy information is information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. IASB further clarifies that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The material accounting policies following the adoption of IAS 1 are included in note 40 to the financial statements.

1. Accounting Policies and Basis of Preparation (continued)

Amendment to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
(effective from 1st January 2023)

The amendment requires deferred tax to be recognised on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They typically apply to transactions such as leases of lessees and decommissioning obligations and require the recognition of additional deferred tax assets and liabilities. On adoption of the amendment, the deferred tax assets and liabilities had been restated in the notes to the financial statements with no impact on the balance sheet.

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

The amendment provides a temporary mandatory exception from deferred tax accounting in respect of Pillar Two income taxes and certain additional disclosure requirements. The Group is within the scope of the OECD Pillar Two model rules, and has applied the amendment from 1st January 2023.

Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's annual reporting period commencing 1st January 2024. Since the Pillar Two legislation was not effective at 31st December 2023, the Group has no related current tax exposure.

The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes when the legislation comes into effect. The assessment of the potential exposure to Pillar Two income taxes is based on the latest financial information for the year ended 31st December 2023 of the constituent entities in the Group. Based on the assessment, the effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the effective tax rate is slightly below or close to 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

There are no other amendments which are effective in 2023 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

	2023 US$m	2022 US$m
By business:		
Jardine Pacific	**2,135**	2,079
Jardine Motor Interests	**165**	2,044
Hongkong Land	**1,844**	2,244
DFI Retail	**9,170**	9,174
Mandarin Oriental	**558**	454
Jardine Cycle & Carriage	**1,629**	1,589
Astra	**20,606**	19,977
Intersegment transactions and other	**(58)**	(65)
	36,049	37,496

3. Net Operating Costs

	2023 US$m	2022 US$m
Cost of sales	**(25,775)**	(27,310)
Other operating income	**634**	493
Selling and distribution costs	**(3,918)**	(4,017)
Administration expenses	**(2,385)**	(2,296)
Other operating expenses	**(391)**	(603)
	(31,835)	(33,733)

Net operating costs included the following gains/(losses) from non-trading items:

Change in fair value of other investments	**11**	(395)
Impairment of goodwill	**(226)**	(6)
Impairment of other assets	**-**	(3)
Sale and closure of businesses	**36**	(15)
Sale of a hotel property	**-**	41
Sale of property interests	**123**	31
Restructuring of businesses	**(13)**	(7)
Other	**(6)**	(9)
	(75)	(363)

4. Share of Results of Associates and Joint Ventures

	2023 US$m	2022 US$m
By business:		
Jardine Pacific	**130**	12
Jardine Motor Interests	**238**	263
Hongkong Land	**253**	193
DFI Retail	**53**	(212)
Mandarin Oriental	**(1)**	10
Jardine Cycle & Carriage	**122**	45
Astra	**611**	531
Corporate and other interests	**(20)**	(24)
	1,386	818

Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:

	2023 US$m	2022 US$m
Change in fair value of investment properties	**18**	(3)
Change in fair value of other investments	**11**	(26)
Impairment		
- investment in Robinsons Retail	**-**	(171)
- investment in Siam Cement	**-**	(114)
- other	**-**	(100)
	-	(385)
Share of Zhongsheng's results from 1st July 2022 to 31st December 2022 *(note 7)*	**101**	-
Other	**(5)**	-
	125	(414)

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

5. Tax

	2023 US$m	2022 US$m
Tax charged to profit and loss is analysed as follows:		
Current tax	**(1,043)**	(1,022)
Deferred tax	**100**	62
	(943)	(960)
China	**(160)**	(139)
South East Asia	**(761)**	(793)
United Kingdom	**(2)**	(6)
Rest of the world	**(20)**	(22)
	(943)	(960)
Tax relating to components of other comprehensive income is analysed as follows:		
Remeasurements of defined benefit plans	**4**	(7)
Cash flow hedges	**9**	(11)
	13	(18)

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$282 million *(2022: US$490 million)* is included in share of results of associates and joint ventures. Share of tax credit of US$1 million *(2022: tax charge of US$30 million)* is included in other comprehensive income of associates and joint ventures.

6. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US$686 million *(2022: US$354 million)* and on the weighted average number of 290 million *(2022: 289 million)* shares in issue during the year.

Diluted earnings per share are calculated on profit attributable to shareholders of US$686 million *(2022: US$354 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 290 million *(2022: 289 million)* shares in issue during the year.

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

	Ordinary shares in millions	
	2023	2022
Weighted average number of shares in issue	**290**	467
Company's share of shares held by subsidiaries	**-**	(178)
Weighted average number of shares for basis and diluted earnings per share calculation	**290**	289

There was no shares deemed to be issued for no consideration for the calculation of diluted earnings per share under the Senior Share Executive Incentive Schemes for the year ended 31st December 2023 *(2022: 721 shares)*.

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:

		2023			2022	
	US$m	**Basic earnings per share US$**	**Diluted earnings per share US$**	US$m	Basic earnings per share US$	Diluted earnings per share US$
Profit attributable to shareholders	**686**	**2.37**	**2.37**	354	1.22	1.22
Non-trading items *(note 7)*	**975**			1,230		
Underlying profit attributable to shareholders	**1,661**	**5.74**	**5.73**	1,584	5.49	5.49

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 and debt 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.

	2023		2022	
	Profit before tax **US$m**	Attributable to shareholders **US$m**	Profit before tax US$m	Attributable to shareholders US$m
By business:				
Jardine Pacific	**25**	**23**	(305)	(305)
Jardine Motor Interests	**165**	**165**	(22)	(30)
Hongkong Land	**(1,290)**	**(701)**	(646)	(335)
DFI Retail	**(201)**	**(156)**	(143)	(112)
Mandarin Oriental	**(489)**	**(394)**	(64)	(46)
Jardine Cycle & Carriage	**55**	**54**	(308)	(234)
Astra	**(40)**	**(12)**	(88)	(37)
Corporate and other interests	**46**	**46**	(131)	(131)
	(1,729)	**(975)**	(1,707)	(1,230)
An analysis of non-trading items is set out below:				
Change in fair value of investment properties				
- Hongkong Land	**(1,307)**	**(710)**	(646)	(335)
- other	**(454)**	**(356)**	(287)	(269)
	(1,761)	**(1,066)**	(933)	(604)
Change in fair value of other investments	**22**	**35**	(421)	(327)
Impairment of goodwill	**(226)**	**(172)**	(6)	(5)
Impairment of associates	**-**	**-**	(385)	(320)
Impairment of other assets	**-**	**-**	(3)	(2)
Share of Zhongsheng's results from 1st July 2022 to 31st December 2022	**101**	**101**	-	-
Sale and closure of businesses	**35**	**44**	(15)	(24)
Sale of hotel properties	**-**	**(2)**	41	37
Sale of property interests	**123**	**105**	31	23
Restructuring of businesses	**(15)**	**(11)**	(7)	(5)
Other	**(8)**	**(9)**	(9)	(3)
	(1,729)	**(975)**	(1,707)	(1,230)

7. Non-trading Items (continued)

Zhongsheng's annual results have historically been reported after the Group's results announcement. In previous years, the Group recognised its 21% share of Zhongsheng's results based on publicly available reported results as at the Group's reporting date. Hence, Zhongsheng's contribution to the Group's 2022 results represented its share of Zhongsheng's results for the period from 1st July 2021 to 30th June 2022. From 2023, however, the Group has determined that a better representation of Zhongsheng's current performance would be given using management's estimate of its share of Zhongsheng's results on a calendar year basis, based on an average of recent external analyst estimates.

This change has been adopted prospectively from 1st January 2023 as a change in estimate such that the Group's 2023 results included its share of Zhongsheng's results for an eighteen-month period from 1st July 2022 to 31st December 2023. The Group's share of Zhongsheng's results for the year ended 31st December 2023 are presented as underlying profit, and the results for 1st July 2022 to 31st December 2022 have been presented as a non-trading item so as not to distort the current year's underlying performance.

8. Dividends

	2023 US$m	2022 US$m
Final dividend in respect of 2022 of US$1.60 *(2021: US$1.56)* per share	**463**	1,114
Interim dividend in respect of 2023 of US$0.60 *(2022: US$0.55)* per share	**174**	159
	637	1,273
Company's share of dividends paid on the shares held by subsidiaries	**-**	(666)
	637	607

A final dividend in respect of 2023 of US$1.65 *(2022: US$1.60)* per share amounting to a total of US$477 million *(2022: US$463 million)* is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the 2024 Annual General Meeting and will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2024. Final dividend in respect of 2022 of US$463 million was charged to reserves in the year ended 31st December 2023.

9. Notes to Consolidated Cash Flow Statement

(a) Purchase of subsidiaries

	2023 Fair value US$m
Non-current assets	(526)
Current assets	(371)
Non-current liabilities	137
Current liabilities	164
Non-controlling interests	38
Fair value of identifiable net assets acquired	(558)
Goodwill	(45)
Gain on bargain purchase	32
Total consideration	(571)
Carrying value of associates and joint ventures	102
Cash and cash equivalents of subsidiaries acquired	91
Net cash outflow	(378)

For the subsidiaries acquired during 2023, 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.

Net cash outflow for purchase of subsidiaries in 2023 included a total of US$285 million for Astra's acquisition of 67% of PT Anugerah Surya Pasific Resources ('ASPR'), 70% of PT Stargate Pasific Resources ('SPR') and 70% of PT Stargate Mineral Asia ('SMA'), which engage in nickel mining and processing in Indonesia. ASPR has 30% interest in each of SPR and SMA, thus the Group has direct and indirect attributable interest totalling 90% in each of SPR and SMA. In addition, Astra acquired a 100% interest in PT Tokobagus, a company operating a leading classifieds platform in Indonesia under the OLX brand, for US$63 million.

Goodwill in 2023 mainly arose from the acquisition of PT Tokobagus, which provides synergy with the Group's existing automotive business creating a leading used car omnichannel platform and further expand the automotive value chain. The goodwill is not expected to be deductible for tax purposes.

Revenue and profit after tax since acquisition in respect of subsidiaries acquired during the year amounted to US$43 million and US$7 million, respectively. Had the acquisitions occurred on 1st January 2023, consolidated revenue and profit after tax for the year ended 31st December 2023 would have been US$36,091 million and US$2,345 million, respectively.

9. Notes to Consolidated Cash Flow Statement (continued)

(b) Purchase of associates and joint ventures in 2023 mainly included US$287 million for Hongkong Land's investment in the Chinese mainland; US$14 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation; US$616 million, US$53 million, US$25 million and US$99 million for Astra's acquisition of a 20% interest in Nickel Industries, a 49.6% interest in PT Supreme Energy Sriwijaya, a 25% interest in PT Equinix Indonesia JKT and an additional 14% interest in Halodoc (after which became a 21%–held associate), respectively.

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

(c) Purchase of other investments in 2023 mainly included US$357 million for Jardine Cycle & Carriage's subscription to THACO's convertible bonds and US$285 million for Astra acquisition of securities in relation to its financial services businesses.

Purchase in 2022 mainly included Astra's acquisition of securities in relation to its financial services businesses of US$327 million, investments in healthcare services of US$99 million, an online consumer credit platform of US$31 million and a technology-based logistics startup of US$14 million; and Corporate's investment in limited partnership investments funds for US$151 million.

(d) Advances to associates and joint ventures in 2023 included Hongkong Land's advances to its property joint ventures of US$434 million and Mandarin Oriental's advance to its associate hotel of US$20 million.

Advances to associates and joint ventures in 2022 mainly included Hongkong Land's advances to its property joint ventures.

(e) Repayments from associates and joint ventures in 2023 mainly included Hongkong Land's repayments from its property joint ventures of US$1,184 million and Mandarin Oriental's repayments from its associate and joint venture hotels of US$67 million.

Repayments from associates and joint ventures in 2022 mainly included repayments from Hongkong Land's property joint ventures.

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9. Notes to Consolidated Cash Flow Statement (continued)

(f) Sale of subsidiaries

	2023 US$m
Non-current assets	441
Current assets	467
Non-current assets held for sale	50
Non-current liabilities	(232)
Current liabilities	(466)
Non-controlling interests	(3)
Net assets	257
Cumulative exchange translation losses	118
Profit on disposal	7
Transaction costs and other payable	47
Sales proceeds	429
Cash and cash equivalents of subsidiaries disposed of	(64)
Net cash inflow	365

Net cash inflow for sale of subsidiaries in 2023 comprised US$359 million inflow from the Group's sale of its automotive dealership business in the United Kingdom and US$29 million inflow from Hongkong Land's sale of a property interest in Vietnam; offset by US$23 million cash outflow from DFI Retail's divestment of its Malaysia grocery retail business.

(g) Sale of associates and joint ventures included US$126 million for Jardine Pacific's sale of Greatview Aseptic Packaging.

(h) Sale of other investments in 2023 and 2022 mainly included Astra's sale of securities in relation to its financial services businesses.

(i) Sale of tangible assets in 2023 included US$106 million for DFI Retail's sale and sale and leaseback of properties in Singapore, Malaysia and Indonesia; and US$225 million for Jardine Cycle & Carriage's sale of its properties in Singapore under a sale and leaseback arrangement.

Sale in 2022 included US$131 million for Mandarin Oriental's sale of a hotel property.

9. Notes to Consolidated Cash Flow Statement (continued)

(j) Change in interests in subsidiaries

	2023 US$m	2022 US$m
Increase in attributable interests		
- Hongkong Land	**(83)**	(352)
- Jardine Cycle & Carriage	**(136)**	(130)
- Mandarin Oriental	**(18)**	(1)
- other	**(3)**	(225)
	(240)	(708)

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

10. Capital Commitments and Contingent Liabilities

Total capital commitments at 31st December 2023 amounted to US$2,283 million *(2022: US$2,500 million).*

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

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

	2023 US$m	2022 US$m
Sales to associates and joint ventures		
- motor vehicles and spare parts	**810**	763
- coal	**977**	640
- crude palm oil	**440**	416
	2,227	1,819
Purchase from associates and joint ventures		
- motor vehicles and spare parts	**6,484**	6,142
- ready-to-eat products	**47**	42
	6,531	6,184
Services received from associates and joint ventures		
- point-of-sale system implementation and consultancy services	**17**	13

The Group manages six *(2022: six)* associate and joint venture hotels. Management fees received by the Group in 2023 from these managed hotels amounted to US$14 million *(2022: US$15 million)*.

The Group has engaged one of its joint ventures in the construction business for the redevelopment of a Group's commercial property in Hong Kong. The value of works completed amounted to US$60 million as of 31st December 2023 *(2022: US$14 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.

Jardine Matheson Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for the Group's systems of 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 2023 Annual Report (the 'Report'). Set out below are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure Guidance and Transparency Rules, as well as a summary of the steps taken to mitigate those risks.

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

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

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

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

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

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

Mitigation

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

Investment, partnerships and franchise rights

Description

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

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

Mitigation

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

IT, facilities and cybersecurity

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

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

Mitigation

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

Geographic concentration risk

Description

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

Mitigation

The diverse nature of the Group's businesses mitigates concentration risk at a portfolio level. Ongoing strategic initiatives include:

- Exploring diversification of businesses through organic growth, selective acquisitions and establishing support services beyond locations where the Group typically operates.
- Maintaining financial strength under challenging scenarios.
- Further strengthening the Group's brands to sustain competitiveness and resilience.
- Supporting governments with constructive input and activities.

Talent and labour

Description

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

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

Mitigation

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

Climate physical and transition risk

Description

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

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

Mitigation

- Sustainability Leadership Council established to mobilise and coordinate sustainability efforts across the Group.
- A Climate Action Working Group, with representatives from all business units, drives Group-wide initiatives which strengthen collaboration and share knowledge.
- Each business is building a net-zero carbon pathway and climate change plan to build climate resilience.

- Conducting climate risk assessments and adaptation action plans based on recommendations of TCFD, including implementing measures to address physical risks posed by climate change and identifying opportunities in global transition to a low carbon economy.
- Company has issued Just Energy Transition commitments to scale up investment in renewable energy and related innovations, diversify into non-coal mineral mining, and make no investments in new thermal or metallurgical coal mines or new thermal coal-fired power plants.

Change management, cultural agility and strategic initiatives

Description

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

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

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

Mitigation

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

Third-party service provider and supply chain management

Description

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

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

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

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

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

Mitigation
- Establishing and maintaining safe working environments and regular safety training for all employees and subcontractors.
- Establishing contractual requirements for contractors to comply with high expected levels of safety standards.
- Incorporating site safety plans in tenders and contracts.

- Conducting occupational health and safety awareness campaigns.
- Disseminating safety materials such as signage, guard rails and pictorial representations of safe work procedures accessed via mobile phones.
- Purchasing sufficient insurance coverage including employee compensation and motorbike insurance for delivery riders.
- Establishing product quality and safety standards, guidelines.
- Reporting and including quality and food safety as KPIs.
- Establishing and maintaining proper supplier selection processes.
- Implementing comprehensive quality control measures in all retail stores.
- Ensuring suppliers follow the Group's guidelines, principals' requirements and local regulations.
- Conducting regular audits on suppliers, manufacturers, warehouse services providers and own facilities.
- Conducting periodic drills and crisis management procedures for safety incidents, including media handling.
- Obtaining adequate product liability insurance.

Compliance with and changes to laws and regulations

Description

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

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

Mitigation

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

Customer exposures and claims on customers

Description

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

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

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

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

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

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

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

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

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

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

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

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

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

Mitigation
- Established Groupwide mandatory Code of Conduct and training that applies to all Group businesses and new joiners.
- Maintaining a robust Corporate Governance Framework which includes whistle-blowing channels.
- Compliance departments of individual businesses reviewing internal controls.

- Maintaining functionally independent internal audit function that reports to the Group Audit Committee on risk management, the control environment and significant non-compliance matters.
- Maintaining Professional Indemnity, Crime and General Liability insurance policies with adequate coverage.

Responsibility Statements

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

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

(b) the Chairman's Statement, Group Managing Director's Review, Financial Review and the description of Principal Risks and Uncertainties facing the Group as set out in the Company's 2023 Annual Report, which constitute the management report required by the Disclosure Guidance and Transparency Rule 4.1.8, include a fair review of all information required to be disclosed under Rules 4.1.8 to 4.1.11 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority of the United Kingdom.

For and on behalf of the Board

John Witt
Graham Baker

Directors

Dividend Information for Shareholders

The final dividend of US$1.65 per share will be payable on 15th May 2024, subject to approval at the Annual General Meeting to be held on 8th May 2024, to shareholders on the register of members at the close of business on 22nd March 2024. The shares will be quoted ex-dividend on 21st March 2024 and the share registers will be closed from 25th to 29th March 2024, inclusive. The dividend will be available in cash with a scrip alternative.

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

Dividend Information for Shareholders (continued)

Shareholders on the Jersey branch register
Shareholders registered on the Jersey branch register will have the option to elect for their dividends to be paid in Sterling. These shareholders may make new currency elections for the 2023 final dividend by notifying the United Kingdom transfer agent in writing by 26th April 2024. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 2nd May 2024.

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

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

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

Shareholders on the Singapore branch register who wish to deposit their shares into the CDP system by the dividend record date, being 22nd March 2024, must submit the relevant documents to Boardroom Corporate & Advisory Services Pte. Ltd., the Singapore branch registrar, by no later than 5.00 p.m. (local time) on 21st March 2024.

The Jardine Matheson Group

Jardine Matheson is a diversified Asian-based group founded in China in 1832, with unsurpassed experience in the region. Our broad portfolio of market-leading businesses are well-positioned to capture the themes of urbanisation and the rising middle-income population in Asia. The Group's businesses aim to produce sustainable returns by providing their customers with high quality products and services. The Group is committed to driving long-term sustainable success in our businesses and our communities.

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

Jardine Matheson holds interests in Jardine Pacific (100%), Hongkong Land (53.3%), DFI Retail Group (77.5%), Mandarin Oriental (80.2%), Zhongsheng Group (21.2%) and Jardine Cycle & Carriage (78.1%) ('JC&C'). JC&C in turn has a 50.1% shareholding in Astra.

Jardine Matheson Holdings Limited is incorporated in Bermuda and has a primary listing 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.

- end -

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 2023 can be accessed via the Jardines corporate website www.jardines.com.