ANNUAL REPORT 2023

Capturing the Southeast Asian Growth Opportunity

Jardine Cycle & Carriage

CONTENTS

FINANCIAL HIGHLIGHTS

COMBINED GROSS REVENUE*

US$45B

(2022: US$45B)

REVENUE

US$22B

(2022: US$22B)

UNDERLYING PROFIT ATTRIBUTABLE TO SHAREHOLDERS

US$1.2B

(2022: US$1.1B)

DIVIDEND PER SHARE

US¢118

(2022: US¢111)

* Includes 100% of revenue from associates and joint ventures

Capturing the Southeast Asian Growth Opportunity

CORPORATE PROFILE

Jardine Cycle & Carriage ("**JC&C**" or "**the Group**") is the investment holding company of the Jardine Matheson Group ("**Jardines**") in Southeast Asia. Listed on the Mainboard of the Singapore Exchange and a constituent of the Straits Times Index and MSCI Singapore Index, the Group is 78%-owned by Jardines. By investing in the region's market-leading businesses, we aim to deliver sustainable growth to create evermore opportunities for our stakeholders in Southeast Asia.

- **Astra (50.1%-owned)**, a prominent Indonesian group participating in automotive, financial services, heavy equipment, mining, construction & energy, agribusiness, infrastructure, IT and property.
- **Truong Hai Group Corporation ("THACO") (26.6%-owned)**, Vietnam's fast-growing business group with market-leading position in automotive, and interests in real estate and agriculture.
- **Direct Motor Interests** making up an extensive dealership network through the Cycle & Carriage businesses in Singapore (100%-owned), Malaysia (97.0%-owned) and Myanmar (60%-owned), and Tunas Ridean (49.9%-owned) in Indonesia.
- **Other Strategic Interests** comprising Refrigeration Electrical Engineering Corporation ("**REE**") (34.9%-owned) in Vietnam with interests in power and utilities including renewable energy, property development and office leasing, and mechanical & electrical engineering; Siam City Cement ("**SCCC**") (25.5%-owned) operating in Thailand, Vietnam, Sri Lanka, Cambodia and Bangladesh; and Vinamilk (10.6%-owned), the leading dairy producer in Vietnam.

For more information on JC&C and our businesses, visit **www.jcclgroup.com**

GROUP OVERVIEW

Our objective is to grow faster than Southeast Asia and elevate the communities within which we operate.

OUR PORTFOLIO BUSINESSES

Astra

THACO

Direct Motor Interests

Other Strategic Interests: REE

Other Strategic Interests: SCCC

Other Strategic Interests: Vinamilk

OUR REGIONAL FOOTPRINT

1 INDONESIA

Astra
50.1%

Tunas Ridean
49.9%

2 VIETNAM

THACO
26.6%

REE
34.9%

Vinamilk
10.6%

3 SINGAPORE

Cycle & Carriage Singapore
100%

4 MALAYSIA

Cycle & Carriage Bintang
97.0%

5 MYANMAR

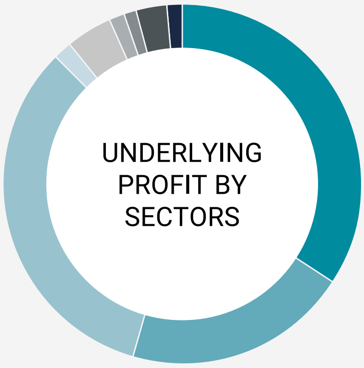
Cycle & Carriage Myanmar
60.0%

6 THAILAND

SCCC
25.5%

- Astra
- THACO
- Direct Motor Interests
- Other Strategic Interests

GROUP HIGHLIGHTS



Automotive	**34.4%**
Financial Services	**20.2%**
Heavy Equipment and Mining	**33.0%**
Agribusiness	**1.5%**
Utilities and Infrastructure	**4.4%**
Property	**1.2%**
Cement	**1.3%**
Consumer Products	**2.8%**
Others	**1.2%**

Indonesia	**87%**
Vietnam	**9%**
Singapore	**2%**
Malaysia	**1%**
Thailand	**1%**

GROUP RESULTS

	Year ended 31st December			
	2023 US$m	**2022 US$m**	**Change %**	**2023 S$m**
Revenue	**22,235**	21,566	3	**29,819**
Profit after tax	**2,977**	2,456	21	**3,992**
Underlying profit attributable to shareholders*	**1,160**	1,096	6	**1,556**
Profit attributable to shareholders	**1,215**	740	64	**1,630**
Shareholders' funds	**8,039**	7,171	12	**10,600**
	US¢	**US¢**	**%**	**S¢**
Underlying earnings per share*	**294**	277	6	**394**
Earnings per share	**308**	187	64	**412**
Dividends per share	**118**	111	6	**158**
	US$	**US$**	**%**	**S$**
Net asset value per share	**20**	18	12	**27**

The exchange rate of US$1=S$1.32 (31st December 2022: US$1=S$1.34) was used for translating assets and liabilities at the balance sheet date and US$1=S$1.34 (2022: US$1=S$1.38) was used for translating the results for the period.

* The Group uses 'underlying profit attributable to shareholders' in its internal financial reporting to distinguish between ongoing business performance and non-trading items. Items classified as non-trading items include: fair value gains or losses on revaluation of investment properties, agricultural produce and equity investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets, associates and joint ventures and other investments; provisions for 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 the Group's underlying business performance.

CONVERSATION WITH GROUP MANAGING DIRECTOR

Q What were the key achievements of JC&C in 2023?

A 2023 was another year of growth for JC&C. Our underlying profit grew 6% to US$1.16 billion. I am encouraged by our teams' approach and hard work that supported another record earnings. The back-to-back record performance reflects the quality of our Southeast Asian portfolio.

We also made solid progress on our strategic priorities in the past year.

In Indonesia, Astra took further steps to strengthen its core portfolio. Its subsidiary, United Tractors, made material progress towards the strategic objective of diversifying its earnings into non-coal minerals and renewables. During the year, United Tractors made significant investments that included nickel and geothermal energy.

Within Astra's automotive business, the team continued to pursue initiatives to strengthen its automotive ecosystem. One of them was the strategic move into the used car segment. The acquisition of OLX propelled Astra to become the largest used car player in Indonesia. OLX is a leading online player in the used car market and will serve as a digital bolt on for Astra's existing used car operations.

In Vietnam, JC&C allocated further capital to support the growth of our future champions, THACO and REE.

We increased our stake in REE to 34.9% during the year. REE's capability and scale in the renewable energy sector make it well-placed to meet Vietnam's growing and evolving energy needs. We also further invested in THACO by subscribing to its private placement of a five-year US$350 million convertible bonds. This underscores our confidence in THACO's long-term growth prospects. Its ongoing investments into fast-growing sectors are expected to increase THACO's contribution to JC&C going forward.

Q How does JC&C capture growth in Southeast Asia?

A The potential of Southeast Asia is immense and we are well-positioned to tap the growth opportunities.

For instance, our largest market, Indonesia, has the most nickel reserves globally. Riding on the growth prospects of the nickel industry, United Tractors invested approximately US$1 billion into nickel in 2023.

The move was part of United Tractors' long-term strategy to grow its earnings streams. It seeks investments in sectors with positive growth fundamentals as well as sectors that align to its core capabilities and experience. For instance, non-coal mineral mining is a natural adjacency.

We are positive on the growth opportunities of nickel as a sector especially when the world continues to decarbonise and the nickel supply

> The potential of Southeast Asia is immense and we are well-positioned to tap the growth opportunities.

chain shifts progressively towards the supply of electric vehicle batteries.

Likewise, Vietnam offers many growth opportunities. It is the country most naturally situated in Southeast Asia to develop wind and solar energy, and the government is committed to decarbonisation through boosting renewable energy and reducing its reliance on coal.

Vietnam is rapidly looking to increase its renewable energy mix through investments in infrastructure development. Our portfolio company, REE, a leading player in hydro, wind and solar energy with 780MW of equity-adjusted capacity, is poised to benefit from this development. In 2023, approximately 60% of REE's net income came from renewable energy.

Q > How will JC&C advance its sustainability commitments in 2024 and beyond?

A > We firmly believe that sustainable growth can deliver a positive impact to the communities within which we operate. In 2024, JC&C reaffirms our commitment to embed sustainability as a core component of our overall corporate strategy.

We have outlined a well-defined set of long-term ambitions, targets and action plans to guide our progress on the sustainability agenda. Details can be found under 'Our Sustainability Progress' on page 59.

We continue to focus on decarbonising our businesses and enhancing the long-term resilience of our portfolio. This involves increasing investments into the low-carbon transition to reshape our profit pools.

We will also continue to support our longstanding community initiatives such as in mental health and education. In 2023, over S$310,000 was raised for DigitalMINDSET, a programme designed to aid youths dealing with mental health challenges. We continued our support for undergraduates from partner universities across the region through the JC&C Scholarship and we are on track to assist 60 students by 2030.

In an effort to engage our stakeholders in an open and transparent manner and enhance our disclosure on sustainability issues, we have proactively engaged with ESG rating agencies over the past year. JC&C maintained our "A" rating from MSCI and was placed around the top 10% for both the S&P Global Corporate Sustainability Assessment ("**CSA**") and the Singapore Governance and Transparency Index ("**SGTI**") in 2023.

The achievements of 2023 were made possible through the contributions of our dedicated colleagues, whose drive and adaptability have been instrumental to our success.

Ben Birks
Group Managing Director

CONVERSATION WITH GROUP FINANCE DIRECTOR

Q > Having marked your first full year as Group Finance Director, what were some of the financial highlights for JC&C in 2023?

A > It has been gratifying to see the company's transformation in portfolio management strategy and how it has now built a portfolio of large-scale, market-leading businesses that include some of Southeast Asia's most exciting growth engines.

In 2023, JC&C achieved another record year, posting underlying profit of US$1.16 billion, up 6%. We aim to pay out dividends that are consistent with earnings growth and correspondingly, a final dividend of US¢90 was declared. This brings the total dividends for 2023 to US¢118 per share.

We have also strengthened our balance sheet by monetising some non-core assets to reduce our holding company debt level. The improved position of our balance sheet provides us with greater flexibility to pursue our growth strategy.

Aside from raising cash, we continued to stay close to the market and sought new investment opportunities. In 2023, JC&C subscribed to THACO's US$350 million convertible bonds private placement. In recent years, THACO has diversified beyond automotive to tap the opportunities of emerging growth sectors in Vietnam, such as agriculture and real estate. The convertible bonds give JC&C a secured pathway to increase our exposure to THACO, one of the largest private business groups in Vietnam, which is not easily accessible to investors.

We also deployed a total of US$14 million to increase our stake in REE from 33.6% to 34.9%. We are excited about the opportunities of the renewable energy sector in Vietnam, and REE is well-positioned to capture this growth.

These investments in our future champions, THACO and REE, provide us the opportunities to participate and benefit from their growth.

Q > How does JC&C balance its holding company debt against investment opportunities?

A > During the year, we took actions to improve our balance sheet position while making investments into opportunities that will enhance the earnings profile of JC&C's portfolio in the longer term.

With the enhanced dividends of US$325 million received from Astra and an additional

> Our investment strategy focuses on building market-leading businesses in the largest and fastest growing countries in Southeast Asia – Indonesia and Vietnam.

US$225 million proceeds from the sale and leaseback of our Singapore properties, we paid down our debt at the holding company level. This gave us the flexibility to deploy significant capital when opportunities arise.

As at the end of 2023, the net debt at holding company level was reduced to US$1.25 billion. We will continue to take actions to enable flexibility in our balance sheet, while developing investment opportunities that would improve JC&C's overall portfolio quality.

Q > How does JC&C's overall growth and investment strategy balance sustainability considerations?

A > Our investment strategy focuses on building market-leading businesses in the largest and fastest growing countries in Southeast Asia – Indonesia and Vietnam.

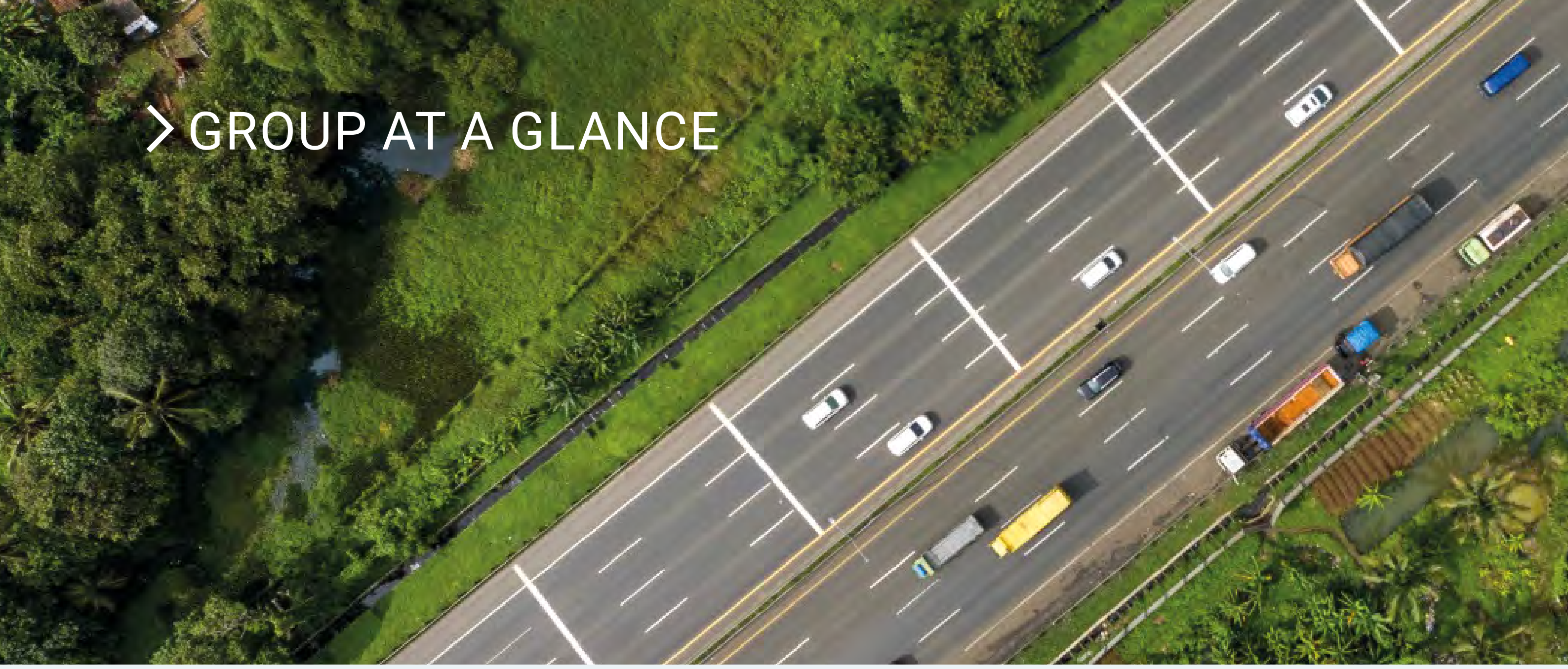
Sustainability is one of the core pillars of our capital allocation strategy. We continue to allocate capital towards low-carbon transition businesses to capture new growth trends in non-coal minerals, renewable energy and electrification infrastructure. Since 2019, we have invested over US$1 billion in these areas.

Notably, in 2023, Astra's businesses made significant investments in nickel, a key transition material that will support the development of the electric vehicle ("**EV**") battery production value chain. An additional US$50 million was invested in geothermal energy in South Sumatra, which strengthens Astra's existing renewable portfolio of solar and hydropower. Astra is also developing EV charging infrastructure across the country.

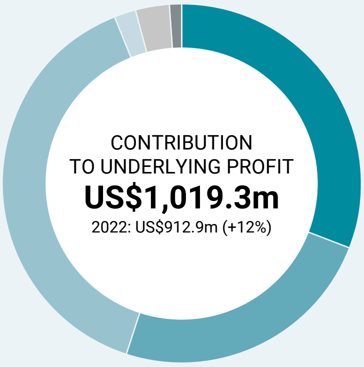
Our disciplined capital allocation strategy ensures our portfolio achieves sustainable returns for our shareholders and delivers positive outcomes for society.

We will continue to take active steps towards positioning our portfolio strategically to translate Southeast Asia's growth opportunities into consistent sustainable earnings and dividends for our shareholders.

Amy Hsu
Group Finance Director



GROUP AT A GLANCE



Automotive	31%
Financial Services	24%
Heavy Equipment, Mining, Construction & Energy	39%
Agribusiness	2%
Infrastructure & Logistics	3%
Property	1%
Information Technology*	

* Insignificant contribution

Automotive Brands

	Manufacturer/Assembler	Dealer	Distributor
Toyota	■	■	■
Daihatsu	■	■	■
Isuzu	■	■	■
UD trucks	■	■	■
Peugeot	■	■	■
Honda (motorcycles)	■	■	■
BMW	■	■	
Lexus		■	

■ Manufacturer/Assembler
■ Dealer ■ Distributor

ASTRA

Astra (50.1%) is a leading business group operating in Indonesia and listed on the Indonesia Stock Exchange.

Automotive

Astra is the largest automotive group in Indonesia. It participates in the full automotive supply chain, including the manufacturing, distributing, retailing and aftersales of vehicles, the manufacturing and distributing of automotive components, as well as the developing and operating of automotive-related digital products. In 2023, Astra acquired OLX, an online used car platform, making Astra Indonesia's largest used car player.

Financial Services

Astra delivers a range of financial services including consumer and automotive financing, insurance, heavy equipment financing, fintech, e-money, digital ventures, venture capital, pension fund and banking. Astra through Bank Jasa Jakarta, launched a digital banking service under the brand name Bank Saqu in 2023.

Heavy Equipment, Mining, Construction & Energy

Astra provides comprehensive mining services across all stages of production and expansion. It owns a few mines and thermal power assets. Astra is also building its non-coal mineral and renewable energy portfolios, investing in gold, nickel, solar, hydro and geothermal. Astra supplies heavy equipment and provides aftersales services. It is the sole distributor of Komatsu, UD Trucks, Scania, Bomag and Tadano heavy equipment.

Agribusiness

Astra is a leading palm oil company in Indonesia, involved in planting, harvesting, and processing palm oil. Astra has a sustainability policy that includes a commitment to no deforestation, peatland conservation and respect for human rights.

Infrastructure & Logistics

Astra develops and manages a total interest in 396km of operational toll roads. This includes the Trans-Java network including Tangerang-Merak, Cikopo-Palimanan, Semarang-Solo, Jombang-Mojokerto, Surabaya-Mojokerto and Pandaan-Malang toll roads, which improves the connectivity on the island of Java. Astra also operates the Kunciran-Serpong and Kebon Jeruk-Ulujami toll roads, which make up the Jakarta Outer Ring Road.

Astra's operational toll roads on the island of Java

Information Technology

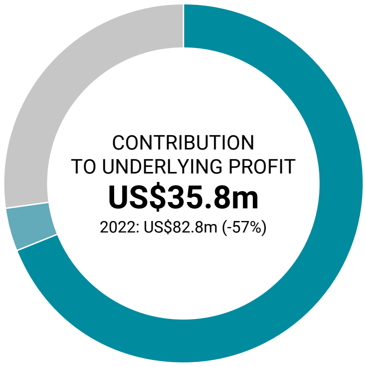
Astra's information technology business focuses on printing and digital services. It is the exclusive distributor of FUJIFILM Business Innovation in Indonesia.

Property

Astra developed several commercial and residential properties in Jakarta, such as Menara Astra, Anandamaya Residences, Asya and The Arumaya complex. In 2023, Astra launched a residential development located at Tangerang, Ammaia Ecoforest as well as acquired 96.9% of Jaya Mandarin Agung, which owns the site of the Mandarin Oriental Hotel in Central Jakarta.

THACO

Truong Hai Group Corporation ("**THACO**") (26.6%) is a multi-industry group headquartered in Vietnam.



Automotive	69%
Real Estate	4%
Other Businesses	27%
Agriculture*	

* Insignificant contribution

Automotive

THACO imports, manufactures, assembles, distributes and retails passenger cars and commercial vehicles. It has 2.4 million sqm of industrial parks for the manufacturing of vehicles in Chu Lai and a retail network of over 400 dealerships across Vietnam.

Real Estate

THACO is a developer of residential and commercial properties including Sala City in the Thu Thiem New Urban Area of Ho Chi Minh City's District 2. THACO also owns residential and commercial assets in Yangon, Myanmar.

Agriculture

THACO's agriculture business in Vietnam, Cambodia and Laos covers over 50,000 ha of fruit cultivation and livestock pig and cattle farming.

Other Businesses

THACO is also involved in public infrastructure construction, retail and e-commerce, warehousing, freight forwarding and seaport services.

Automotive Brands

	Manufacturer/Assembler	Dealer	Distributor
Kia	■	■	■
Mazda	■	■	■
Peugeot	■	■	■
FUSO	■	■	■
Frontier	■	■	■
Foton	■	■	■
Hyundai	■	■	■
BMW		■	■
MINI		■	■

■ Manufacturer/Assembler
■ Dealer ■ Distributor

Cattle farm under THACO Agriculture

DIRECT MOTOR INTERESTS

An extensive dealership network across Southeast Asia.

Cycle & Carriage

Cycle & Carriage is a regional automotive group with operations in Singapore, Malaysia and Myanmar. It distributes and retails new and used motor vehicles, provides vehicle aftersales, financing and insurance solutions.

Singapore (100%)

Cycle & Carriage Singapore is market leader with six facilities island-wide and represents several marques. It also retails used cars under its Republic Auto brand, provides vehicle leasing, and participates in an extended value chain by supplying EV fleets to logistics companies and fulfilling last-mile deliveries with EVs for major retailers. Cycle & Carriage Singapore is an exclusive partner of Gogoro electric scooters and added ORA EVs to its portfolio in 2023.

Malaysia (97.0%)

Cycle & Carriage Bintang is a leading Mercedes-Benz dealer in Malaysia with a network of 11 sales and aftersales facilities.

Myanmar (60%)

Cycle & Carriage Myanmar operates three facilities across Yangon and Mandalay.

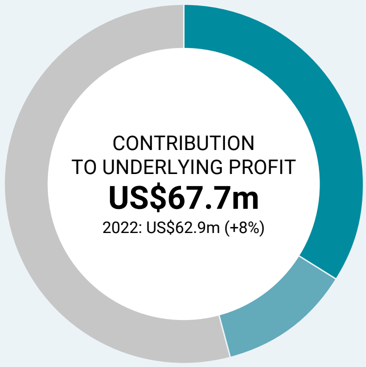
Others

JC&C has a strategic partnership with tech platform, Carro, that aims to collaborate in the used car and aftersales space in Southeast Asia.

Tunas Ridean

Tunas Ridean (49.9%) is a leading automotive dealer group in Indonesia. It owns a network of 91 motorcycle and 70 passenger car facilities across Indonesia. In addition, Tunas Ridean provides automotive rental and fleet management services, and offers vehicle financing through its associate, Mandiri Tunas Finance.

ORA Good Cat Electric



Singapore	34%
Malaysia	12%
Indonesia (Tunas Ridean)#	54%
Myanmar*	

Net of withholding tax
* Insignificant contribution

Automotive Brands

Cycle & Carriage	Dealer	Distributor
Singapore		
Mercedes-Benz	■	
Kia	■	■
Mitsubishi	■	■
Citroën	■	■
DS Automobiles	■	■
Maxus	■	■
Gogoro – scooters	■	■
ORA	■	■
BYD Forklifts	■	■
Malaysia		
Mercedes-Benz	■	
FUSO	■	
Myanmar		
Mercedes-Benz	■	■
FUSO	■	■
Mazda	■	■

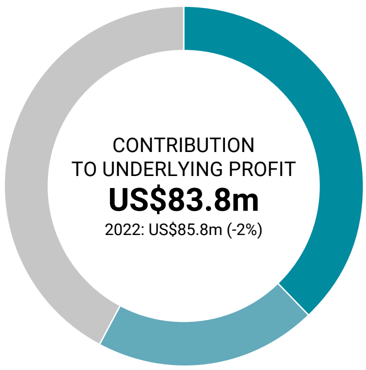
Tunas Ridean	Dealer	Distributor
Toyota	■	■
Daihatsu	■	■
BMW	■	■
Isuzu	■	■
Honda – motorcycles	■	■

■ Dealer ■ Distributor

REE's solar farm in Binh Phuoc Province

OTHER STRATEGIC INTERESTS

Leading Southeast Asian businesses.



REE	**38%**
SCCC	**20%**
Vinamilk	**42%**

Refrigeration Electrical Engineering Corporation ("REE")

REE (34.9%) is a diversified Vietnamese business group listed on the Ho Chi Minh Stock Exchange. It has operations in power and utilities, real estate and mechanical and electrical engineering ("**M&E**") services. REE has strategic interests in renewable energies such as solar, hydro and wind with a total of over 1,700MW installed power capacity. REE also develops and manages close to 145,000 sqm of commercial office properties in Ho Chi Minh City, and is a leading M&E contractor with deep experience in commercial, industrial and infrastructure projects.

Siam City Cement ("SCCC")

SCCC (25.5%) is listed on the Stock Exchange of Thailand and operates across five markets in Asia from South Vietnam to Sri Lanka. SCCC holds market-leading positions in most of its markets, producing cement, concrete and aggregates, fibre cement and other building materials. It also participates in trading and industrial waste management solutions.

Vinamilk

Vietnam Dairy Products Joint Stock Company ("**Vinamilk**") (10.6%) is the largest food & beverage company on the Ho Chi Minh Stock Exchange by market capitalisation. It has 15 farms and 16 factories, with operations across Vietnam, Laos, Cambodia and the USA. Vinamilk is Vietnam's largest dairy producer with a dominant market share and a strong network of over 250,000 distribution points across the country.

CHAIRMAN'S STATEMENT

Astra's toll roads project on the Trans-Java network

COMBINED GROSS REVENUE*

US$45B

(2022: US$45B)

REVENUE

US$22B

(2022: US$22B)

UNDERLYING PROFIT ATTRIBUTABLE TO SHAREHOLDERS

US$1.2B

(2022: US$1.1B)

DIVIDEND PER SHARE

US¢118

(2022: US¢111)

* Includes 100% of revenue from associates and joint ventures

OVERVIEW

JC&C saw strong underlying profit growth of 6% in 2023, mainly supported by record results from Astra.

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 SCCC.

THACO contributed US$36 million, 57% down from the previous year, mainly due to lower automotive profits.

Corporate costs fell from US$48 million to US$47 million, mainly due to the translation of foreign currency loans, which led to a US$18 million increase in foreign exchange gains, partly offset by a US$13 million increase in net financing charges.

The Group's underlying profit attributable to shareholders increased by 6% to US$1,160 million. 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 an 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.

The Group's consolidated net debt position, excluding the net borrowings within Astra's financial services subsidiaries, was US$1,145 million at the end of 2023, compared to a net cash position of US$893 million at the end of 2022. This increase was mainly due to the deployment of capital at Astra in a number of strategic projects as well as continued investment in the organic capital expenditure needs of its ongoing businesses, and enhanced dividends paid in 2023 at Astra. Net debt within Astra's financial services subsidiaries increased from US$2.8 billion at the end of 2022 to US$3.4 billion. JC&C corporate net debt was US$1.3 billion, down from US$1.5 billion at the end of 2022.

DIVIDENDS

The Board is recommending a final one-tier tax-exempt dividend of US¢90 per share (2022: US¢83 per share) which, together with the interim dividend of US¢28 per share (2022: US¢28 per share), will produce a total dividend for the year of US¢118 per share (2022: US¢111 per share), 6% higher than 2022.

SUSTAINABILITY

JC&C is a long-term investor in Southeast Asia and remains committed to the region's development. We firmly believe in sustainable growth to deliver positive impact to the communities we serve, and we continue to commit to embedding sustainability as a core component of our overall corporate strategy.

The Group is focusing in particular on decarbonising our businesses and enhancing the long-term resilience of our portfolio. This involves making increased investments, which support the transition to a low-carbon future. Moving forward, we plan to continue maximising our renewable energy generation on-site, as well as exploring electrification opportunities.

PEOPLE

On behalf of the Board, I would like to express our appreciation to our teams across the region for their continuing dedication and effort.

I would like to welcome Mikkel Larsen, who joined the Board in January 2024 and was also appointed as a member of the Audit & Risk Committee. Mikkel is currently the Chief Executive Officer of Climate Impact X, a global exchange and marketplace for high-quality carbon credits. We look forward to Mikkel's contribution to the Group.

OUTLOOK

The Group expects a challenging year ahead in view of lower commodity prices and only a mild recovery of sentiment in Vietnam.

The Group's businesses, nevertheless, have made good progress in 2023 and will remain focused on their strategic priorities to build a solid foundation for strong long-term growth.

Ben Keswick
Chairman

Solar panels at PT Astra Daihatsu Motor

GROUP MANAGING DIRECTOR'S REVIEW

GROUP REVIEW

The Group achieved an underlying profit growth of 6% in 2023, mainly due to a strong performance in the first half of the year. Growth in the second half of the year slowed to 1% compared to the same period in the previous year, reflecting mainly the decline in commodity prices. The contributions to JC&C's underlying profit attributable to shareholders by business segment were as follows:

Underlying Profit Attributable to Shareholders by Business

	2023 US$m	2022 US$m
Astra		
Automotive	**341.7**	296.8
Financial services	**258.1**	202.3
Heavy equipment, mining, construction & energy	**421.9**	423.7
Agribusiness	**27.2**	49.6
Infrastructure & logistics	**32.0**	17.7
Information technology	**3.6**	2.5
Property	**5.4**	5.4
	1,089.9	998.0
Less: withholding tax on dividend	**(70.6)**	(85.1)
	1,019.3	912.9
THACO		
Automotive	**30.0**	97.7
Real estate	**1.9**	(0.3)
Agriculture	**(7.6)**	(25.6)
Other businesses	**11.5**	11.0
	35.8	82.8
Direct Motor Interests		
Singapore	**25.1**	32.9
Malaysia	**8.6**	6.9
Myanmar	**(3.4)**	(3.3)
Indonesia (Tunas Ridean)	**39.1**	28.1
Less: central overheads	**(1.7)**	(1.7)
	67.7	62.9
Other Strategic Interests		
REE	**31.7**	37.7
SCCC	**16.6**	11.6
Vinamilk	**35.5**	36.5
	83.8	85.8
Corporate costs		
Central overheads	**(27.0)**	(23.0)
Dividend income from other investments	**5.6**	4.8
Net financing charges	**(47.1)**	(33.9)
Exchange differences	**22.0**	3.9
	(46.5)	(48.2)
Underlying profit attributable to shareholders	**1,160.1**	1,096.2

ASTRA

Astra contributed US$1,019 million to JC&C's underlying profit, 12% higher than the previous year, due to stronger performances from most of its businesses, particularly its automotive and financial services operations. Total unrealised fair value losses of US$5 million in respect of its GoTo and Hermina investments were reported under JC&C's non-trading items.

Automotive

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

- The wholesale car market decreased by 4% to 1.0 million units in 2023. Astra's car sales were 2% lower at 561,000 units, while its market share rose from 55% to 56%.
- Two new hybrid electric models ("**HEV**") and one new battery electric model ("**BEV**") were launched in the year, bringing the number of BEV car models that Astra sells in Indonesia to six and the number of HEV car models to 13, under the Toyota, Lexus and BMW brands.
- The wholesale market for motorcycles increased by 19% to 6.2 million units in 2023. Astra's Honda motorcycle sales were 22% higher at 4.9 million units. The low base in the previous year was due to production constraints caused by semiconductor supply issues. Astra's market share increased from 77% to 78%.
- Astra launched a new BEV motorcycle model, the EM1 e, during the year.
- Components business, Astra Otoparts, reported a 39% increase in net income to US$121 million, mainly due to improved operating margins and higher contributions from its associates.

Financial Services

Net income increased by 30% to US$516 million, due to higher contributions from Astra's consumer finance businesses.

- Consumer finance businesses saw a 15% increase in new amounts financed to US$7.7 billion. Supported by larger loan portfolios and lower loan loss provisions, the net income contribution from the group's car-focused finance companies increased by 24% to US$150 million, and the contribution from the motorcycle-focused financing business increased by 29% to US$269 million.
- General insurance company, Asuransi Astra Buana, reported a 14% increase in net income to US$92 million, primarily due to higher insurance revenue.

Honda's battery-electric motorcycle, EM1 e

GROUP MANAGING DIRECTOR'S REVIEW

Heavy Equipment, Mining, Construction & Energy

Net income was stable at US$832 million, mainly due to improved profits from heavy equipment and mining contracting businesses, which offset lower earnings from its coal and gold mining businesses.

- Komatsu heavy equipment sales were 8% lower at 5,300 units, although revenue from the parts and service businesses was higher.
- Mining contracting operations saw a 21% increase in overburden removal volume at 1,158 million bank cubic metres, while coal production increased by 11% to 129 million tonnes.
- Coal mining subsidiaries reported a 19% increase in coal sales at 11.8 million tonnes, but revenue declined due to lower coal prices.
- Agincourt Resources reported a 39% decrease in gold sales at 175,000 oz.

Agribusiness

Net income decreased by 39% to US$55 million, mainly as a result of lower crude palm selling prices, partly offset by higher sales.

Infrastructure & Logistics

Astra's infrastructure & logistics division reported an 85% increase in net profit to US$64 million, primarily due to improved performance in its toll road businesses, which saw a 7% increase in toll road revenues. Astra has 396km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road.

THACO's fruit cultivation business

THACO

THACO contributed a profit of US$36 million, 57% down from the previous year. Its automotive profits were significantly lower, which reflected 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.

DIRECT MOTOR INTERESTS

The Group's Direct Motor Interests contributed a US$68 million profit, 8% higher than the previous year.

Rooftop solar at Cycle & Carriage Bintang Ipoh

- Cycle & Carriage Singapore's contribution was 24% down at US$25 million, due to lower new vehicle and used car sales amidst a tight COE cycle and increased competitive pressure, partly offset by improved aftersales profitability. New passenger car sales volume fell by 3% to 5,603 units, and market share decreased from 19% to 18%.
- In Indonesia, Tunas Ridean contributed US$39 million profit, 39% higher than the previous year, with higher profits across its automotive, financial services and leasing businesses.
- Cycle & Carriage Bintang in Malaysia contributed a profit of US$9 million, 25% higher than the previous year, mainly due to improved margins

OTHER STRATEGIC INTERESTS

The Group's Other Strategic Interests contributed a US$84 million profit, 2% lower than the previous year.

- SCCC's contribution increased by 43% to US$17 million, as the prior year results included the effect of higher deferred tax liabilities due to an increase in tax rates in Sri Lanka in 2022. Excluding this one-off effect, SCCC's contribution would have been 1% lower than the prior year, as the business continued to be adversely impacted by lower sales volume, partly offset by lower operating costs.
- REE's contribution declined by 16% to US$32 million, due to less favourable weather conditions resulting in lower profits from its renewable energy investments.
- The Group's investment in Vinamilk produced a slightly lower dividend income of US$36 million, compared to US$37 million in the previous year. Vinamilk reported a 4% increase in net profit, mainly due to lower input costs, partly offset by higher selling and marketing expenses.

CORPORATE COSTS

Corporate costs totalled US$47 million, compared to US$48 million in the previous year. The improvement was mainly due to a US$18 million increase in foreign exchange gains from the translation of foreign currency loans, partly offset by a US$13 million increase in net financing charges.

GROUP MANAGING DIRECTOR'S REVIEW

REE's Tra Vinh V1-3 Wind Power Plant

STRATEGIC DEVELOPMENTS

Astra

Astra continued to make good progress in 2023 in strategically deploying capital towards a diversification away from coal. United Tractors completed the acquisition of interests in two nickel mining and processing businesses in the period: a 19.99% interest in Nickel Industries for around US$616 million and a 90% effective interest in Stargate Pasific Resources and Stargate Mineral Asia, for a total of US$319 million. United Tractors also acquired a 49.6% interest in Supreme Energy Sriwijaya, which indirectly operates a geothermal project with an existing capacity of 2 X 49 MW, for US$52 million.

As part of its digital transformation strategy, Astra has acquired Tokobagus, a company operating the leading online used car platform in Indonesia under the OLX brand. Astra has also partnered with Equinix, one of the world's largest digital infrastructure companies, to develop data centres in Indonesia.

In pursuing its healthcare strategy, Astra invested an additional US$100 million in Halodoc, a leading digital health ecosystem platform in Indonesia, bringing its total investment to US$135 million and its ownership to 21.0%.

Direct Motor Interests

In Singapore, the Group completed a sale and leaseback arrangement in respect of its properties for US$225 million. It also entered into a used car and aftersales partnership with Carro, a leading digital used car platform.

In Malaysia, Cycle & Carriage Bintang's business has transitioned to the Mercedes-Benz agency model, starting from 2024.

Other Strategic Interests

The current operating environment in Vietnam remains challenging, but management remains optimistic that the Group's partners will be able to take advantage of mid-term growth opportunities under this difficult market. JC&C increased its support for THACO in the near term by investing around US$350 million through a subscription for a five-year convertible bond. JC&C has also increased its interest in REE from 33.6% to 34.9% through a series of on-market purchases, for around US$14 million.

SUMMARY

The Group achieved a good set of results in 2023, benefitting from the strength of its market-leading businesses and the performance of its overall portfolio. The Group's businesses remain focused on their strategic priorities to build a solid foundation for long-term growth.

Ben Birks
Group Managing Director

GROUP FINANCE DIRECTOR'S REVIEW

ACCOUNTING POLICIES

The Company and Group accounts have been prepared under the dual compliance framework of both Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") and International Financial Reporting Standards ("**IFRSs**"), including International Accounting Standards ("**IAS**") and Interpretations as issued by the International Accounting Standards Boards ("**IASB**"), collectively referred to as "IFRSs". The Directors continue to review the appropriateness of the accounting policies adopted by the Group, having regard to developments in IFRSs. From 1st January 2023, the Group has adopted the new or amended IFRSs that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRSs.

The Group adopted IFRS 17 Insurance Contracts when it became effective from 1st January 2023. The adoption of this new standard did not have a material effect on the financial statements, but certain restatements to the comparative financial statements have been made. The adoption of other new or amended IFRSs did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

RESULTS

In 2023, the Group's revenue increased by 3% to US$22.2 billion, mainly due to improvement in Astra's automotive and financial services, mainly driven by higher motorcycle sales and consumer financing. Astra's heavy equipment and contract mining operations also saw an increase in revenue, but were partly offset by lower revenue from its coal and gold mining operations. The Group's gross revenue, including 100% of revenue from associates and joint ventures, which is a measure of the full extent of the Group's operations, was relatively stable at US$45.1 billion.

	2023			2022 Restated		
	Underlying profit US$m	**Non-trading items US$m**	**Total US$m**	**Underlying profit US$m**	**Non-trading items US$m**	**Total US$m**
Revenue	**22,235**	**–**	**22,235**	21,566	–	21,566
Operating profit	**3,089**	**15**	**3,104**	2,994	(284)	2,710
Net financing charges	**(123)**	**–**	**(123)**	(58)	–	(58)
Share of associates' and joint ventures' results after tax	**731**	**2**	**733**	688	(113)	575
Profit before tax	**3,697**	**17**	**3,714**	3,624	(397)	3,227
Tax	**(754)**	**17**	**(737)**	(769)	(2)	(771)
Profit after tax	**2,943**	**34**	**2,977**	2,855	(399)	2,456
Attributable to:						
Shareholders of the Company	**1,160**	**55**	**1,215**	1,096	(356)	740
Non-controlling interests	**1,783**	**(21)**	**1,762**	1,759	(43)	1,716
	2,943	**34**	**2,977**	2,855	(399)	2,456

GROUP FINANCE DIRECTOR'S REVIEW

Underlying operating profit from the Group's parent company and subsidiaries of US$3,089 million was 3% higher than the previous year. Astra's underlying operating profit increased by 3% to US$2,996 million compared to the previous year, largely contributed by the automotive operations and financial services, partially offset by lower profits from its owned mining businesses. The Group's Direct Motor Interests reported a 3% increase in underlying operating profit mainly due to higher earnings by Cycle & Carriage Bintang, partly offset by lower contribution from the used car operations in Singapore following the sell-down of business interest. Dividends from Vinamilk contributed US$36 million. Corporate costs excluding net financing charges were lower, mainly due to higher foreign exchange gains arising from the translation of foreign currency loans compared to the previous year.

Net financing charges, excluding those relating to the Group's consumer finance and leasing activities, increased to US$123 million, mainly due to deployment of capital by Astra's heavy equipment, mining, construction & energy operations in new nickel businesses. Higher interest rates at the Group's parent company also contributed to the increase. The Group interest cover* excluding the financial services companies decreased to 27 times (2022: 53 times), as a result of the higher net financing charges.

The Group's share of associates' and joint ventures' underlying results after tax increased by 6% to US$731 million. Contributions from Astra's associates and joint ventures increased by 15% mainly due to improved performances by its automotive businesses. THACO reported a 57% decline in contribution, mainly due to the slowdown of Vietnam's economy, weakened consumer sentiment and greater competitive pressure. The contribution from Direct Motor Interests' joint ventures increased by 42% mainly due to higher profits in Tunas Ridean. In Other Strategic Interests, the contribution from REE was 16% lower than the previous year due to less favourable weather conditions which impacted the contribution from its renewable energy investments.

The underlying effective tax rate of the Group in 2023, excluding associates and joint ventures, was 25%.

The Group's underlying profit attributable to shareholders for the year was 6% higher at US$1,160 million.

NON-TRADING ITEMS

In 2023, the Group had net non-trading gains of US$55 million compared to losses of US$356 million in 2022. The non-trading items recorded in the year mainly comprised an 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. The non-trading items in 2022 included an impairment loss of US$114 million in respect of the Group's investment in SCCC, and unrealised fair value losses of US$238 million related to non-current investments.

* calculated as underlying operating profit before the deduction of amortisation/depreciation of right-of-use assets, net of actual lease payments, and share of results of associates and joint ventures divided by net financing charges excluding interest on lease liabilities.

REE's Thac Ba Hydropower Plant

DIVIDENDS

The Board is recommending a final one-tier tax exempt dividend of US¢90 per share (2022: US¢83 per share) which together with the interim dividend, will produce total dividend for the year of US¢118 per share (2022: US¢111 per share). The final dividend will be payable on 18th June 2024, subject to approval at the Annual General Meeting to be held on 29th April 2024, to those persons registered as shareholders, on 30th May 2024. Dividends are usually declared on a semi-annual basis for every six-month period ending 30th June (in respect of an interim dividend) and 31st December (in respect of a final dividend).

CASH FLOW

Cash inflow from the Group's operating activities was strong at US$2.5 billion, although this was US$0.4 billion lower than the previous year, mainly due to higher net financing charges and income taxes paid.

Cash outflow from investing activities before disposals amounted to US$3.5 billion, and mostly included the following:

- US$78 million for the addition of intangible assets, which included mainly US$45 million for the mining exploration costs in Astra's mining business;
- US$1,422 million of property, plant and equipment which included mainly US$1,208 million of heavy equipment and machinery for Astra's heavy equipment, mining, construction & energy businesses, US$82 million of equipment and network development for its automotive businesses and US$44 million for its agribusiness;
- US$34 million for additions to bearer plants in Astra;
- US$496 million for acquisitions of various subsidiaries, which included US$319 million for United Tractors' 90% effective interest in Stargate Mineral Asia and Stargate Pasific Resources, companies which operate nickel mining and processing businesses, and US$67 million for Astra's 100% interest in Tokobagus, a leading online used car platform in Indonesia;
- US$820 million for acquisitions and capital injections into various associates and joint ventures, which included US$616 million for United Tractors' 20% interest in Nickel Industries, an Australia-listed nickel mining and processing company with assets in Indonesia, US$52 million for United Tractors' 49.6% interest in Supreme Energy Sriwijaya, which indirectly operates a geothermal project, US$100 million for Astra's additional 14% interest in Halodoc, a digital health ecosystem platform in Indonesia, and US$14 million to increase JC&C's interest in REE from 33.6% to 34.9%; and
- US$645 million for investments mainly by Astra's insurance business and the Group's parent company's subscription to THACO's convertible bonds of around US$350 million.

The contribution to the Group's cash flow from disposals for the year amounted to US$0.4 billion, which arose mainly from the sale and leaseback of the properties in Singapore and sale of investments by Astra's insurance business.

Summarised Cash Flow

	2023 US$m	2022 US$m
Operating cash flow	**1,965**	2,355
Dividends from associates and joint ventures	**506**	496
Cash flow from operating activities	**2,471**	2,851
Capital expenditure and investments	**(3,454)**	(1,789)
Disposals	**415**	265
Cash flow from investing activities	**(3,039)**	(1,524)
Cash flow before financing activities	**(568)**	1,327

GROUP FINANCE DIRECTOR'S REVIEW

TREASURY POLICY

The Group manages its exposure to financial risks using a variety of techniques and instruments. The main objectives are to limit foreign exchange and interest rate risks to provide a degree of certainty about costs. The investment of the Group's cash resources is managed so as to minimise risk, while seeking to enhance yield. Appropriate credit guidelines are in place to manage counterparty risk.

When economically sensible to do so, borrowings are taken in local currency to minimise foreign exchange exposures on investments. A portion of borrowings is denominated in fixed rates. Adequate headroom in committed facilities is maintained to facilitate the Group's capacity to pursue new investment opportunities and to provide some protection against market uncertainties. Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt from banks and capital markets, both short- and long-term in tenor, to give flexibility to develop the business.

The Group's treasury operations are managed as cost centres and are not permitted to undertake speculative transactions unrelated to underlying financial exposures.

The Group's financial risk factors are set out on pages 101 to 106.

FUNDING

The Group's consolidated net debt position, excluding the net borrowings within Astra's financial services subsidiaries, was US$1.1 billion at the end of 2023, compared to a net cash position of US$900 million at the end of 2022. This increase was mainly due to the deployment of capital at Astra in a number of strategic projects as well as continued investment in the organic capital expenditure needs of its ongoing businesses, and enhanced dividends paid in 2023 at Astra. Net debt within Astra's financial services subsidiaries increased from US$2.8 billion to US$3.4 billion. JC&C corporate net debt was US$1.3 billion.

At the year-end, the Group had undrawn committed facilities of some US$3.1 billion. In addition, the Group had available liquid funds of US$2.8 billion.

79% of the Group's borrowings were non-US dollar denominated and directly related to the Group's businesses in the countries of the currencies concerned. At the year-end, approximately 67% of the Group's borrowings, exclusive of Astra's financial services companies, were at floating rates and the remaining 33% were at fixed rates including those hedged with derivative instruments with major creditworthy financial institutions. For Astra's financial services companies, 91% of their borrowings were at fixed rates.

SHAREHOLDERS' FUNDS

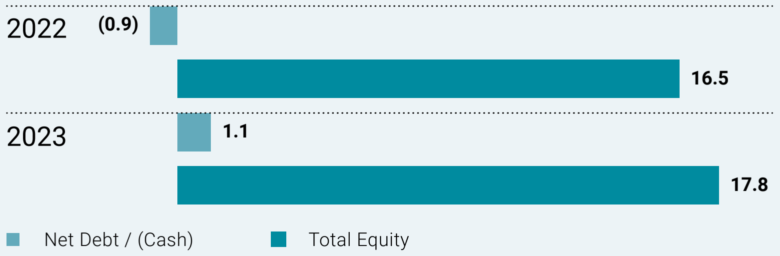
Shareholders' funds as at 31st December 2023 are analysed by business. There were no significant changes from the prior year.

RISK MANAGEMENT REVIEW

A review of the major risks facing the Group is set out on pages 47 to 50.

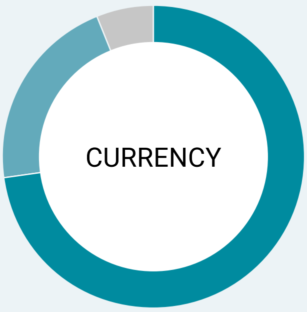
Amy Hsu
Group Finance Director

Net Debt* and Total Equity (US$ billion)

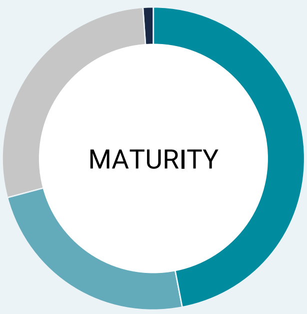


* Excluding net debt of Astra's financial services companies

Debt Profile as at 31st December 2023



IDR	**73%**
USD	**21%**
Others	**6%**



<1 year	**47%**
1-2 years	**24%**
2-5 years	**28%**
>5 years	**1%**

Shareholders' Funds as at 31st December 2023

Astra	**79%**
THACO	**8%**
Direct Motor Interests	**5%**
Other Strategic Interests	**8%**

BOARD OF DIRECTORS

BENJAMIN KESWICK

Non-Executive Chairman

N R

Mr Keswick, 51, was appointed Chairman on 1st April 2012. He was last re-elected as a director on 28th April 2023. He is a member of the Nominating Committee and Remuneration Committee. He was Group Managing Director from 1st April 2007 to 31st March 2012.

Mr Keswick is the Executive Chairman of Jardine Matheson Holdings and Chairman of DFI Retail Group, Hongkong Land and Mandarin Oriental. He is also a commissioner of Astra.

He has been with Jardines since 1998, undertaking a variety of roles before being appointed as Finance Director and then Chief Executive Officer of Jardine Pacific between 2003 and 2007. He was the Managing Director of Jardine Matheson Holdings, Jardine Strategic Holdings, DFI Retail Group, Hongkong Land and Mandarin Oriental from 2012 to 2020. He was also formerly the Executive Chairman of Jardine Strategic Holdings.

Mr Keswick graduated from Newcastle University with a Bachelor of Science in Agricultural Economics and Food Marketing and obtained a Master of Business Administration from INSEAD.

Past directorships in listed companies in the last three years:

- Jardine Strategic Holdings
- Yonghui Superstores

BENJAMIN BIRKS

Group Managing Director and Executive Director

Mr Birks, 50, was appointed Group Managing Director on 1st October 2019. He was last re-elected as a Director on 27th April 2022.

As Group Managing Director, Mr Birks leads the long-term portfolio strategy of the Group, including having direct oversight over the sustainability strategy.

He joined Jardine Matheson in 2000 and has held senior positions within the retail, automotive, business outsourcing and IT businesses of Jardines. Prior to his current appointment, he was the Chief Executive of Jardine International Motors, Zung Fu Group and Jardine Pacific between 2012 to 2019.

Mr Birks is a commissioner of Astra and United Tractors, and a director of THACO. He is also the Chairman of MINDSET, a registered charity of Jardine Matheson in Singapore.

He graduated from the University of St Andrews in Scotland with a Master of Arts (Honours) and has completed the General Management Programme at Harvard Business School.

Past directorships in listed companies in the last three years:

- REE
- SCCC

AMY HSU

Group Finance Director and Executive Director

Ms Hsu, 39, was appointed Group Finance Director on 1st August 2022. She was last re-elected as a director on 28th April 2023.

Ms Hsu oversees the Group's portfolio investments and leads financial strategy and planning, treasury, tax, risk management and investor relations. She is a director of REE.

Ms Hsu joined Jardines in 2012 and has held various responsibilities including as Head of Finance at IKEA Taiwan and Regional Finance Director of DFI IKEA. She was most recently Chief Financial Officer of Jardine International Motors, which previously had strategic oversight of Zung Fu and JC&C's Direct Motor Interests businesses. Prior to joining Jardines, Ms Hsu was at Samsung Securities and PricewaterhouseCoopers handling mergers & acquisitions, initial public offerings, corporate finance advisory and audit.

Ms Hsu is a Certified Public Accountant from the American Institute of Certified Public Accountants. She graduated from the New York University Stern School of Business in Finance & CPA Accounting, and has completed the Stanford Executive Program at Stanford Graduate School of Business.

Past directorships in listed companies in the last three years:

- Nil

Committee Membership: A Audit & Risk Committee N Nominating Committee R Remuneration Committee Chairman Member

STEPHEN GORE

Group Director, Business Development and Executive Director

Mr Gore, 52, joined the Board on 1st April 2019 and was Group Finance Director from 1st April 2019 to 31st July 2022. He is currently Group Director, Business Development of JC&C and is responsible for the Group's investment strategy and optimising the portfolio businesses to accelerate growth. He was last re-elected as a director on 28th April 2023.

Mr Gore joined Jardines in 2017 as Chief Financial Officer, Jardine Pacific and Jardine Motors Group. He was previously Managing Director, Head of Mergers & Acquisitions and Financial Sponsors Group, Asia Pacific at Bank of America Merrill Lynch from 2012 to 2017. Prior to that, he was Managing Director, Head of Mergers & Acquisitions and Corporate Finance, Asia at UBS AG.

Mr Gore is a director of Jardine Matheson Limited, a commissioner of Astra and a director of SCCC.

He graduated from the University of Oxford with a Bachelor of Arts (Honours) in Politics, Philosophy and Economics.

Past directorships in listed companies in the last three years:

- REE

MRS LIM HWEE HUA

Non-Executive and Lead Independent Director

N A R

Mrs Lim, 65, joined the Board on 29th July 2011 and was last re-elected as a director on 27th April 2021. She is the Lead Independent Director, Chairperson of the Nominating Committee and a member of the Audit & Risk Committee and Remuneration Committee.

She is Co-Chairman of Tembusu Partners and Chairman of Japfa and Asia-Pacific Exchange. She is a director of Nippon Paint Holdings Co., Ltd., JERA Co. Ltd and ReSustainability. Mrs Lim is also the Vice Chairman of the Board of Trustees of International Valuation Standards Council.

She was first elected to the Singapore Parliament in December 1996 and served till May 2011, the last appointment as Minister in the Prime Minister's Office and concurrently as Second Minister for Finance and Transport. Prior to that, she had a varied career in financial services, including with Temasek Holdings, Jardine Fleming and Swiss Bank Corporation.

Mrs Lim has a Master/Bachelor of Arts (Honours) in Mathematics/ Engineering from Cambridge University and a Master of Business Administration from the University of California at Los Angeles.

Past directorships in listed companies in the last three years:

- United Overseas Bank

DR MARTY NATALEGAWA

Non-Executive and Independent Director

N

Dr Natalegawa, 61, joined the Board on 24th February 2015 and was last re-elected as a director on 27th April 2022. He is a member of the Nominating Committee.

Dr Natalegawa is an Independent Commissioner of Prudential Life Assurance (Prudential Indonesia) and a member of the Honorary Board of the Bank of Indonesia Institute of the Indonesian Central Bank. He is also a member of the United Nations Secretary-General's High-Level Advisory Board on Mediation and the Advisory Board on Disarmament Matters. He was previously Indonesia's Foreign Minister from 2009 to 2014.

He is also on the Board of Directors of the Global Centre for Pluralism, Ottawa, and is a Distinguished Fellow of Asia Society Policy Institute (New York). He previously served as a Prominent Research Scholar of the Bank of Indonesia Institute.

Dr Natalegawa obtained a Doctor of Philosophy from the Australian National University, a Master of Philosophy from Cambridge University, and a Bachelor of Science (Honours) from the London School of Economics and Political Science.

Past directorships in listed companies in the last three years:

- Nil

STEVEN PHAN

Non-Executive and Independent Director

A

Mr Phan, 66, joined the Board on 25th April 2019 and was last re-elected as a director on 27th April 2022. He is the Chairman of the Audit & Risk Committee.

Mr Phan has over 37 years of auditing and advisory experience with firms Ernst & Young and Arthur Andersen, of which close to a decade was spent overseas. Prior to his retirement in June 2018, Mr Phan was the Area Managing Partner for Ernst & Young Asia Pacific and had overall responsibility for the organisation in the area. He was also a member of Ernst & Young's global leadership team, the Global Executive.

Mr Phan is a director of United Overseas Bank and Advanced MedTech Holdings. He is also a fellow member of the Institute of Singapore Chartered Accountants and was a member of the Institute of Chartered Accountants in England and Wales.

He graduated from the University of Aston, United Kingdom, with a Bachelor of Science in Managerial and Administrative Studies.

Past directorships in listed companies in the last three years:

- Nil

TAN YEN YEN

Non-Executive and Independent Director

R

Ms Tan, 58, joined the Board on 1st January 2021 and was last re-elected as a director on 28th April 2023. She is the Chairperson of the Remuneration Committee.

Ms Tan was the President (Asia Pacific) of Vodafone Singapore until her retirement in 2020. Prior to that, she held senior executive positions at SAS Institute, Oracle Corporation and Hewlett-Packard. She was also Chairman of the Singapore Infocomm Technology Federation and board member of Infocomm Development Authority of Singapore.

Ms Tan is a director of Oversea-Chinese Banking Corporation, InCorp Global, EdgeConnex Inc, ams OSRAM AG (SIX Swiss) and Barry Callebaut AG (SIX Swiss). She is the Chairman of the High Performance Sports SpexBusiness Network Advisory Board for Sports SG.

She holds an Executive MBA from Helsinki School of Economics Executive Education and a Bachelor of Science (Computer Science) from the National University of Singapore.

Past directorships in listed companies in the last three years:

- Singapore Press Holdings

SAMUEL TSIEN

Non-Executive and Independent Director

A

Mr Tsien, 69, joined the Board on 1st October 2021 and was last re-elected as a director on 27th April 2022. He is a member of the Audit & Risk Committee.

Mr Tsien is a director of Singapore Exchange ("**SGX**") and Mapletree Investments. He is the Chairman of MPACT Management, the manager of SGX-listed Mapletree Pan Asia Commercial Trust. He joined Oversea-Chinese Banking Corporation ("**OCBC**") in 2007 and was Group CEO and executive director until his retirement in 2021, and was Adviser to the OCBC Board until 2022. Prior to that, Mr Tsien was President and CEO of China Construction Bank (Asia) and Bank of America (Asia).

Prior to his retirement, Mr Tsien was concurrently Chairman of the Association of Banks in Singapore and Vice Chairman of the Institute of Banking and Finance Council. He also held financial services industry leadership roles by appointment of the Monetary Authority of Singapore and was a member of the National Jobs Council.

He graduated from the University of California at Los Angeles with a Bachelor of Arts (Honours) in Economics. He is a Distinguished Fellow of the Institute of Banking and Finance, Singapore and was awarded the Public Service Star by the Singapore Government.

Past directorships in listed companies in the last three years:

- OCBC
- Great Eastern Holdings
- Bank OCBC NISP

MIKKEL LARSEN

Non-Executive and Independent Director

A

Mr Larsen, 49, joined the Board on 1st January 2024. He is a member of the Audit & Risk Committee.

Mr Larsen is the CEO of Climate Impact X ("**CIX**"), a global marketplace, auctions house and exchange for trusted carbon credits based in Singapore. He was previously the Group Chief Sustainability Officer, chair of the Sustainability Council and Group Head of Tax and Accounting Policies at DBS Bank. Prior to DBS, he held management positions at UBS, Citigroup and KPMG in Europe.

Mr Larsen has been involved in numerous international sustainability-related councils and committees, including the Integrity Council for the Voluntary Carbon Market, World Business Council for Sustainable Development, Natural Climate Solutions Alliance and World Wildlife Fund Advisory Council (Singapore). He is also an adjunct professor at the Copenhagen Business School.

He holds a Master in Sustainability Leadership from the University of Cambridge, an MBA from London Business School and master's and bachelor's degrees from Copenhagen Business School. He has also completed executive education at Harvard University. He is a Danish Certified Public Accountant and a Certified Financial Risk Manager.

Past directorships in listed companies in the last three years:

- Nil

Notes:

1. Information as at 15th March 2024
2. Mr Steven Phan and Mr Mikkel Larsen will be seeking re-election at the Company's 2024 Annual General Meeting.

KEY MANAGEMENT

BENJAMIN BIRKS

Group Managing Director

Please refer to information on the Board of Directors on page 24.

AMY HSU

Group Finance Director

Please refer to information on the Board of Directors on page 24.

STEPHEN GORE

Group Director, Business Development

Please refer to information on the Board of Directors on page 25.

CHEAH KIM TECK

Director, Business Development

Mr Cheah, 72, is Director, Business Development since January 2014. He is responsible for overseeing the Group's investment in THACO and developing new lines of business for the Group in the region.

Prior to that, he was CEO of the Group's motor operations excluding those held by Astra, until he stepped down from his position in December 2013. Mr Cheah also served on the Board of JC&C from 2005 until he retired as director in 2014. He is the Vice Chairman of THACO, and a director of Mapletree Investments and Mapletree Industrial Trust Management.

Prior to joining the Group, he held several senior marketing positions in multinational companies, namely, McDonald's Restaurant, Kentucky Fried Chicken and Coca-Cola. Mr Cheah was conferred the Public Service Star and the Public Service Medal by the Singapore Government.

He holds a Master of Marketing from Lancaster University, United Kingdom.

JEFFERY TAN

Group General Counsel; Chief Sustainability Officer; Director of Legal & Corporate Affairs; and Company Secretary

Mr Tan, 62, is Group General Counsel; Chief Sustainability Officer; Director of Legal & Corporate Affairs; and Company Secretary since April 2016. He is responsible for legal, compliance, company secretarial, sustainability, communications and public affairs. He is also the CEO and Company Secretary of MINDSET, a registered charity of Jardine Matheson in Singapore.

Mr Tan was previously Group General Counsel, Chief Compliance Officer and Board Secretary for UTAC Holdings Ltd. He has over 20 years of legal experience with Allen & Gledhill, DLA Piper, Siemens and Motorola. He was also the President of Motorola Singapore for five years.

He is a board member of the Singapore International Chamber of Commerce, MindForward Alliance Singapore, Cyber Youth Singapore and One Mind's Global Guiding Council.

Mr Tan has an LLB (Honours) from the National University of Singapore. He is a senior Advocate & Solicitor of the Supreme Court of Singapore, and a senior Solicitor of England & Wales. He has completed executive education at Kellogg School of Management and MIT's Sloan School of Management.

SUBSIDIARIES & ASSOCIATES

Astra

DJONY BUNARTO TJONDRO
President Director

Truong Hai Group Corporation

TRAN BA DUONG
Chairman

Cycle & Carriage Singapore

WILFRID FOO
Managing Director

Cycle & Carriage Bintang

THOMAS TOK
Chief Executive Officer

Cycle & Carriage Myanmar

ADRIAN SHORT
General Manager

Tunas Ridean

RICO SETIAWAN
President Director

Refrigeration Electrical Engineering Corporation

NGUYEN THI MAI THANH
Chairwoman

Siam City Cement

RANJAN SACHDEVA
Acting Group
Chief Executive Officer

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Benjamin Keswick	Chairman
Mr Benjamin Birks*	Group Managing Director
Ms Amy Hsu*	Group Finance Director
Mr Stephen Gore*	Group Director, Business Development
Mrs Lim Hwee Hua#	Lead Independent Director
Dr Marty Natalegawa+	Independent Director
Mr Steven Phan+	Independent Director
Ms Tan Yen Yen+	Independent Director
Mr Samuel Tsien+	Independent Director
Mr Mikkel Larsen+	Independent Director

AUDIT & RISK COMMITTEE

Steven Phan+	Chairperson
Mrs Lim Hwee Hua#	
Samuel Tsien+	
Mikkel Larsen+	

NOMINATING COMMITTEE

Mrs Lim Hwee Hua#	Chairperson
Benjamin Keswick	
Dr Marty Natalegawa+	

REMUNERATION COMMITTEE

Tan Yen Yen+	Chairperson
Benjamin Keswick	
Mrs Lim Hwee Hua#	

COMPANY SECRETARY

Jeffery Tan

REGISTERED COMPANY

239 Alexandra Road
Singapore 159930
Telephone: (65) 6473 3122
Fax: (65) 6475 7088
Website: www.jcclgroup.com
Company registration no. 196900092R

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936
Partner-in-charge: Hans Koopmans
Appointment: 2022

REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632
Telephone: (65) 6536 5355
Fax: (65) 6536 1360

Information as at 15th March 2024
* Executive Director
\+ Independent Director
\# Lead Independent Director

FINANCIAL CALENDAR

FINANCIAL YEAR ENDED 31ST DECEMBER 2023

Dates	
28th July 2023	Release of FY2023 Half Year Results
27th February 2024	Release of FY2023 Full Year Results
28th March 2024	Issue of AGM Notice and Annual Report
29th April 2024	Annual General Meeting

Proposed Dates	
30th May 2024	Record Date
18th June 2024	Final Dividend Payment

FINANCIAL YEAR ENDED 31ST DECEMBER 2024

Proposed Dates	
1st August 2024	Release of FY2024 Half Year Results
28th February 2025	Release of FY2024 Full Year Results

CORPORATE GOVERNANCE

The JC&C Board of Directors (the "**Board**") holds the view that sound corporate governance is integral to JC&C's success in achieving its mission and vision to deliver sustainable growth to create evermore opportunities for its stakeholders in Southeast Asia.

JC&C has in place corporate governance policies, practices and terms of reference for the Board, audit & risk committee, nominating committee and remuneration committee. These are in line with the requirements of the Singapore Exchange ("**SGX**") and the Code of Corporate Governance 2018 (the "**Corporate Governance Code**"). They are continually reviewed and refined in accordance with new and changing requirements.

This report describes the corporate governance practices of JC&C for the financial year ended 31st December 2023 ("**2023**").

Board Responsibilities

Board Size and Composition

The following are the features of the Board in 2023:

- at the start of 2023, the Board comprised nine directors: six non-executive directors and three executive directors;
- five of the nine directors were independent, making it an independent-majority board;
- the Board was led by a non-executive non-independent chairman who represented the major shareholder of JC&C;
- the three executive directors held the positions of Group Managing Director, Group Finance Director and Group Director, Business Development;
- the Board size and composition remained unchanged at the end of 2023; and
- no alternate director has been appointed to the Board.

JC&C Board Composition as at 31st December 2023:

			No. of meetings in 2023 attended/held whilst in office				
Name of Director	**Date of appointment to the Board**	**Tenure as a JC&C Director***	**Board**	**AGM in person**	**ARC**	**NC**	**RC**
Chairman (Non-Executive Non-Independent)							
Benjamin Keswick	1st April 2007 (formerly Group Managing Director, Chairman since 2012)	16 years	5/5 ■	0/1	–	2/2 □	2/2 □
Executive Directors							
Benjamin Birks	1st October 2019 (Group Managing Director)	4 years	5/5	1/1	4/4 #	2/2 #	–
Amy Hsu	1st August 2022 (Group Finance Director)	1 year	2/2	1/1	4/4 #	–	–
Stephen Gore	1st April 2019 (formerly Group Finance Director, Group Director, Business Development since 2022)	4 years	2/5 **	1/1	–	–	–
Independent Directors (Non-Executive)							
Mrs Lim Hwee Hua	29th July 2011 (Lead Independent Director since 2022)	12 years	5/5	1/1	4/4 □	2/2 ■	2/2 □
Dr Marty Natalegawa	24th February 2015	8 years	5/5	1/1	–	2/2 □	–
Steven Phan	25th April 2019	4 years	5/5	1/1	4/4 ■	–	–
Tan Yen Yen	1st January 2021	3 years	5/5	0/1^	–	–	2/2 ■
Samuel Tsien	1st October 2021	2 years	5/5	1/1	4/4 □	–	–

* The tenure is reflected as at 31st December 2023. The average Board tenure is 6 years.
** Mr Stephen Gore was on medical leave from July to December 2023.
# Attended not as a member but on ex *officio* basis
^ Present virtually

AGM: Annual General Meeting
ARC: Audit & Risk Committee
■ Chairperson
NC: Nominating Committee
RC: Remuneration Committee
□ Member

Separate Chairman and Group Managing Director (CEO)

The Chairman of the Board is a separate role from that of the Group Managing Director and both roles are held by different individuals who are not related to each other. In 2023, the Chairman of the Board was Benjamin Keswick and the Group Managing Director was Benjamin Birks.

There is a clear division of responsibilities between the two roles to ensure effective oversight, an appropriate balance of power, increased accountability and more independent decision-making.

The Chairman occupies a non-executive position, leads the Board and oversees all of its functions to ensure that the Board performs effectively. The Group Managing Director is the organisation's Chief Executive Officer who manages JC&C's day-to-day business in accordance with the strategies, budgets and plans approved by the Board.

Mr Benjamin Birks was named Best CEO in the large-cap category, for companies with market capitalisations of above S$1 billion.

Lead Independent Director

Since the Chairman is not an independent director, a Lead Independent Director, Mrs Lim Hwee Hua, has been appointed to provide shareholders with an independent channel for contact with JC&C, and to lead the non-executive directors in situations where the Chairman may be conflicted.

The independent directors regularly connect without the presence of the Executive Directors and management to discuss various matters concerning JC&C. Such engagements are led by the Lead Independent Director or another independent director, and feedback about the discussions is given to the Board or the Chairman as appropriate.

Board Diversity Policy

JC&C believes that having the appropriate balance and mix of diversity will enhance the Board's decision-making and the Group's performance. It remains committed to maintaining and continually strengthening this diversity through its Board Diversity Policy.

Under the policy, the Nominating Committee leads the annual process of board succession planning and the appointment and re-appointment of directors, making its recommendations to the Board accordingly. It continually reviews and ensures an adequate mix of competencies among the Board members in terms of skills, knowledge and experience to meet the Board's responsibilities and effectively lead the Group. Other important aspects of diversity, such as gender, age, ethnicity, geography, nationality and tenure of service on the Board, are also considered in determining the Board's optimum composition and ensuring the breadth of viewpoints. Where relevant, objectives may be set and monitored.

In line with this, the Nominating Committee will strive to consider candidates from different groups and backgrounds. All director appointments will ultimately be made based on merit, having due regard to the overall balance and effectiveness of the Board, and the benefits of board diversity for JC&C.

The Nominating Committee will monitor the implementation of the Board Diversity Policy and report yearly on the Board's composition in terms of diversity. It will also review the effectiveness of the policy and discuss and recommend any changes to the Board, as appropriate.

Progress in Implementing Board Diversity

The 2023 and current compositions of the Board reflect the Board Diversity Policy in action. There is a diversity of skills and experience with Board members from the industrial conglomerate, finance, banking, automotive, consumer-related and technology sectors, all of which are industries that are relevant to JC&C's portfolio of investments. Details of each director's professional background can be found on pages 24 to 27 of this Annual Report.

The directors also possess a range of critical competencies as set out in the table of competencies matrix below.

JC&C appoints well-qualified directors who are best suited for its needs based on merit, regardless of gender. It has had female representation on the Board for many years dating back to 1994. In 2023 and until today, three out of nine of its directors are women, achieving 33% female representation in line with the practice of many leading markets and the Council for Board Diversity's 2030 target. Its female directors hold leadership roles as Lead Independent Director, Chairperson of the Nominating Committee, Chairperson of the Remuneration Committee and Group Finance Director.

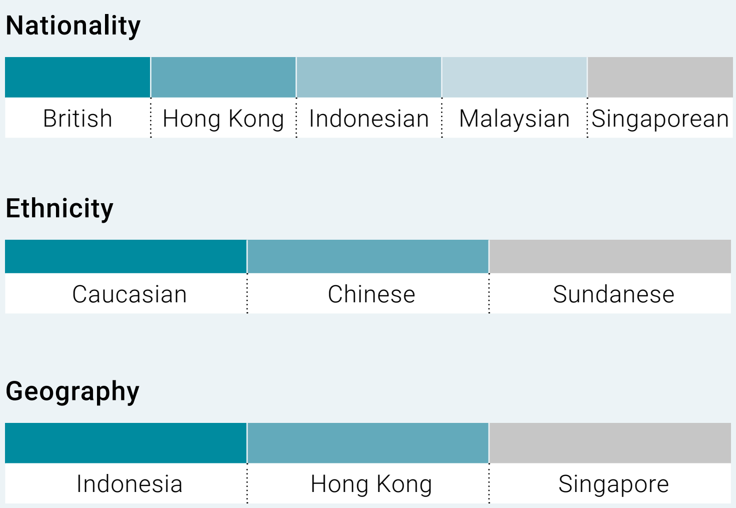
To have continued female representation, the Board will ensure that there continues to be high-calibre female candidates included in the search process for new Board members.

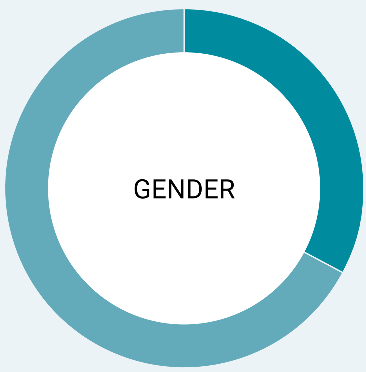
There is a good mix of age representation on the Board ranging from late thirties to late sixties. Five nationalities are represented on the Board

Directors' Skills and Experience

Categories:	No. of directors with these skills and experience:
• Executive leadership and management	9/9
• Experience as director of a public-listed company	9/9
• Strategic/business planning and decision	8/9
• Finance/accounting	6/9
• Risk management (including climate-related risks and opportunities)	6/9
• Public policy/regulatory/legal	4/9
• People and organisational change management	6/9
• Innovation	2/9
• ESG/Sustainability	5/9
• Information Technology/Digital	3/9

Board Composition (as at 31st December 2023)





Female	**33%**
Male	**67%**

including three Southeast-Asian countries. The directors are from three different ethnic groups and geographical backgrounds. Their tenures on the Board range from 1.4 years to 16.8 years.

Further progress on implementing the Board Diversity Policy will be shared in future corporate governance reports, as appropriate.

JC&C directors are of the view that the Board and Board committees are of an appropriate size, and that the directors, individually and collectively, have the right combination and balance of skills, knowledge, experience and diversity that facilitates constructive debate and avoids groupthink. The Board is able to effectively set strategic objectives and review, approve and monitor the execution of plans developed by management to deliver performance and value creation.

Orientation Programme for New Directors

Each new director who joins the Board undergoes a comprehensive orientation programme that includes introduction and briefing sessions by the Group Managing Director and the heads of the key functions and business units, including finance and legal. Besides being briefed on the Group's businesses, the new director will also receive a formal appointment letter and information regarding his or her duties as a listed company director and how to discharge those duties.

For first-time directors, JC&C will tailor a programme that will include training under the Singapore Institute of Directors' Listed Company Director Programme, the training prescribed by SGX.

Board's Duties and Responsibilities

The Board has adopted a comprehensive set of Terms of Reference defining its roles and responsibilities:

1. **Strategy, Planning and Sustainability**

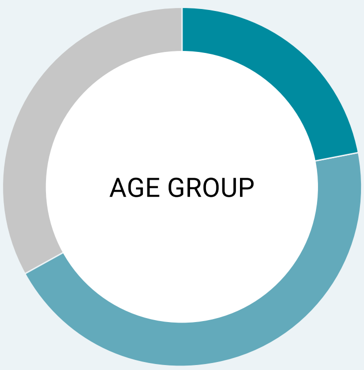
   The Board provides entrepreneurial leadership and sets strategic objectives including an appropriate focus on value creation, innovation and sustainability. It ensures that the necessary resources are available to meet these objectives.

2. **Risk Management and Internal Control Systems**

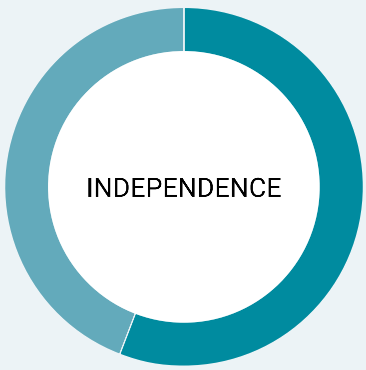
   The Board works with management to oversee JC&C's business and affairs to safeguard the interests of JC&C, its shareholders and stakeholders.

   It is responsible for the governance of risks and ensures that JC&C has adequate and effective systems of internal controls and risk management, including regularly reviewing risk management and internal audit reports. Note that internal controls include but are not limited to financial, operational, compliance and information technology controls while risk management includes but is not limited to climate and tax risks.

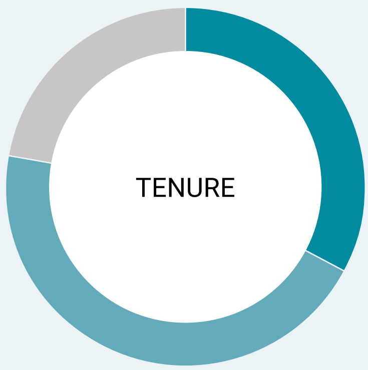
   Please refer to the Risk *Management and Internal Control Systems* section on pages 44 to 45 for further details.



38-50 years old	**22%**
51-60 years old	**45%**
61-68 years old	**33%**



Independent	**56%**
Non-Independent	**44%**



0-3 years	**33%**
3-9 years	**45%**
Above 9 years	**22%**

3. **Measuring and Monitoring Performance**

The Board ensures proper financial reporting by reviewing JC&C's results announcements, including interim management statements, before their release to verify that they present a balanced and clear assessment of the Group's performance, position and prospects. The Board receives monthly management accounts and information, enabling it to make a balanced and informed assessment throughout the year.

The Board also has oversight of the Group's non-financial performance indicators. As Environmental, Social & Governance ("**ESG**") metrics and targets are defined and refined, the Board will continue to receive regular updates from management.

The Board constructively challenges and reviews the performance of management, who is accountable to the Board for both financial and non-financial performance indicators.

4. **Remuneration of Directors and Key Management Personnel**

The Board is responsible for reviewing and approving the remuneration framework for the directors and key management personnel. It ensures that remuneration levels and structures are appropriate and proportionate to sustain JC&C's performance and value creation in view of its strategic objectives. Please refer to pages 41 to 43 for further details.

5. **Transactions Requiring Approval from the Board**

The Board reviews and approves important matters specifically reserved for its approval. These include acquisitions, disposals, capital expenditure, lease commitments, financial assistance, capital investment, bank facilities and derivative transactions which are material in nature as per the specified limits. The Board also approves the operating plan and budget. An analysis of the relevant ESG risks and opportunities, including climate risks, is a part of the approval process.

To safeguard JC&C's and the shareholders' interests, there are internal guidelines on financial authorisation and approval limits for various operational matters. Significant matters and material transactions exceeding the threshold limits are referred to the Board for review and approval, including major and disclosable transactions as referred to in the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST Listing Manual**"). Matters below the threshold limits are approved by the various levels of management according to the applicable financial authority limits.

6. **Succession Planning**

The Board reviews the annual succession planning of directors and key management personnel, the appointment and re-appointment of directors and the progressive renewal of the Board. Please refer to the *Board Succession Planning* section on pages 38 to 39 and *Key Management Succession Planning* section on pages 40 to 41 for further details.

7. **Business Ethics, Code of Conduct and Conflict of Interests**

The Board instils an ethical corporate culture and sets JC&C's values and standards of doing business through its Code of Conduct and other compliance/ethics policies.

It monitors and ensures proper accountability from management through various internal controls and reporting mechanisms to deter non-compliance and reduce exposure to unethical opportunities.

Please refer to the *Risk Management and Internal Control Systems* section on pages 44 to 45 and the *Code of Conduct, Anti-Corruption and Bribery, Group Tax Governance Policy (Singapore) and Whistle-Blowing Policy* sections on pages 53 to 54 for further details.

The Board also ensures that directors facing conflict of interests recuse themselves from board-level discussions and decisions. Please refer to the *Management of Conflicts of Interests* section on page 52 for further details.

8. **Shareholders' Rights and Engagement**

The Board ensures that JC&C regards all shareholders fairly and equitably. It facilitates the exercise of the shareholders' ownership rights, including the opportunity to communicate their views and participate during general meetings and other dialogues. An Investor Relations Policy has been established for regular engagement, and fair and effective communication with shareholders.

Please refer to the *Rights of Shareholders* section (which includes the Dividend Policy) on pages 50 to 52 and the *Investor Relations, Medium of Communication and Results Briefings* section on pages 56 to 57 for further details.

9. **Engagement with Stakeholders**

Focusing on the best interests of JC&C, the Board ensures that the needs and interests of JC&C's material stakeholders are taken into consideration and that arrangements are in place to manage them. Please refer to the *Engagement with Stakeholders* section on pages 53 to 56 for further details on the key focus areas.

The dates of all Board and committee meetings and the AGM are scheduled a year in advance to allow the directors to plan ahead. JC&C's Constitution allows directors to participate in meetings via teleconferencing or video conferencing.

Board and Committee Meetings and Attendance

In 2023, the Board and Board committees met regularly to deliberate upon and approve the matters as set out earlier under the *Board's Duties and Responsibilities* section.

Board and Committees	Number of meetings in 2023
Board	5
Audit & Risk Committee	4
Nominating Committee	2
Remuneration Committee	2

Please refer to the table on page 32 for each director's attendance at the Board and committee meetings and the Annual General Meeting ("**AGM**") of 2023.

Board's Access to Complete, Adequate and Timely Information

To fulfil their duties, the directors have access to complete, adequate and timely information provided by management, including monthly management accounts and regular sustainability updates.

For Board and committee meetings, all directors are provided with a detailed agenda and papers that contain relevant materials, background and explanatory information on each agenda item. Where budgets are concerned, the paper will also address any material variances between the projections and actual results. Minutes of Board and committee meetings are sent to every member of the Board or committee respectively.

The meeting agenda and papers are generally made available to the directors at least a week before the scheduled regular meetings to allow adequate preparation time. The materials are digitally available on a secure site which can be conveniently accessed at any time via handheld devices. Printed copies are also provided for those who prefer them.

Apart from the regular meetings, the Board or committees would pass decisions via circular resolutions on *ad hoc* matters as warranted by circumstances. In such cases, Board and committee papers will be circulated to the directors, giving full information regarding the matter and management will be available to answer any questions a director may have.

Management acknowledges that should the information provided in the Board and committee papers not be sufficient for the Board to decide on a particular matter, it is the Board's duty to question and challenge management as part of its oversight function.

The Group Managing Director, Group Finance Director and the Company Secretary (who is also the Group General Counsel and Chief Sustainability Officer) are present at all Board and Audit & Risk Committee meetings to provide further information and address queries. JC&C's internal auditors attend every Audit & Risk Committee meeting to present their reports and address questions. Management makes available other senior executives at the meetings where the situation warrants.

Board's Access to Management, Company Secretary and Independent Advisers

Management ensures that it is separately and independently accessible to the Board to address queries and provide additional information on a timely basis.

The Board has separate and independent access to the Company Secretary, whose appointment and removal is a decision of the Board as a whole.

The Board is also empowered to seek independent professional advice as considered necessary, at JC&C's expense.

Board Training

Besides timely access to internal information, the directors also need to maintain their knowledge and skills and develop new competencies to fulfil their roles effectively. All directors are encouraged to attend courses and seminars that suit their needs, at JC&C's expense.

JC&C incorporates opportunities for Board members to update their knowledge in the course of Board and committee meetings. Briefings and training are carried out mainly through live presentations by management, the auditors, external consultants or a Board member who is knowledgeable about a particular subject matter. These are supplemented with specially written Board papers as well as externally sourced articles and reports. Separate training sessions are arranged where required.

The topics covered in 2023 included market outlook and business trends, accounting standards, risk management, listing rules, regulations, ESG and geopolitics. Some specific areas were:

- New accounting standard IFRS 17 (insurance contracts)
- SGX Listing Rules on the tenure of long-serving independent directors
- Climate-related disclosures following the ISSB Standards IFRS S2
- ESG policies, practices and trends in Singapore

Mikkel Larsen was newly appointed to the Board in early 2024 and will be completing the mandatory training on the roles and responsibilities of a director of a listed issuer as prescribed by SGX.

Board Committees

To assist the Board in the discharge of its responsibilities, the Board has established the following committees and delegated specific authority to them whilst retaining overall oversight:

- Nominating Committee
- Remuneration Committee
- Audit & Risk Committee

From time to time, the Board also establishes *ad hoc* committees on specific matters for operational and business efficiency.

Nominating Committee

The Nominating Committee consists entirely of non-executive directors. The majority of the Committee is independent and it is chaired by an independent director. It meets the minimum size requirement of three members under the Corporate Governance Code.

The Nominating Committee met twice in 2023.

The terms of reference of the Nominating Committee include the following:

- Review and make recommendations to the Board on matters relating to the succession plans for directors and key management personnel, taking into account the Board Diversity Policy
- Develop and maintain a formal and transparent process for the selection, nomination, appointment and re-appointment of directors
- Identify the mix of skills, qualities and experience and the appropriate diversity factors that the Board requires to function competently and efficiently, and apply them to the process of appointment and re-appointment of directors
- Recommend an appropriate size of the Board and Board committees

Composition of the Nominating Committee in 2023:

Director	Position	Status
Mrs Lim Hwee Hua	Chairperson	Lead Independent Director
Dr Marty Natalegawa	Member	Independent Director
Benjamin Keswick	Member	Non-independent Director

- Determine the independence of directors on an annual basis and when required by circumstances
- Develop, maintain and oversee a formal annual assessment of the Board's effectiveness as a whole, and that of each of its Board committees and individual directors, including recommending the objective performance criteria
- Decide if a director is able to and has been adequately carrying out his or her duties as a director, taking into account the director's number of directorships and principal commitments
- Review and recommend training and professional development programmes for the directors and ensure that new directors are aware of their duties and obligations

Board Succession Planning

The Nominating Committee leads the annual Board succession planning process, including the appointment of new directors and the re-election of existing directors. It makes recommendations to the Board on these matters.

Board renewal is carried out progressively with the retirement of long-serving directors and the addition of carefully selected new members every few years to maintain an appropriate balance of skills, experience, independence and diversity within JC&C and on the Board.

Appointment of New Directors

For new director appointments, candidates are externally sourced by executive search consultants. Suitable candidates recommended by a Board member or management, or from JC&C's network of contacts, would also be considered.

The candidates should have skills and experience in one or more of the following areas: executive leadership and management, experience as director of a public-listed company, strategic/business planning and decision, finance/accounting, risk management (including climate-related risks and opportunities), public policy/regulatory/legal, people and organisational change management, innovation, ESG/sustainability and information technology/digital, and with experience in Southeast Asia. Additional factors such as integrity and the ability to make independent and sound decisions will be taken into account. Other diversity factors such as gender, age, nationality, ethnicity and geographical background will be considered where appropriate.

The Corporate Governance Code requires that independent directors make up a majority of the Board where the chairman is not independent. To ensure that the majority-independent Board composition is maintained, the candidates should also meet the independence criteria set by the Board if they are being considered for the role of an independent director.

Once identified, shortlisted candidates will be interviewed by the Nominating Committee. If found to be suitable, the Nominating Committee will nominate the candidate to the Board for approval.

Under JC&C's Constitution, a new director is required to stand for re-election at the first AGM that takes place after his or her appointment.

At the upcoming AGM in 2024, Mikkel Larsen will stand for re-election pursuant to this rule.

Re-election of Directors

The Nominating Committee makes recommendations to the Board on the annual re-election of existing directors, taking into account the Board's succession plan. Other factors such as attendance, preparedness, participation and candour during meetings are also considered.

JC&C's Constitution requires one-third of the Board, including the Group Managing Director and other executive directors, to retire by rotation and submit themselves for re-election by shareholders at each AGM. Retiring directors are those who have been the longest in office since their last re-election. This rotational retirement results in a director standing for re-election every two to three years. This complies with Rule 720(5) of the SGX-ST Listing Manual which requires that all directors submit themselves for re-nomination and re-appointment at least once every three years. The annual re-election of the entire Board is not a regulatory requirement in Singapore.

At the upcoming AGM in 2024, Mrs Lim Hwee Hua, Dr Marty Natalegawa and Steven Phan will retire by rotation and Mikkel Larsen will retire pursuant to the rule for new directors.

The Nominating Committee has recommended that Steven Phan and Mikkel Larsen be put up for re-election at the AGM. They will each stand for re-election on an individual basis. Their names are reflected in the Notice of Annual General Meeting which is published on JC&C's website at www.jcclgroup.com and SGX's website at www.sgx.com. Key information about them can be found on pages 24 to 27, 66 to 67 and 182 to 184 of the Annual Report. Mrs Lim Hwee Hua and Dr Marty Natalegawa will not be standing for re-election as they will retire from the Board under the Board succession plan.

Assessment of Directors' Independence

The Nominating Committee is responsible for the assessment of the independence of the non-executive directors.

The assessment is carried out for new independent director appointments and an annual review is carried out for existing directors. The Nominating Committee submits its assessment to the Board for the Board's consideration and declaration of a director's independence.

The Board considers a director to be independent if he or she is independent in conduct, character and judgement and has no relationship with JC&C, its related corporations, its substantial shareholders (i.e. having at least a 5% interest in JC&C) or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of JC&C.

Under the SGX-ST Listing Manual rules applicable from 2023 onwards, a director would not be considered independent where any of the following circumstances existed:

(i) a director being employed by JC&C or any of its related corporations for the current or any of the past three financial years, or

(ii) a director who has an immediate family member who is, or has been in any of the past three financial years, employed by JC&C or any of its related corporations and whose remuneration is determined by the Remuneration Committee, or

(iii) a director who has been a director of JC&C for an aggregate period of more than nine years; such director may continue to be considered independent until the conclusion of JC&C's next AGM (subject to SGX's transitional arrangements in place).

The term 'related corporations' includes major shareholders.

The directors were asked to declare if such a relationship or circumstances existed. They were also asked to assess if there were other circumstances, relationships or salient factors by reason of which they would consider themselves to be not independent vis-à-vis JC&C.

For 2023, the Board concurred with the Nominating Committee and considered Benjamin Keswick as a non-independent director as he is the Executive Chairman of Jardine Matheson Holdings Limited, the 78% major shareholder of JC&C and a related corporation of JC&C. The remaining non-executive directors, namely Mrs Lim Hwee Hua, Dr Marty Natalegawa, Steven Phan, Samuel Tsien and Tan Yen Yen were declared independent according to the requirements of the Corporate Governance Code and the SGX-ST Listing Manual.

Mrs Lim Hwee Hua and Dr Marty Natalegawa are both long-serving independent directors whose independent status will expire at the close of the AGM in 2024. Under the Board succession plan, both of them will be retiring from the Board at the AGM in 2024. No other independent director has served beyond nine years on the Board.

The majority of the Board is independent and the Board complies with Rule 210(5)(c) of the SGX-ST Listing Manual which requires the Board to be at least one-third independent and have at least two independent directors.

Assessment of Board Performance

The assessment of the effectiveness of the Board as a whole, and that of each Board committee and individual director, is carried out annually. This formal assessment process is overseen by the Nominating Committee.

The assessment is carried out through questionnaires that employ an objective set of performance criteria as recommended by the Nominating Committee and approved by the Board. The performance criteria remain unchanged from year to year unless a review is required in line with changes to corporate governance requirements and practices. In such a case, the Nominating Committee may recommend updates to the questionnaires or assessment process.

Each director is required to complete the assessment questionnaires. The responses are collated and presented to the Nominating Committee for review and discussion as well as shared with the Board. The Nominating Committee, together with the Chairman of the Board, will decide on any follow-up or action plans that may be required.

For the evaluation of the Board's performance as a whole, the questionnaire focuses on the effectiveness of board practices in relation to its oversight role. The performance criteria cover board structure, strategy and planning, performance monitoring and enhancement, board risk management and internal controls, board procedures and conduct of meetings, the information provided to the Board and the Board's interaction as a group and with management.

The individual director's evaluation covers the following assessment criteria: attendance and adequacy of preparation for Board and Board committee meetings, maintenance of independence and disclosure of related party transactions, contributions in board decision-making and the individual's areas of expertise, and generation of constructive debate. The assessment is designed to encourage the director to reflect on his or her performance and contribution during the year.

Each Board committee's assessment reviews its functions and processes, examining areas such as whether the committee has fulfilled its responsibilities as set out in its terms of reference, and whether it has met compliance and disclosure requirements. Other assessment criteria include whether the committee size and mix of skills are appropriate, attendance at meetings, generation of constructive debate, the rigour of decision-making and availability of information.

Director's Time Commitment

The Board is made up of high-calibre individuals who are leaders in their respective fields and are naturally sought after to serve on multiple boards and take on other principal commitments. Rather than being a limiting factor, the Board views it as an advantage that its members continue to gain regional and international exposure and experience in a range of industries and countries. Accordingly, the Board has decided not to set a maximum number of listed company board representations which any director may concurrently hold. The individual directors are responsible for monitoring their time commitments and ensuring that they can effectively discharge their duties as a director of JC&C.

The Nominating Committee annually assesses whether JC&C's directors who have other principal commitments and who serve on multiple boards are able to and have been diligently discharging their duties as a JC&C director. In making this determination, the Nominating Committee considers the results of the director's annual self-evaluation as well as their attendance, attentiveness, participation and contribution at Board and Board committee meetings.

The Nominating Committee is satisfied that for 2023, each of the directors gave sufficient time and attention to the affairs of JC&C and was able to effectively discharge their duties as a director of JC&C, notwithstanding their other principal commitments.

The Executive Directors, Benjamin Birks, Amy Hsu and Stephen Gore, do not hold any external directorships. They sit on the boards of companies that are the subsidiaries and associated companies of JC&C and its parent, Jardine Matheson Holdings Limited.

Key Management Succession Planning

The Board works closely with the Nominating Committee, Remuneration Committee and the human resources department for the succession planning of each key management role. This also involves the identification of competencies necessary to perform the role. These plans are reviewed and updated according to business needs.

Talent development, recruitment and compensation programmes are important parts of the succession planning process.

As part of the larger Jardine Matheson Group of companies, JC&C has access to and benefits from Jardines' talent pool. Under its executive management development programmes, talent is recruited from diverse disciplines and geographical backgrounds. They are given opportunities to work in a variety of businesses across Jardines and are involved in strategic and operational planning and finance roles. Talented individuals are identified and provided with exposure and training to prepare them for future senior roles, including at JC&C.

Depending on the competencies and business needs identified, external candidates for key management roles are sometimes also considered in order to find the best person for the role. Expertise in such recruitment comes from JC&C's human resources department and is supplemented by external search consultants.

The Nominating Committee will make the final recommendation to the Board regarding the candidate for a key management role and the Remuneration Committee will review the compensation package.

Remuneration Committee

The Remuneration Committee consists entirely of non-executive directors. The majority of the Committee is independent and it is chaired by an independent director. It meets the minimum size requirement of three members under the Corporate Governance Code.

The Remuneration Committee met twice in 2023.

The terms of reference of the Remuneration Committee include the following:

- Review and recommend to the Board a framework of remuneration for non-executive directors and the specific remuneration packages for each non-executive director
- Recommend to the Board the aggregate remuneration of the non-executive directors for approval at the AGM

Composition of the Remuneration Committee in 2023:

Director	Position	Status
Tan Yen Yen	Chairperson	Independent Director
Mrs Lim Hwee Hua	Member	Lead Independent Director
Benjamin Keswick	Member	Non-independent Director

- Review and recommend to the Board a framework of remuneration for executive directors (including the Group Managing Director) and key management personnel and the specific remuneration packages for each of these persons to attract, retain and motivate them to provide good stewardship and management
- Ensure that the recommended remuneration framework is appropriate and proportionate to the sustained performance and value creation of JC&C, including having a significant and appropriate proportion linked to corporate and individual performance with appropriate and meaningful measures for assessing the individual's performance
- Review and recommend the eligibility of executive directors and key management personnel for benefits under any long-term incentives
- Cover all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind and termination terms and payments and to ensure fairness and avoid rewarding poor performance
- Consider implementing schemes to encourage non-executive directors to hold shares in JC&C

Executive Directors & Key Management's Remuneration

The Remuneration Committee is responsible for advising the Board on the remuneration framework for executive directors and senior executives. It considers all aspects of remuneration, including termination terms where applicable, to ensure that they are appropriate, proportionate and fair. The remuneration policies are designed to attract, retain and motivate the executives to align their interests with JC&C's long-term growth and success, to increase shareholder value.

Several members of the Remuneration Committee are knowledgeable in executive compensation. Expert advice and views on remuneration matters and benchmarking exercises are obtained from external consultants and internally from within Jardines.

The remuneration of executive directors and key management personnel are structured to link rewards to corporate and individual performance.

Consisting of both a fixed and variable component, the performance conditions are based on JC&C's strategy and business plans for the year and are aligned with the interests of shareholders and other stakeholders. The fixed component comprises salary, provident fund contributions and other allowances. The variable component comprises a performance-based bonus payable on the achievement of individual and corporate performance conditions which are set or refreshed annually via a balanced scorecard and covers a performance period of one year.

Since 2021, JC&C has embedded ESG into all strategic decision making and a component of the remuneration of executive directors and key management is linked to ESG considerations, including managing climate risk. Risk management is closely related to strategy and business plans as it plays a crucial role in ensuring the success and sustainability of an organisation through identifying, assessing and mitigating potential risks that could impact the achievement of strategy objectives and the execution of business plans. This is why managing risks, such as climate risks, is a component of the executive directors and key management's remuneration.

The Remuneration Committee reviews the remuneration of executive directors and key management personnel annually. The Board approves such remuneration via the Remuneration Committee to whom the Board has delegated authority for such approval.

For 2023, the Remuneration Committee confirmed that the level and structure of remuneration were aligned with the long-term interests and risk management policies of JC&C. No executive director was involved in deciding his or her own remuneration.

Incentive Plans

Short-term incentive plans have been designed to strengthen the pay-for-performance framework and to reward participants for the success of the business units and the Group.

Performance targets to be met under the short-term incentive plans include annual earnings, which are benchmarked against the budget, and individual qualitative key performance indicators other than earnings that focus on short-term and long-term growth, success and profitability.

Individual payments are accorded based on performance targets and objectives set in appraisals. The performance conditions under the plans were reviewed annually to ensure that they were met in respect of any payout for 2023.

The Group does not use any contractual provisions to reclaim incentive components of remuneration from executive directors and key management personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss of the Group.

JC&C does not currently operate any share-based incentive plan.

Non-executive Directors' Remuneration

The Remuneration Committee advises the Board on the remuneration framework for non-executive directors. The directors' fees are determined having regard to best market practice, the level of duties and responsibilities of the directors and the size and diversity of the Group's operations. The fees are reviewed every few years to ensure that they remain appropriate.

The fee structure reflects a non-executive director's level of responsibility, effort and time commitment. The Chairperson of the Board or a Board committee receives higher fees, and separate fees are paid for committee membership.

The total amount of non-executive directors' fees is tabled for shareholders' approval annually at the AGM. At the last AGM in 2023, the shareholders approved the non-executive directors' fees of up to S$1,139,000 for 2023. No director is involved in deciding his or her own remuneration.

No directors' fees are paid to executive directors.

The non-executive directors' fee structure was last revised in 2022 and remains unchanged as follows:

Fees payable per director per annum (S$)	Chairman S$	Member S$
Board	140,000	80,000
Audit & Risk Committee	50,000	28,000
Remuneration Committee	22,000	12,000
Nominating Committee	22,000	12,000

Disclosure of Remuneration of Directors and Key Management Personnel

The remuneration of the directors and the top five key management personnel (who are not also directors) of JC&C for 2023, including their names, is shown in the tables below, broken down into various elements in dollar terms.

In 2023, no employees were substantial shareholders of JC&C or the immediate family members of a director, the Group Managing Director or a substantial shareholder of JC&C.

Directors	Directors' fees S$'000	Base salary S$'000	Variable bonus S$'000	Defined benefits/ contribution plans S$'000	Benefits-in-kind S$'000	Total S$'000
Benjamin Keswick	164	–	–	–	–	164
Benjamin Birks#	–	767	2,559	118	804	4,248
Stephen Gore#	–	832	–	130	644	1,606
Amy Hsu#	–	431	755	67	305	1,558
Mrs Lim Hwee Hua	142	–	–	–	–	142
Dr Marty Natalegawa	92	–	–	–	–	92
Steven Phan	130	–	–	–	–	130
Tan Yen Yen	102	–	–	–	–	102
Samuel Tsien	108	–	–	–	–	108

Executive Director

Key Management Personnel	Base salary S$'000	Variable bonus S$'000	Defined benefits/ contribution plans S$'000	Benefits-in-kind S$'000	Total S$'000
Jeffery Tan Group General Counsel; Chief Sustainability Officer; Director of Legal & Corporate Affairs; and Company Secretary	551	501	11	16	1,079
Cheah Kim Teck Director, Business Development	300	250	8	16	574
Wilfrid Foo Managing Director, Direct Motor Interests	426	767	18	17	1,228
Alfredo Chandra[1] Finance Director, Direct Motor Interests	129	142	6	15	292
Kent Teo[2] Finance Director, Direct Motor Interests	69	96	6	65	236

1 Appointed on 1st July 2023
2 Stepped down on 18th April 2023

Notes:
(i) Directors' fees for non-executive directors were approved by the shareholders as a lump sum at the AGM held in 2023.
(ii) Benefits-in-kind refer to benefits such as car, housing, club membership made available as appropriate.
(iii) The total remuneration of the top five key management personnel for 2023 was S$3,410,000.
(iv) No stock options or share-based incentives or awards were paid to directors and key management personnel in 2023.

Audit & Risk Committee

Composition of the Audit & Risk Committee in 2023:

Director	Position	Status	Chartered Accountant	Expertise in financial management	Expertise in risk management
Steven Phan	Chairman	Independent Director	✓	✓	✓
Mrs Lim Hwee Hua	Member	Lead Independent Director		✓	✓
Samuel Tsien	Member	Independent Director		✓	✓

The Audit & Risk Committee consists entirely of non-executive directors, all of whom are independent directors. It is chaired by an independent director who is a chartered accountant. It meets the minimum size requirement of three members under the Companies Act 1967 and the Corporate Governance Code.

All the members have recent and relevant accounting or related financial management expertise or experience. They also have expertise in risk management. No one was a former member or director of JC&C's existing auditing firm.

The primary function of the Audit & Risk Committee is to help the Board fulfil its statutory and fiduciary responsibilities in relation to the Group's financial reporting and risk governance. It ensures the integrity of financial statements, reviews financial and control risks and monitors the internal control systems.

In 2023, the Audit Committee was renamed the Audit & Risk Committee to more accurately reflect its existing role in risk management. The committee has been performing the risk management role since its inception, through regular reviews of the internal controls and risk management systems, the risk register and management's evaluation of principal business risks. Its terms of reference also clearly reflect these responsibilities.

The Audit & Risk Committee has access to management and has the discretion to invite any director or executive officer to attend its meetings. It has access to reasonable resources to enable it to discharge its duties properly.

The Audit & Risk Committee met four times in 2023.

The terms of reference of the Audit & Risk Committee include the following:

- Review at least annually the adequacy and effectiveness of JC&C's systems of internal controls (including financial, operational, compliance and information technology controls) and risk management systems, and commission an independent audit on internal controls and risk management systems, if necessary
- Review the significant financial reporting issues and judgements to ensure the integrity of JC&C's financial statements and any announcements relating to its financial performance and review with the external auditors, their evaluation of the system of internal accounting controls
- Review the assurance from the Group Managing Director and the Group Finance Director on the financial records and financial statements
- Review with the external auditors their audit report and conduct a post-audit review of the statutory financial statements and audit findings, including any significant suggestions for improvements provided to management by external auditors
- Recommend to the Board on the adoption of the annual consolidated financial statements and annual report
- Recommend to the Board on the adoption of the interim and full year announcements of financial results and interim management statements
- Review the adequacy, effectiveness, independence, scope and results of JC&C's internal audit function
- Review with the external auditors their audit plan
- Review the adequacy, effectiveness, independence, scope and results of the external audit and assistance given by management to the external auditors
- Assess the independence and objectivity of the external auditors, including the aggregate and respective fees paid for audit and non-audit services
- Make recommendations to the Board on proposals to shareholders on (i) the appointment, re-appointment and removal of the external auditors, and (ii) the remuneration and terms of engagement of the external auditors
- Consider the terms of interested person transactions of JC&C, whether they are on normal commercial terms and are not prejudicial to the interests of JC&C and its minority shareholders
- Carry out its duties as set out in the annual general mandate for interested person transactions approved by JC&C's shareholders
- Review the whistle-blowing policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on

Risk Management and Internal Control Systems

The Board believes in the importance of sound systems of internal control and risk management to sustainably safeguard shareholders' interests and JC&C's assets as well as to achieve corporate objectives.

The Board has overall responsibility for the Group's internal controls and risk management. It reviews the adequacy and effectiveness of these control and risk management systems, including financial, operational, compliance and information technology controls (which includes cybersecurity).

The Board receives periodic updates and risk management education during the regular Board meetings as well as separately arranged training sessions on specific matters as and when necessary.

Management is required to ensure good corporate governance through implementing and managing policies and procedures relevant to the Group's business scope, ethical standards and environment.

Business units are required to conduct a self-assessment exercise and submit twice-yearly control and compliance declarations on issues relating to matters of serious concern and significant incidents, code of conduct compliance and adequacy of control framework, and compliance with licenses, permits and regulatory requirements. Where required, action plans are developed to remedy identified control gaps.

In addition, business units submit a summary comfort checklist regarding the adequacy and effectiveness of their internal control and risk management systems. Such assurances are also sought from the Group's internal and external auditors based on their independent assessments.

For 2023, the Board reviewed assurances from the Group Managing Director and Group Finance Director on the financial records and financial statements of JC&C. To elaborate, the Board assessed that the financial records have been properly maintained and that the financial statements gave a true and fair view of the Group's operations and finances.

The Group Managing Director and Group Finance Director also gave assurances to the Board that the systems of risk management and internal control in place were adequate and effective in addressing the material risks of the Group in its business environment at that point in time.

The Board, with the concurrence of the Audit & Risk Committee, was satisfied that adequate and effective internal controls (including financial, operational, compliance and information technology controls) and risk management systems had been in place and met the needs of the Group in its business environment at that point in time. The conclusion was based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by management throughout 2023, as well as assurances received from the Group Managing Director and other key management personnel responsible for these areas.

The Board notes that the Group's internal control systems are designed to manage the Group's risks within an acceptable risk profile, rather than eliminate business risks completely. The Group's internal control and risk management systems provide reasonable but not absolute assurance that the Group will not be adversely affected materially by any event that can be reasonably foreseen and do not provide absolute assurance against material misstatements, the occurrence of material or human errors, poor judgement in decision-making, losses, fraud or other irregularities.

JC&C does not have a separate board-level risk committee but has in place a risk management programme, under the purview of the Audit & Risk Committee, to identify and report on areas of potential business risks, and to recommend counteracting measures to prevent and minimise any loss arising from the business risks identified. This programme is further elaborated upon under the *Risk Management Review* section on pages 47 to 50.

Key Audit Matters

For 2023, the Key Audit Matters ("**KAMs**") of the Group and the Audit & Risk Committee's commentary on them are set out below:

KAMs	Audit & Risk Committee's Comments
Impairment of investment in an associate – Siam City Cement Public Company Limited ("**SCCC**")	The Audit & Risk Committee reviewed and was satisfied with the reasonableness of management's judgement, assumptions and the methodology used in the impairment review of the Group's investment in SCCC. An impairment charge of US$114 million was recognised in 2022 in view of the challenging operating environment and outlook. Following the review and discussions with management and the external auditor, the Audit & Risk Committee concurred with management that no further impairment was required in 2023.
Valuation of consumer financing debtors	The Audit & Risk Committee reviewed and was satisfied with the methodology used by management in calculating the allowances for impairment, ageing profiles of the consumer financing debtors and the reasonableness of management's assumptions made and data used in calculating allowance. Following the review and discussions with management and the external auditor, the Audit & Risk Committee concurred with the judgement made by management in making the allowance for impairment for the consumer financing debtors and was satisfied that the data used were supportable.
Valuation of mining properties and related assets	The Audit & Risk Committee reviewed and was satisfied with the reasonableness of management's judgement, assumptions and methodology used in the impairment review of the mining properties and related assets. Following the review and discussions with management and the external auditor, the Audit & Risk Committee concurred with management that an impairment charge of US$22.1 million in 2023 in respect of goodwill related to an acquisition of a gold mining business was prudent in view of operating challenges.

Internal Audit

The primary reporting line of JC&C's internal audit function is to the Audit & Risk Committee.

The internal audit function reviews the effectiveness of JC&C's internal control systems and management control systems. These reviews are conducted regularly throughout the year in accordance with an agreed plan to ensure that material internal controls are in place.

The internal audit function provides independent and objective assurance on internal controls and assists the Audit & Risk Committee in reviewing how principal business risks in the Group are evaluated.

The Audit & Risk Committee approves the annual internal audit plans, regularly reviews the internal audit findings and follows up on implementation plans.

For 2023, the Audit & Risk Committee was satisfied that JC&C's internal audit function was independent of the business, effective and adequately resourced.

The internal audit function of the Group (excluding Astra) is performed by the internal audit team of its holding company, Jardine Matheson. Known as Group Audit and Risk Management ("**GARM**"), the function is independent of the operating companies of the Group and employs qualified professionals to handle the work in accordance with the prevailing Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors ("**IIA**").

The Audit & Risk Committee receives quarterly reports from GARM, which cover matters like the overall control environment, audit findings, implementation statuses and significant non-compliance and matters of serious concern.

The internal audit function of the Astra group is overseen by Astra's Group Audit and Risk Advisory ("**GANRA**"), the internal audit department of Astra's parent company. GANRA audits all the automotive sales operations under Astra's parent company. It supports and participates in joint audits and regular reviews with the various internal audit units of the subsidiaries within the Astra group.

GANRA complies with the prevailing Standards for the Professional Practice of Internal Auditing set by the IIA.

The various internal audit units of Astra's subsidiaries report to the respective boards of commissioners within the Astra group, and GANRA reports to the audit committee of Astra's parent company. The Audit & Risk Committee receives quarterly reports on internal audit plans, audit findings, implementation plans and Astra group's top risks from GANRA.

External Audit

For 2023, the Audit & Risk Committee made recommendations to the Board on the re-appointment of JC&C's external auditor, PricewaterhouseCoopers, and the remuneration to be paid to them.

JC&C has complied with Rule 713 of the SGX-ST Listing Manual, which requires the rotation of the external audit partner-in-charge.

The Audit & Risk Committee also approved audit plans for the external audit and reviewed the adequacy, effectiveness, independence, scope and results of the external audit. It met with the external auditor to discuss significant accounting and auditing issues arising from its audit, other audit findings and recommendations.

As per its yearly practice, the Audit & Risk Committee met with both internal and external auditors without the presence of management to discuss matters that the Audit & Risk Committee or auditors believe should be discussed privately.

Review of Results Announcements and Interim Management Statements

The Audit & Risk Committee serves as an independent party to review financial information prepared by management for shareholders, as well as the channel of communication between the Board and external auditors.

In 2023, before announcing the half year and full year results, the Audit & Risk Committee and JC&C's senior management reviewed the Group's financial information to ensure that it was properly presented and that appropriate accounting policies had been applied in preparing the financial information. Interim management statements for the first and third quarters were also reviewed before they were announced to ensure sufficient information was presented.

Non-audit Services by External Auditor

In 2023, the Audit & Risk Committee reviewed the range and value of the non-audit services provided by the external auditors of the Group. The Audit & Risk Committee was satisfied that the provision of such services had not affected the independence of the external auditors. The breakdown of the 2023 fees is as follows:

	US$m
Total fees for audit services	11.9
Total fees for non-audit services	3.2
Total fees	15.1

JC&C has complied with Rules 712 and 715 of the SGX-ST Listing Manual with regards to the auditing firms.

Risk Management Review

Executive management oversees the implementation of the systems of internal control within the Group's operating companies, the responsibility for which rests with each company's board and its executive management.

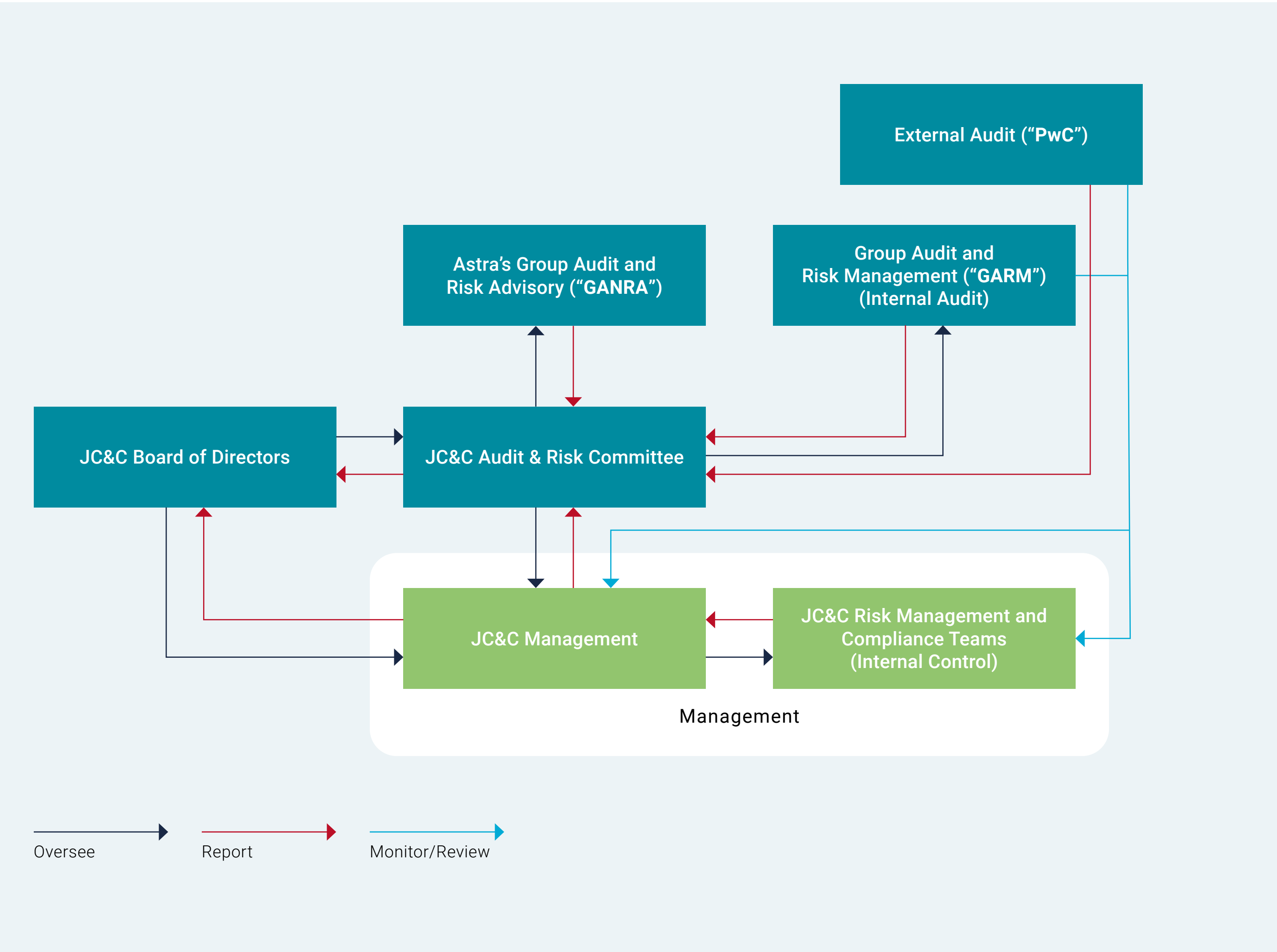
The Group has an established risk management process that is reviewed regularly and covers all business units. This includes the maintenance of risk registers that detail the emerging and existing risks to the future success of the business and the relevant key controls and mitigating factors that address those risks. These are reviewed on a regular basis.

Risk Governance Structure

Each business unit is responsible for:

- Identifying and assessing principal risks and uncertainties to which it is exposed;
- Implementing the most appropriate actions to mitigate and control those risks to an acceptable level;
- Providing adequate resources to minimise, offset or transfer the effects of any loss that may occur while managing acceptable risk/benefit relationships;
- Monitoring the effectiveness of the systems of risk management and internal control; and
- Reporting periodically to its board of directors, audit committees and GARM/GANRA on the principal risks and uncertainties.

Information and guidelines for reporting principal risks and uncertainties are regularly communicated to the business units. Risk management initiatives, such as training and sharing sessions are undertaken by the Group to raise employees' risk awareness and embrace the Group's risk culture. Furthermore, Jardines has an interactive platform where employees across the Jardine Matheson Group are able to share the latest trends in risk management to support an effective risk culture.



Risk identification, evaluation, review and reporting form part of executive management's responsibility. Based on the Group's risk evaluation, management is expected to implement risk management measures (as described in its risk management framework) to address the identified risks. Executives' remunerations are tied to measures that reflect the successful execution of business strategies including risk management. Line managers are expected to execute controls that reflect risk management while executing their day-to-day tasks. Their remuneration is tied to measures that reflect the successful execution of operations while keeping risk in mind through the execution of controls.

Risk Management Framework

Risk management is integrated into each business unit's strategic planning, budgeting, decision-making and operations. Central to this is the continuous and systematic application of:

- Risk Identification
- Risk Assessment
- Risk Treatment
- Risk Reporting & Monitoring

A Risk Management Framework based on ISO 31000 and COSO principles is embedded within the Group's processes, to identify, assess and define the strategies to be adopted to monitor risks. The risk registers prepared by each business unit provide the basis for an aggregation process, summarising the principal risks and uncertainties facing the Group as a whole.

The key elements of the Risk Management Framework are as follows:

Risk Identification

- Identify and document the Group's exposure to uncertainty with existing strategic objectives
- Adopt structured and methodical techniques such as materiality assessment to identify critical risks

Risk Assessment

- Evaluate risks by estimating likelihood, financial and reputational damage, and the speed at which the risk materialises, based on its inherent and residual level
- Determine risk rating using the risk heatmap, with four levels of residual risk status

Risk Treatment

- **Tolerate** – accept if within the Group's risk appetite
- **Terminate** – dispose or avoid risks where no appetite
- **Transfer** – take out insurance or share risk through contractual arrangements with business partners
- **Treat** – redesign or monitor existing controls or introduce new controls

Risk Reporting & Monitoring

- Periodic review of principal risks and uncertainties
- Setting key risk indicators to enhance monitoring and mitigation of risks
- Regular reporting of principal risks and uncertainties from business units to the Group's Board of Directors via the Audit & Risk Committee

The risk registers are updated bi-annually and a Risk Management Report is presented to the Audit & Risk Committee on the significant residual risk exposures impacting the Group. The report includes considerations such as the likelihood of occurrence, financial impact, velocity and impact ratings.

Principal risks and uncertainties

The following were classified as major residual risk exposures (including operational risks) for 2023:

Climate Change

Climate change has gained widespread recognition as a significant long-term risk faced by businesses on a global scale.

Physical risks such as forest fires, floods and other natural disasters may directly impact the Group's physical facilities or those of its suppliers and customers and adversely impact the Group's earnings and total assets. While these risks cannot be eliminated completely, the Group takes proactive measures such as procuring appropriate insurance as part of its risk management strategy. Additionally, the Group maintains operational resilience by regularly reviewing its Business Continuity Management ("**BCM**") plans.

Aside from physical risks arising from climate change, the Group is exposed to transition risks. These include the ongoing technological shift towards electric vehicles, the imposition of increased carbon taxes and investments in low-carbon technologies

To effectively manage these climate change risks, the Group conducts climate risk assessments and scenario analyses following the TCFD framework, as described in our sustainability reporting. This approach allows the Group to identify key focus areas for its portfolio businesses and build overall climate resilience.

Additionally, the Group has decarbonisation plans in place that have been identified based on JC&C's materiality as described in our sustainability reporting. These plans underscore the Group's commitment to addressing climate change and its associated risks in a holistic and sustainable manner.

Competition, Economic Cycle, Commodity Prices and Government Regulations

The Group faces competition in each of its businesses, and more so with advancements in energy-efficient and low-carbon products and technology. Failure to effectively compete with existing competitors or new entrants in its industries could have adverse consequences on the Group's business, financial health and operational results.

Moreover, the Group's financial performance is susceptible to economic fluctuations, with market dynamics significantly influencing its earning and asset positions.

Furthermore, the Group faces financial risks arising from fluctuations in commodity prices, primarily coal and crude palm oil.

Government regulations and policies relevant to the Group's industries and territories exert a substantial impact on its businesses. The emergence of free trade agreements may intensify competition, potentially affecting the Group's earnings and overall assets negatively. Additionally, timely adoption of low-carbon products and technology is crucial for the Group to benefit from subsidy schemes and policy support in the countries where it operates.

To mitigate competition risks, the Group regularly assesses whether its products and services meet customers' expectations. For instance, the Group actively reviews its product strategy with its principals in the automotive sector to incorporate electric vehicles into its product line-up.

Additionally, the Group collaborates with the local management to leverage their local expertise and knowledge to manage political and regulatory risks effectively.

Finally, the Group regularly considers the outlook of commodity prices in considering the need for active financial risk management. The Group's policy is generally not to hedge commodity price risk, although limited hedging may be undertaken for strategic reasons.

Cybersecurity

In today's dynamic digital landscape, the accelerated adoption of technology across industries has led the Group's businesses to expand their online operations significantly. Consequently, they have become increasingly reliant on network infrastructure and critical supporting systems. This transformation has coincided with a surge in cyber threats worldwide, characterised by increased frequency, severity and sophistication.

Given the leading positions of the Group's businesses in their industries, any security breaches resulting in the leakage of sensitive data may result in regulatory fines and/or litigation. This external risk could potentially have a long-term impact if the Group's reputation is affected.

To safeguard against these threats, the Group has implemented robust cybersecurity measures, including educating and preparing our employees. Continuous training and awareness programmes are in place to educate our employees in data protection, secure online behaviour and recognition of phishing attempts.

In addition, the Group continually reviews its network infrastructure and critical supporting systems to ensure resilience. A cyber incident response plan is defined for the Group to respond to emergencies and catastrophic events. In addition, business continuity plans are in place to ensure minimal disruption to our operations and services in the face of unforeseen challenges. The Group has also secured cyber insurance policies to provide an added layer of financial protection in the event of a cybersecurity incident.

Dependence on Astra

Astra is the major contributor to the Group's earnings and represents a significant proportion of the Group's total assets. Consequently, any adverse changes in Astra or Indonesia's political, social or economic situation will significantly impact the Group's earnings and total assets. Such adverse changes include changes in laws, regulations and policies by the Indonesian or other foreign governments, any termination of or material changes to key licensing and distribution agreements between Astra and its strategic partners, supply chain disruptions or any pricing actions Astra may have to take in response to competition that have a material adverse impact on Astra's financial performance.

The Group is exposed to foreign currency fluctuations, mainly through Astra. Any significant depreciation of the rupiah will have an adverse impact on the Group's earnings and total assets.

Over the years, the Group has increased its exposure in Other Strategic Interests, which, together with the Direct Motor Interests, account for 16% of JC&C's underlying profits in 2023.

Exclusive Business Arrangements

The Group currently has subsidiaries, associates and joint ventures in Indonesia, Vietnam, Singapore, Malaysia and Myanmar engaged in the automotive business that enjoy exclusive rights in various forms as a manufacturer, assembler, distributor or dealer.

Management works to meet targets and improve business performance. Notwithstanding this, any change in the principals' strategies may be beyond management's control. In certain cases, any withdrawal or dilution of the exclusive rights can potentially have a significant impact on the Group's earnings and total assets.

The Group manages the risk by maintaining good partnerships with the principals and closely monitoring changes in their policies and corporate plans. The Group also ensures strict compliance and governance to their standards and regularly updates the principals on the local market's regulatory and business environment.

Financial Risk

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity markets, foreign currency exchange rates and interest rates. It manages its exposure to financial risks by using a variety of techniques and instruments as set out in further detail under 'Financial Risk Management' of Note 2.31 to the Financial Statements, on pages 101 to 112 of this Annual Report.

The Group has an internal policy that prohibits speculative transactions. It enters into derivative financial instruments solely for hedging underlying exposures that mainly affect cash flow. The objective is to provide a degree of certainty on costs.

The Group's surplus cash is managed in a way that minimises credit risk while enhancing yield. The Group also has a system of internal controls, as described in this report.

Notwithstanding the risk management policies of the Group, any unanticipated fluctuations in debt and equity market prices, foreign currency exchange rates and interest rates may have an adverse effect on the Group's earnings and total assets.

Geopolitical Situation

In the past year, the impacts of the global geopolitical situation have significantly increased. External risks created from political tensions, such as the Israel-Hamas and Russia-Ukraine conflicts, could affect global markets, dampen economic activity, disrupt supply chains, and place more pressure on rising inflation and interest rates. While the Group does not have direct business relationships in these countries, the consequences of these conflicts are unpredictable and, therefore, may pose significant uncertainty to the portfolio.

The Group monitors the situation closely to manage any operational changes collectively; for example, sourcing alternative suppliers to prepare for potential supply chain disruption.

Workplace Health and Safety

The ongoing commitment to the health and safety of our employees and stakeholders stands as a paramount concern. Although the challenges of COVID-19 have subsided to some extent, our commitment to workplace health and safety remains unwavering. Failure to address workplace health and safety concerns could result in injuries, accidents and fatalities; operational disruptions, downtime and decreased productivity; significant regulatory fines and legal liabilities.

The Group is committed to maintaining a safe working environment at its business operations for all employees, customers and contractors. Our stance on occupational health and safety is articulated in our Health and Safety policy. More details are available under 'Workplace Health and Safety' in our sustainability reporting.

In addition, Workplace Health and Safety has been identified as a materiality topic based on JC&C's materiality assessment as described in our sustainability reporting.

Rights of Shareholders

Dividend Policy and Payment

JC&C's dividend policy aims to provide a return to shareholders through the payment of a cash dividend, usually on a semi-annual basis, taking into consideration the Group's financial performance, short- and long-term capital requirements, future investment plans and broader business and economic conditions.

In 2023, JC&C made two dividend payments to all shareholders; a final dividend of US$0.83 per share on 30th June 2023 and an interim dividend of US$0.28 per share on 6th October 2023.

Shareholders' Right to Participate Effectively and Vote in Shareholders' Meetings

Shareholders are informed of shareholders' meetings through notices, physical copies of which are sent to all shareholders in advance of the meetings. The notices contain the detailed meeting agenda and are accompanied by explanatory notes, reports or circulars containing detailed information on each agenda item and the proxy form. The notices of general meetings and the accompanying documents are also published and publicly available on SGX's website at www.sgx.com and JC&C's website at www.jcclgroup.com.

Specifically for AGMs, the notices are published together with the annual report, a letter to shareholders (containing further information about specific agenda items) and the proxy form, all of which are available via the avenues mentioned above. Annual reports containing the audited financial statements are issued simultaneously with the AGM notice by the end of March. This is within 90 days of the end of JC&C's financial year of 31st December and is at least 28 days before the date of the AGM.

At shareholders' meetings, each specific matter is proposed as a separate resolution and shareholders are given the opportunity to raise questions on each of the motions. All relevant questions, answers and comments are recorded in substantial detail in the meeting minutes and posted on JC&C's website.

At every AGM, shareholders have the opportunity to approve the remuneration of non-executive directors, including any increases in such remuneration, and to vote for the re-election of individual directors who are either retiring by rotation or retiring because they are newly appointed.

JC&C only has one class of shares, namely ordinary shares, and each ordinary share carries one vote.

All resolutions at the AGM are voted by poll. The poll voting is conducted electronically by an external service provider under the scrutiny of an independent scrutineer. The scrutineer explains the voting and vote tabulation procedure to the meeting attendees before starting the voting process. For greater transparency, votes cast for and against each resolution, and the respective percentages, are immediately tallied and displayed 'live-on-screen' to shareholders at the meeting. The scrutineer is present throughout the meeting to ensure that the voting exercise is conducted properly and signs off on the voting results.

Within the same day after the AGM, JC&C releases a detailed announcement publicly available on SGX's website (www.sgx.com/securities/company-announcements), showing the voting results in terms of the number of votes cast for and against each agenda item and the respective percentages. This announcement is also available on JC&C's website.

If any shareholder is unable to attend a shareholders' meeting, he/she is allowed under JC&C's Constitution to appoint up to two proxies to vote on his/her behalf at the meeting. Printed copies of proxy forms are sent in advance to all shareholders with clear instructions on how they should be completed and returned to JC&C before the relevant deadline. The proxy forms are also available on JC&C's and SGX's websites.

Nominee agencies such as banks, securities custodians and the Central Provident Fund ("**CPF**") are allowed to appoint more than two proxies. Therefore, shareholders who hold shares through these nominees, including CPF investors, can attend and participate in the meetings as proxies of these agencies. Voting in absentia by mail, facsimile or email is currently not allowed.

Conduct of AGM during COVID-19 Pandemic

The AGM in 2023 was conducted in a physical meeting format in Singapore on 28th April 2023 pursuant to temporary laws on alternative arrangements for holding general meetings during the COVID-19 pandemic. JC&C complied with all regulatory requirements for the holding of such meetings.

Notice of the AGM containing the detailed agenda and explanatory notes, as well as the Annual Report 2022 (containing the audited financial statements), letter to shareholders and proxy form, were sent to shareholders solely by electronic means through publication on the websites of JC&C and SGX. These documents were published on 30th March 2023, at least 28 days before the AGM date and within 90 days of JC&C's financial year end of 31st December 2022. Shareholders were also invited to submit their questions for the AGM in advance.

Voting at the AGM was carried out in person by poll. The voting results were verified by an independent scrutineer appointed for the AGM and were published on the same day as the AGM on the websites of JC&C and SGX.

Members of the Board were present in person at the meeting, including the Group Managing Director and the respective Chairpersons of the Audit & Risk Committee and the Nominating Committee, as well as JC&C's external auditors.

Interested Person Transactions

Interested person transactions ("**IPT**") are transactions between the Group and interested parties such as major shareholders and board members. JC&C operates under the IPT rules of the SGX-ST Listing Manual and has guidelines in place to ensure that IPTs are conducted fairly and on arm's length basis, and there are procedures for the review and approval of IPTs, as further elaborated below.

These rules guard against the risk that interested persons could influence JC&C or companies within the Group to enter into IPTs that may adversely affect the interests of JC&C or its shareholders. For example, where an IPT requires shareholders' approval, a shareholder who is interested in the transaction and its associates will not be allowed to vote on the resolution.

JC&C's interested persons are its Board directors and its controlling shareholder, Jardine Matheson Holdings Limited, and the associates of such persons as defined under the SGX-ST Listing Manual.

IPTs entered into during 2023 as recorded in the Register of IPTs (excluding transactions less than S$100,000) were approved in accordance with the Group's procedures for such transactions. These procedures are as set out in JC&C's annual general mandate for IPTs and its internal guidelines and limits of authority.

IPTs are reported to the Audit & Risk Committee every quarter with details on the nature of the transaction, value and the interested person involved.

JC&C's general mandate for IPTs is approved annually by shareholders at its AGM. Detailed information on the general mandate, including the categories of applicable interested persons and transactions and review and approval procedures, are set out in a letter to shareholders that accompanies the AGM notice. This is published together with the AGM notice and is available on JC&C's and SGX's websites.

The general mandate enables companies within the Group to enter into approved categories of transactions with specified interested persons, provided that such transactions are on normal commercial terms in the ordinary course of business and will not be prejudicial to the interests of JC&C and its minority shareholders. The Audit & Risk Committee provides a confirmation each year to shareholders that the methods or procedures for determining the transaction prices under the general mandate remain unchanged and are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of JC&C and its minority shareholders. The transactions will undergo the review process before being approved by the Group Managing Director or the Audit & Risk Committee, as applicable, depending on the value of the transaction.

For 2023, as in previous years, all IPTs entered into pursuant to the general mandate were reviewed by JC&C's internal auditor as part of its annual audit plan.

Save for the transactions disclosed below, no material contract has been entered into by the Group involving the interests of the Group Managing Director, a director or a controlling shareholder, either as at the end of the financial year or since the end of the financial year.

Management of Conflicts of Interests

At Board meetings, the directors regularly disclose updates to their directorships and major appointments in other companies and organisations as part of their disclosure of interests to address any potential conflict of interest situation.

Directors are also required to disclose any specific interest they may have in a particular transaction being contemplated or agenda item being discussed.

In the case of a conflict of interest, the director would be required to abstain from voting on the resolution and refrain from participating in the Board discussions.

Institutional Investors

An analysis of JC&C's share register carried out on 29th December 2023 showed that more than 5% of its share ownership were held by institutional investors other than its controlling shareholder.

The list of JC&C's IPTs for 2023 are set out below:

Name of interested person and nature of transaction	Aggregate value of all interested person transactions (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US$m	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) US$m
Associate of JC&C's controlling shareholder		
Jardine Matheson Limited		
– management support services	–	6.2
– cyber security services	–	0.3
– business support services (including human resource support and management, and internal audit and risk management)	–	0.2
– digital, digital support and innovation services	0.6	–
Jardine Matheson & Co., Ltd		
– human resource and administration services	–	0.6
Jardine Engineering (S) Pte Ltd		
– air conditioner maintenance services	–	0.3
The Dairy Farm Company Ltd		
– data analytics services	–	0.2
Hongkong Land (Unicode) Investments Limited		
– subscription of shares in a joint venture	28.5	–
PT Astra Land Indonesia		
– subscription of shares by a subsidiary	28.5	–
Mandarin Oriental Holdings B.V.		
– sale of shares in a subsidiary	12.5	–
Mandarin Oriental Hotel Group Ltd		
– sale of receivables under a shareholder loan agreement	8.8	–
	78.9	7.8

Note: The terms "associate" and "controlling shareholder" are as defined in Chapter 9 of the SGX-ST Listing Manual.

Engagement with Stakeholders

Sustainability Report

JC&C has published an annual sustainability report since 2017, referencing the Global Reporting Initiative ("**GRI**") framework. The reports reflect JC&C's approach to business sustainability and disclose what is important to JC&C and its stakeholders.

As part of the process, JC&C undertakes stakeholder engagement and engages both internal and external stakeholders, such as its subsidiaries, employees, shareholders, business partners and regulatory bodies. JC&C is committed to publishing and improving disclosures in its reporting and continues to strengthen its engagement with stakeholders.

In 2022, JC&C published its first climate change report, following the TCFD framework. Since 2022, JC&C has integrated its climate change report into its annual sustainability report.

A summary of JC&C's 2023 Sustainability Report can be found on pages 58 to 64 of this Annual Report. The full sustainability report will be issued in Q2 2024.

JC&C's sustainability reports are available on its corporate website at www.jcclgroup.com/sustainability.

Community Engagement

JC&C strives to be an active community partner through corporate social responsibility initiatives. It focuses its efforts on three United Nations Sustainable Development Goals ("**SDG**"): SDG 3 (Good Health and Well-being), SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

Please refer to the JC&C 2023 Sustainability Report summary on pages 58 to 64 for JC&C's community engagement and interaction details.

Code of Conduct

The Board has put in place a corporate Code of Conduct ("**CoC**") containing the core ethical principles upon which the Group operates and conducts itself. This is based on the Code of Conduct of the Jardine Matheson Group, which JC&C is a part of.

The CoC is published on JC&C's website at www.jcclgroup.com/sustainability/governance. The principles under the CoC are:

- **Treating each other with respect:** Non-discrimination and anti-harassment are strictly upheld. In addition, diversity and inclusion are encouraged and supported.
- **Acting with integrity:** Anti-corruption, anti-bribery and conflicts of interest policies are clearly set out and strictly enforced. There is freedom to support political parties and campaigns responsibly as private individuals but not as representatives of JC&C or the Group. The Group's resources should not be used for charitable purposes unless properly authorised by the Group.
- **Protecting the Group and its assets:** Personal views, actions and social media conduct should be made responsibly and not bring disrepute to the Group. Assets and resources of the Group, as well as intellectual property rights, personal data and confidential information, should be safeguarded at all times. Honest and accurate business records should be kept and information about the Group shared publicly should be accurate and complete. The health and safety of employees, customers, contractors and communities are promoted and protected.
- **Complying with laws and regulations:** Legal compliance is essential, particularly in the areas of anti-competition, share dealings (including insider trading), business licences and corporate and personal taxes.
- **Embedding sustainability:** Sustainability needs to be a core part of how business is conducted, being closely aligned with strategy and business planning and integrated into all levels of decision-making.

The CoC applies to everyone working for the Group, including all employees and directors. JC&C expects all contractors, consultants, suppliers and other business partners to follow its CoC in their dealings with the Group. For its employees, all new employees are given a digital copy of the CoC and must complete the mandatory CoC training as part of their onboarding process. Existing employees are enrolled for regular e-training to be kept updated on the principles of the CoC.

Besides the CoC, ethical standards of doing business are also upheld through additional compliance policies and guidelines, such as the Anti-Corruption and Bribery Policy, Group Tax Governance Policy (Singapore), Whistle-Blowing Policy and Securities Dealing Policy.

The Board oversees the matters under the CoC through the Audit & Risk Committee. To monitor and ensure proper accountability, JC&C conducts twice-yearly control and compliance declarations on areas that include illicit payments and favours, criminal offence and internal and external fraud, besides providing a whistle-blowing platform for reporting matters of serious concern on an anonymous basis. The control and compliance declarations are signed off by the management team and reported to the Audit & Risk Committee. Internal audits are also conducted on these areas and regularly reported to the Audit & Risk Committee.

For 2023, no cases of breaches against its CoC or any other ethics policies have been reported for the JC&C head office.

As per the CoC, there were zero direct or indirect political contributions made at the JC&C head office level in 2023.

Anti-Corruption and Bribery

JC&C adopts a zero-tolerance policy to any form of bribery and corrupt action as set out in its Anti-Corruption and Bribery Policy published on its website, www.jcclgroup.com/sustainability/governance. It is also one of the core principles under its CoC.

The Board has oversight over anti-corruption and bribery matters through the Audit & Risk Committee. Management is responsible for ensuring adherence to JC&C's Anti-Corruption and Bribery Policy through the following programmes and procedures:

- Procedures and guidelines for employees have been set out in the Anti-Corruption and Bribery Policy, which cover dealings with agents and third parties, keeping proper financial records and reporting of concerns and suspicions.
- Employees can raise ethical issues and concerns via the whistle-blowing programme, further elaborated in the next section.
- To evaluate JC&C's anti-corruption effectiveness, business units are required to submit twice-yearly control and compliance declarations on areas that include illicit payments and favours.
- Procedures are in place for business units to report matters of serious concern, including corruption and bribery cases.
- Training on anti-corruption and bribery is carried out as part of the CoC training, which is mandatory for all new employees. A refresher course is mandatory for existing employees. Some business units also conduct additional anti-corruption and bribery training tailored to their business operations.

Group Tax Governance Policy (Singapore)

JC&C has put in place the Group Tax Governance Policy (Singapore), which sets out its approach towards conducting its Singapore tax affairs. The policy covers all taxes, including corporate income tax, goods and services tax and transfer pricing matters. A statement of the policy is published on its website, www.jcclgroup.com/sustainability/governance.

The policy outlines the Group's commitment to comply with tax laws and regulations, its view on tax, including tax risk culture and appetite, its governance structure for managing tax risks and its approach to tax risk management. The policy is endorsed by the Board and reviewed periodically.

Whistle-Blowing Policy

JC&C encourages the early reporting of matters of serious concern that may affect the professional and compliant operation of its businesses and reputation. It has a Whistle-Blowing Policy with procedures on how employees and third parties can report any workplace malpractice. It is committed to protecting and supporting anyone who reports non-malicious or non-vexatious matters of concern.

The policy comes under the purview of the Audit & Risk Committee to ensure independent investigation and appropriate follow-up action on any concerns raised. The policy is published on JC&C's website at www.jcclgroup/sustainability/governance.

Under the Whistle-Blowing Policy, employees who feel that they are unable to raise concerns within normal reporting lines can do so using the JMSpeakOut platform on an anonymous basis.

JMSpeakOut is an independent, confidential whistle-blowing service managed by Deloitte and is available 24/7 in various languages such as Chinese, English and Thai. Third parties can also make use of the same platform. The policy lists several ways to do the reporting: online, by email or via hotlines with local numbers in Singapore, Indonesia, Malaysia, Myanmar, Thailand and Vietnam. Reports can be made in the reporter's local language and are completely confidential, that is, the person making the report is not required to reveal his or her identity until he or she chooses to do so. Reports will be channelled to the designated person at JC&C, which is the Group General Counsel.

Protecting Creditors' Rights

The Group is committed to safeguarding creditors' rights and acknowledges the importance of prompt payments. It is the Group's practice to agree terms with suppliers when entering into contracts and to meet its obligations accordingly. Where necessary, the Group protects creditors' rights through the establishment of debt covenants in some of its loans. The Group also monitors and maintains a level of cash and cash equivalents and adequate standby credit lines to ensure liquidity and minimise credit risk.

Health and Safety of Employees and Customers

JC&C is committed to maintaining a safe and secure working environment at its business locations for all employees, customers, contractors, visitors and other stakeholders.

It has a Health and Safety Policy for its head office and Singapore operations, published on the JC&C website at https://www.jcclgroup.com/sustainability.

To deliver on its health and safety commitment, JC&C will:

- Comply with or exceed all applicable health and safety laws and regulations in the relevant jurisdictions, and meet or exceed relevant industry best practices where reasonably practicable;
- Incorporate health and safety considerations into all business activities;
- Maintain a robust health and safety risk management process to identify and eliminate potential hazards and risks in its activities and workplaces;

- Adopt measures to remove and/or mitigate health and safety hazards and risks, including, but not limited to, introducing and implementing guidelines, control procedures and suitable equipment;
- Allocate adequate budget and resources to meet health and safety commitments and targets;
- Ensure that the necessary training, skills and resources are available to all employees and contractors to carry out their job duties safely;
- Provide an accessible and trusted incident reporting mechanism, investigate any reported incidents promptly and analyse incidents to gain and share insights for continual improvement;
- Conduct regular safety audits and inspections to identify and mitigate unsafe work practices or environments proactively;
- Regularly assess the health and safety standards and performance of contractors and suppliers;
- Build and promote a strong health and safety culture by effectively communicating relevant policies, guidelines, practices and initiatives to employees, contractors and suppliers; and
- Measure its health and safety performance, set improvement targets for regular monitoring and review, and provide updates on the progress towards targets with annual disclosure.

Welfare of Employees

JC&C has policies, practices and initiatives to look after the welfare of its employees.

In Singapore, for mental health, JC&C has an Employee Assistance Programme where all employees can access a 24-hours anonymous hotline to receive free counselling and mental health support as and when needed. Other employee welfare policies and programmes include flexible work arrangements, part-time working options, sports and health facilities, nursing room facilities, parental and child-care leave as well as up to six days of unpaid infant care leave. Moreover, apart from providing retirement provisions as required under the law, JC&C also provides benefits such as life, accident and medical insurance for all full-time employees.

Employee Training and Career Development Programmes

JC&C's human resource policies cover the full employee life cycle, including but not limited to hiring and employment practices, compensation and benefits, performance management and learning and development. The policy is reviewed regularly by JC&C's human resources department in consultation with the business leaders and takes into consideration the regulatory and compliance frameworks, external changing business landscapes, feedback from new hire/exit interviews, performance reviews and employee engagement results.

JC&C's recruitment practices are in accordance with the Singapore Tripartite Guidelines for fair and progressive practices. Recruitment is based on an individual's merit regardless of age, race, gender, religion, marital status or family responsibilities, and is conducted in a fair, just, open and transparent manner.

Career opportunities are available for internal mobility and progression to enable career enrichment, and applicants are given fair opportunities.

To encourage further learning, JC&C has an Education Assistance Programme that sponsors employees' education, providing them with further professional and personal development opportunities. Career conversations are held in conjunction with performance management to identify learning needs and capabilities to support growth and progression.

Recognising that learning and development can be extended to a wider group of employees by leveraging digital technology, JC&C is part of the Jardines Learning Academy and has introduced virtual programmes since 2019. Conducted over an interactive e-learning platform, employees can engage effectively with the trainer and other employees across the wider Jardine group on topics that are helpful to their work and relevant to their career pathways. In 2023, JC&C's employees attended functional and professional training programmes such as the Finance & Procurement Academy, Personal Excellence series and Women in Leadership series conducted virtually and/or via e-learning.

In 2023, JC&C recorded an annual average of 25 hours of training per head office employee.

Annually, all eligible employees will undergo an individualised and transparent performance review as part of JC&C's performance management framework. This ensures that employees are on track in their performance management framework that aims to support and achieve business objectives. JC&C head office achieved its target of 100% of eligible employees receiving a performance review in 2023.

A full breakdown of training, performance and career development reviews is given in the ESG data section of JC&C's Sustainability Report, available on its website at www.jcclgroup.com/sustainability.

Securities Dealing Policy

JC&C has an internal compliance policy on dealings in its securities by directors and employees who, by the nature of their position within JC&C, are deemed to be in possession of unpublished material price-sensitive information. The policy incorporates the best practices issued by SGX.

Under the policy, directors cannot deal in JC&C's shares without prior approval of the Board, which approval is delegated to the Chairman of the Board.

Further, directors and employees are to refrain from dealings in JC&C's securities at any time while in possession of unpublished material price-sensitive information, on short-term considerations, and during closed periods which are from one month before, and up to, the date of announcement of JC&C's half year and full year results, and such other closed periods as may be notified by JC&C from time to time. Periodic reminders are sent out to affected parties to remind them of the policy and closed periods.

Directors are required to notify JC&C within two business days of their dealings in JC&C's securities, and such dealings will be made known to investors by the next day through public announcements on JC&C's and SGX's websites.

JC&C does not impose stock ownership requirements on the Group Managing Director or other senior executives.

Disclosure And Transparency

Information in the Annual Report

JC&C's corporate objective, as set out on pages 2 to 7 of this Annual Report, is to grow faster than Southeast Asia and elevate the communities within which it operates.

JC&C's financial performance indicators and highlights can be found on pages 2 to 3 of this Annual Report.

JC&C's non-financial performance indicators are set out in the summary of JC&C's Sustainability Report 2023 on pages 58 to 64 of this Annual Report. JC&C's annual sustainability reports are accessible at its corporate website www.jcclgroup.com/sustainability.

Information on key risks (including operational risks) and the risk assessment and management process can be found on pages 47 to 50 of this Annual Report.

Please refer to the *Interested Person Transactions* section on pages 51 to 52 for further details on interested person transactions, including the identity of related parties, JC&C's relationship with each party and the nature and value of the transactions.

For material transactions that require Board approval, please refer to section *5. Transactions Requiring Approval from the Board* on page 36 for the details.

Key information on the directors' direct and indirect (deemed) shareholding in JC&C and its related corporations can be found on pages 66 to 67 of this Annual Report. As at 31st December 2023, the Group Managing Director, Benjamin Birks, held 44,000 shares in JC&C and the Group Director, Business Development, Stephen Gore, held 25,000 shares in JC&C.

Key information regarding the directors relating to their age, academic and professional qualifications, date of the first appointment as director, date of the last re-appointment, directorships or chairmanships both present and those held over the preceding three years in other listed companies, and other principal commitments can be found on pages 24 to 27 of this Annual Report.

JC&C does not have a cross-holding ownership structure. 78% of its shares are owned by its major shareholder, Jardine Matheson Holdings Limited. Please refer to the substantial shareholders' information on pages 179 to 180 of this Annual Report for details of the ownership structure.

Timeliness of Release of Results

JC&C's full year results for 2023 were released on 27th February 2024, within 60 days after the end of its financial year of 31st December 2023.

Investor Relations, Medium of Communication and Results Briefings

JC&C has a comprehensive investor relations ("**IR**") framework and engagement plan to strengthen shareholder communication. The IR plan aims to improve investor understanding of JC&C's business and strategy, build long-term investor relationships and maintain or improve the accuracy of market expectations. In addition, JC&C's IR Policy was also developed and made available on the corporate website at www.jcclgroup.com.

In 2023, JC&C's Annual Report was distributed electronically to all shareholders before the AGM. Copies of the latest Annual Report and those of the last four years are available on JC&C's website in downloadable format. Additionally, to improve the readability of the annual report online, a microsite was developed to provide contents in easily digestible formats and distil key topics of interest for its shareholders through the innovative design of the microsite.

Shareholders receive regular and timely communication from JC&C through announcements on SGX's website at www.sgx.com, which are simultaneously posted on JC&C's website, www.jcclgroup.com, as well as the reporting of its results. The results are also available on JC&C's website under the "Investors" section and provide shareholders and the public with regular updates on the financial performance, position and prospects of JC&C.

Announcements released via SGX's website contain adequate information per the SGX-ST Listing Manual's requirements and guidelines. JC&C ensures that the announcements are prepared by persons familiar with these requirements, including the finance, legal and investor relations teams, external lawyers and other advisors where applicable. The Board delegates authority to senior management to approve the final drafts for release.

JC&C holds an analysts' briefing twice a year after announcing its full year and half year results. These briefings provide the opportunity to gather views and address issues or concerns from the investing community. JC&C's results briefings are available via on-demand webcasts on the corporate website, to reach out to a wider group of investors. The briefing material is also published on SGX's and JC&C's websites before the meeting.

JC&C also regularly meets with institutional investors as part of its efforts to directly engage with shareholders, gather feedback or address specific concerns. It also participates in investor conferences and post-results investor meetings. Designated management spokespersons are present at such meetings. They include the Group Managing Director, Group Finance Director, Company Secretary and Head of Investor Relations.

JC&C has a dedicated "Investors" section on its website, providing relevant information and resources to investors. It offers easily accessible features and resources such as financial results snapshots, announcements and results briefing webcasts, a highly navigable annual report microsite, and interactive share price charts. The section has an IR contact (corporate.affairs@jcclgroup.com), and JC&C will respond to emails typically within the next working day.

JC&C's website also contains useful up-to-date information, including its group corporate structure, various business interests and constitution.

Summary Of Disclosures – Corporate Governance

Rule 710 of the SGX-ST Listing Manual requires Singapore-listed companies to describe their corporate governance practices in their annual report with specific reference to the Corporate Governance Code. This summary of disclosures describes JC&C's corporate governance practices with specific reference to the express disclosure requirements in the principles and provisions of the Corporate Governance Code.

Board Matters

Provision	Page
The Board's Conduct of Affairs (Principle 1)	
1.1	33, 51-54
1.2	37
1.3	36
1.4	38-46
1.5	32, 37, 40
1.6	37
1.7	37
Board Composition and Guidance (Principle 2)	
2.1	39
2.2 to 2.5	32-35
Chairman and Chief Executive Officer (Principle 3)	
3.1 to 3.3	33
Board Membership (Principle 4)	
4.1 to 4.4	38-40
4.5	24-27, 35, 37, 40
Board Performance (Principle 5)	
5.1, 5.2	40

Remuneration Matters

Provision	Page
Procedures for Developing Remuneration Policies (Principle 6)	
6.1 to 6.4	41-42
Level and Mix of Remuneration (Principle 7)	
7.1 to 7.3	41-42
Disclosure on Remuneration (Principle 8)	
8.1 to 8.3	41-43

Accountability and Audit

Risk Management and Internal Controls (Principle 9)	
9.1, 9.2	44-50
Audit Committee (Principle 10)	
10.1 to 10.5	43-46

Shareholder Rights and Engagement

Provision	Page
Shareholder Rights and Conduct of General Meetings (Principle 11)	
11.1 to 11.6	32, 50-51
Engagement with Shareholders (Principle 12)	
12.1 to 12.3	50-51, 56-57

Managing Stakeholders Relationships

Engagement with Stakeholders (Principle 13)	
13.1 to 13.3	53-57

SUSTAINABILITY

OUR SUSTAINABILITY GOVERNANCE

JC&C has a robust governance structure to ensure effective management of sustainability issues, with the Board of Directors (the "**Board**") maintaining the highest level of oversight. Annually, the Board re-evaluates and endorses the material Environmental, Social and Governance ("**ESG**") topics to ensure their integration into the Group's overarching strategy and portfolio management. The Board oversees the management and monitoring of these material ESG topics and is responsible for JC&C's sustainability reporting. The Board-level Audit & Risk Committee ("**ARC**") oversees all risks, including ESG and climate-related concerns. The Board meets five times a year and sustainability is a recurring agenda item for every meeting.

The Executive Committee ("**Excom**"), or JC&C's leadership team, shapes the overall sustainability strategy. By setting the ESG agenda and incorporating relevant elements into annual budget discussions and long-term planning, the Excom ensures that sustainability goals are aligned with performance objectives. Furthermore, the Excom ensures that all new investments or significant capital expenditures undergo a sustainability analysis, with due diligence reports reviewed by the Board. As part of JC&C's sustainability commitment, ESG considerations influence management's performance incentives, particularly for our top ESG material topics highlighted in the Double Materiality Matrix on page 60.

A cross-functional Sustainability Committee comprising Excom members and Heads of Function, meets quarterly to set goals, plan initiatives and develop action plans. These plans are operationalised and executed by the Sustainability Working Group, a diverse team of employees from various levels and functions who meets monthly to discuss issues, implement strategy and monitor trends.

The ESG & Sustainable Development department reports directly to the Group Managing Director and coordinates sustainability initiatives across the Group. This team collaborates with internal functions as well as portfolio company-level sustainability teams, providing strategic ESG guidance for decision-making. The department is also responsible for the consolidation of ESG data and reporting efforts. For a detailed description of Corporate Governance at JC&C, please refer to pages 32 to 57.

Our Sustainability Governance

Our Sustainability Framework

Rooted in the principles of good governance and transparency, our sustainability framework is a comprehensive approach that empowers us to strive for our 2030 goals and create evermore opportunities for our many stakeholders in the region. It is driven by a steadfast commitment to safeguard shareholder value, uphold ethical practices and embrace a forward-thinking mindset.

With long-term strategic planning, responsible resource management and targeted investments in individual and societal growth, we maintain our social license to operate while enhancing the long-term resilience of our businesses and profits. The framework incorporates portfolio decarbonisation and profit rebalancing, strategically adapting our operations to transition towards a low-carbon future.

Moreover, our commitment to social responsibility is an integral part of our sustainability strategy. By actively engaging in initiatives that positively impact our communities and aligning our efforts with the United Nations' Sustainable Development Goals ("**UN SDGs**"), we aim to foster meaningful avenues for positive change, with an emphasis on areas such as mental health and education.

We firmly believe in sustainable business practices – that our success is intertwined with the well-being of the communities we serve. With investments in established market-leading businesses of Southeast Asia, our sustainability framework aims to support building resilience in our portfolio businesses while creating positive change.

Our Sustainability Progress

In 2023, we made advances towards our long-term ambitions and targets.

Over
US$1 BILLION
invested towards low-carbon transition since 2019

Almost
360MW
of additional renewables capacity generated since 2019

Over
10%
reduction in Scope 1 and 2 absolute emissions from 2019 baseline

Over
40%
of energy consumption derived from renewable sources in 2023

Over
98%
of solid waste diverted in 2023

15%
reduction in water withdrawal intensity from 2019 baseline

54%
female representation in management at JC&C head office in 2023

Over
S$722,000
pledged to MINDSET since 2019

33
scholarships awarded since 2019

Our ESG Materiality Approach

We review and validate our material ESG topics annually. Our approach to assessing materiality is presented in Figure 1.

1 Identify	2 Prioritise	3 Validate & Approve	4 Embed
Determine a comprehensive list of ESG matters that are potentially relevant to JC&C's strategy and business activities, based on peers, parent and portfolio companies, sustainability standards and frameworks, regulations, megatrends and external reports on JC&C.	Rank the proposed material topics based on their impact to JC&C's businesses as well as to the environment and society, according to the findings from the stakeholder engagement.	Review the prioritised topics from Step 2 and seek approval from the Board.	Integrate the approved material ESG topics into the business strategy and ensure management of performance.

Figure 1: Materiality assessment process

In 2023, we conducted a comprehensive materiality assessment, applying the concept of double materiality[1] to re-evaluate ESG material topics crucial to both internal and external stakeholders. Representatives from six key stakeholder groups rated potential topics based on their impact to JC&C's businesses as well as to the environment and society. The scores from each topic were calculated as weighted averages and charted into the Double Materiality Matrix (Figure 2). In addition to identifying the ESG topics most material to JC&C, our 2023 stakeholder engagement efforts identified three "topics of ongoing importance", which now incorporates GRI 205: Anti-Corruption.

1 We considered the impact materiality (our businesses' actual and potential impact on the environment or society) as well as the financial materiality (the topics' actual and potential impact on JC&C's enterprise value).

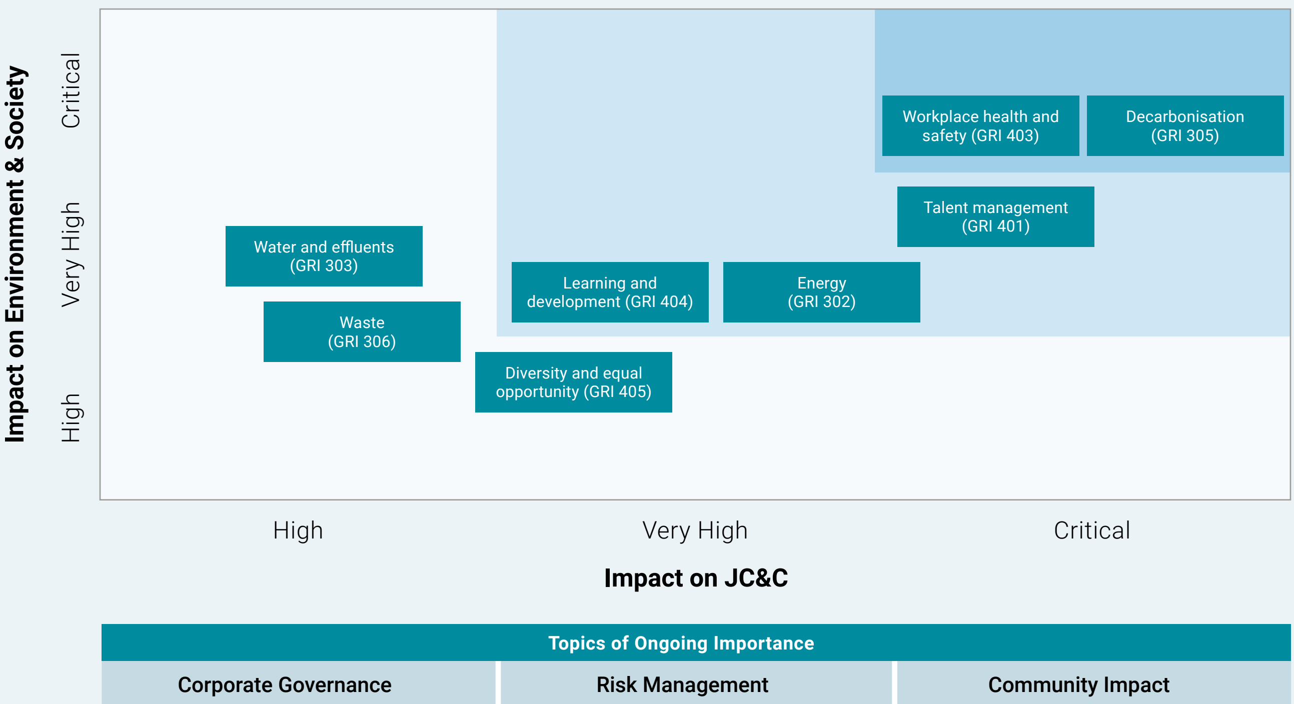


Figure 2: Double materiality matrix

SUSTAINABILITY REPORT 2023 SUMMARY

The Sustainability Report 2023 ("**SR2023**") describes the ESG activities and progress of JC&C for the financial period from 1st January to 31st December 2023. The report is prepared with reference to the Global Reporting Initiative Universal Standards 2021 and complies with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Rules 711A and 711B. The report also incorporates SGX-ST's enhanced disclosure requirements on climate-related information released in 2021. In compliance with Rule 711(B)(3) of the SGX-ST Listing Manual, our sustainability reporting process is periodically reviewed by internal auditors, with the latest review in November 2022.

The report maintains a Group-wide scope, covering our head office and operationally-controlled portfolio companies: Astra and the Cycle & Carriage businesses in Singapore, Malaysia and Myanmar. Each pillar of ESG is summarised in the following paragraphs. A comprehensive review of our ESG performance as well as our climate-related risks and opportunities will be provided in the full report to be published in Q2 2024.

Environmental

To progress towards a low-carbon future, the priorities for JC&C and our portfolio companies continue to be decarbonisation and energy transition. In 2023, our energy efficiency and renewables development programmes continue to bolster our decarbonisation efforts, resulting in over 10% reduction in our net Scope 1 and 2 absolute emissions compared to our base year.

We also aim to future-proof our overall portfolio and ensure its resilience in the face of climate change. Since 2019, we allocated over US$1 billion to invest in the low-carbon transition. The majority of the capital was strategically invested in nickel, a key transition metal needed in the production of EV.

Moving forward, we continue to implement our plans to install more solar panels at our facilities and explore opportunities for investment into electrification and low-carbon solutions.

Social

At JC&C, we strive to advance people and communities by creating social and economic development opportunities for our diverse stakeholders across the region.

We seek to foster a safe and inclusive workplace for our employees. We adopt Jardines' group-wide policies on health and safety, human rights, diversity and inclusion and code of conduct.

For our communities, we pursue opportunities that generate positive social impact. Our corporate social responsibility programmes at the head office primarily focus on mental health and education, in support of the UN SDGs 3 and 4. Since 2019, JC&C has pledged over S$722,000 to our mental health charity, MINDSET, and awarded 33 scholarships to students across Southeast Asia.

While we encourage our portfolio companies to adopt the same philanthropic philosophy, each portfolio company independently conducts their own initiatives. Further details can be found on their respective websites or sustainability reports.

Governance

We recognise the fundamental role robust governance plays in shaping both our sustainability aspirations and overall business excellence. In 2023, corporate governance and risk management were highlighted by our internal and external stakeholders as topics of ongoing importance. This collective emphasis underscores our enduring commitment to uphold high standards of transparency and accountability across our operations, allowing us to effectively build trust within our stakeholder community as a reliable partner in the region.

During the year, JC&C continued to be placed in the top 10% of the Singapore Governance and Transparency Index. The index, published by the National University of Singapore Business School and The Business Times, evaluates the corporate governance disclosures and practices among Singapore-listed companies.

For more information on our corporate governance practices as well as our Board and Board-level committees, refer to the 2023 Corporate Governance Report on pages 32 to 57.

Scholarship presentation ceremony at the Vietnam National University

OUR CLIMATE RESPONSIBILITY

Our climate-related disclosures ("**CRD**") follow the framework set out by the Task Force on Climate-related Financial Disclosures ("**TCFD**") as mandated by SGX. In late 2023, TCFD has been superseded by the IFRS S2 Climate-related Disclosures ("**IFRS S2**"), issued by the International Sustainability Standards Board ("**ISSB**"). We are in the early stages of aligning our CRD with the IFRS S2 requirements. The information is detailed in our SR2023, to be published in Q2 2024, with a summary provided here.

Governance

A robust governance structure underpins the Group's sustainability strategy, which includes climate-related risks and opportunities ("**CRROs**"). The Board meets five times a year whilst the ARC meets every quarter. Both the Board and ARC are informed about climate-related issues through presentations and information papers prepared by management. As such, the Board reviews and guides the Group's strategy, risk management policies, annual budgets and business plans with climate considerations in mind, in accordance with the Board's terms of reference. For major capital expenditure, acquisition and divestiture decisions, the Board takes into consideration the ESG due diligence assessment, which includes an analysis of the relevant CRROs and trade-offs. The Board-level Nominating Committee is responsible for the selection and appointment of directors and identifies the mix of skills, qualities and experience required for the Board to function competently and efficiently. It is also responsible for reviewing and recommending training for the directors.

Supporting the oversight of CRROs is the management-level Sustainability Committee, represented by the JC&C leadership team (i.e. Excom) and the heads of various internal functions. The committee conducts CRRO assessments, develops goals and initiatives related to climate and decarbonisation, as well as monitors and reports on implementation and progress to the Board. JC&C's enterprise risk management ("**ERM**") framework also covers climate-related risks as further elaborated in the *Risk Management* section below. These controls and procedures help to ensure alignment with the overall business strategy. The Sustainability Committee is informed about climate-related issues through internal research conducted by the Sustainability Working Group and engagements with stakeholders. The Sustainability Working Group also helps to execute and manage the climate-related initiatives.

For details on our overall governance structure, refer to 'Our Sustainability Governance' on page 58.

Risk Management

JC&C's ERM framework integrates the processes for identifying, assessing and managing all risks including climate-related risks, and adopts both top-down and bottom-up assessments. This involves evaluating risks at the Group-level factoring in the overall business strategy and objectives, as well as assessing risks at the operational-level considering specific business units or processes. The process incorporates diverse data sources, including market trends, regulatory updates and expert insights, to provide a comprehensive foundation for our risk assessment process.

Our risk management processes aim to align these overarching objectives with robust risk mitigation measures. These processes are mapped out in our policies, which remained unchanged from the previous reporting period. These processes are also defined by detailed procedures, methodologies, evaluation criteria and documentation requirements.

Climate-related risks are identified in the process as described above. They include both acute and chronic physical risks as well as transition risks covering existing and emerging regulation or policy, legal, market, technology and reputation. The potential impact is evaluated based on the nature of the risk, its likelihood, financial impact, reputational damage and the velocity at which the risk materialises. JC&C manages the risk by taking one of four approaches – tolerate, terminate, transfer or treat – depending on the magnitude and scope of the risk. Climate-related risks are monitored on an ongoing basis. The progress and mitigation strategies are reviewed at the Board and ARC meetings.

The Group does not view the risks associated with climate change as a new risk category. The relevant significance and financial impact of climate-related risks in relation to other risks will be determined and prioritised in the manner described above.

Opportunities are embedded within our business strategies taken to mitigate the identified risks. For example, in managing our climate risks related to coal, we view diversifying towards non-coal minerals and renewables as an opportunity. Likewise in our automotive business, supporting the EV transition is another opportunity for us. We work together with our portfolio companies to assess, prioritise and monitor these opportunities; examples are provided in the subsequent *Strategy* section.

We comprehensively analyse CRROs when evaluating significant capital expenditure or new investment prospects. For instance, we closely monitor the emergence of new governmental and market regulations such as carbon taxes, to ensure that our insights and strategies are aligned with the evolving landscape of climate change impacts.

For more information on our risk governance structure and management framework as well as definitions of risk terminology used, refer to pages 47 to 50.

Strategy

In 2021, JC&C conducted a scientifically-based, top-down scenario analysis to understand the potential material financial impact of climate change to our investment portfolio. We chose two scenarios, namely, IEA WB2DS and IPCC RCP 4.5. The time horizons chosen were determined based on when we expect the risks to materialise in each scenario. Further details on the CRROs identified as well as its impact on our businesses, strategies and financial planning are elaborated in our SR2023.

Scenario	Short-term	Medium-term	Long-term
Well-below 2°C (IEA WB2DS)	Now-2025	2025-2030	2030-2050
Above 2°C scenario (IPCC RCP 4.5)	Now-2030	2030-2050	Beyond 2050

During the year, we reviewed the results from our 2021 TCFD assessment and concluded that the identified CRROs continue to be applicable as our portfolio has not changed significantly. We continue to focus on the transition risks as they were found to have a larger financial impact in the near-term. The top two businesses that face the most transition risks are coal and automotive. Together, they make up over 50% of our underlying profit in 2023. To manage our risks, we have reviewed our strategies and revised our business and financial plans, with the intention to deploy significant capital to transition our businesses towards a low-carbon future.

For coal, we have been scaling up our investments in renewable energy as well as diversifying into non-coal mining. Over the past five years, from 2019 to 2023, we have deployed or approved over US$1 billion. The majority of the capital was strategically invested in nickel, a key transition metal needed in the production of EV batteries.

For automotive, we continue to work closely with our original equipment manufacturer ("**OEM**") partners on their transition. In Singapore, we offer consumers a range of EV models through our brands Mercedes-Benz, Kia, Citroën and Maxus. In 2023, we brought on ORA, adding another EV brand to our product mix. In Indonesia, Astra has six battery EV models and 13 hybrid EV models under Toyota, Lexus and BMW as well as one battery-electric motorcycle model, the EM1 e, under Honda.

Honda's battery-electric motorcycle, EM1 e

Our scenario analyses suggested that physical risks will become financially material in the longer term, with most of the impact felt around 2070. However, we saw in 2023 the increased occurrence of extreme weather events across the globe and given the unpredictability of natural disasters, we are taking precautionary measures to manage potential physical risks within our portfolio by ensuring that the businesses are procuring appropriate insurance as part of its risk management and building flood resilience measures at relevant sites.

In addition to the opportunities identified in the previous paragraphs, we continue to see renewable energy and related innovations in Indonesia and Vietnam as having the largest potential to drive impact and maintain the resiliency of our portfolio. Our ambition is in line with what was announced at COP28, where the conference called upon Parties to drastically increase the world's renewable energy capacity by 2030. JC&C aims to generate an additional 1,000MW of renewable energy capacity from 2019 to 2030 and to-date we have generated almost 360MW of new capacity.

Ambition Generate an additional 1,000MW of renewable energy capacity from 2019 to 2030*	
2019	471MW (Baseline)
2020	598MW (+127MW)
2021	721MW (+250MW)
2022	803MW (+332MW)
2023	**827MW (+356MW)**

* Figures are accumulative

Metrics & Targets

As JC&C advances its efforts to address climate-related issues, we continue to monitor our climate-related performance. In addition to our metrics around investing in the low-carbon transition and generating additional renewables capacity as mentioned in the *Strategy* section, we are also closely monitoring and disclosing our Scope 1, 2 and 3 greenhouse gas ("**GHG**") emissions. We measure our emissions in line with the GHG Protocol, using the operational control approach. More information on the measurement approach, inputs, assumptions and rationale as well as explanations for any changes will be detailed in our SR2023.

To instil accountability in our management's pursuit of climate-related targets, specifically in the focus areas of decarbonisation and profit rebalancing, we integrate ESG considerations into their remuneration.

In 2022, we announced our commitment to reduce 30% of our net Scope 1 and 2 absolute emissions by 2030 from a 2019 baseline. In 2023, we have achieved over 10% reduction from the base year[2]. This was due to a combination of improving operational efficiencies, reducing fuel consumption, increasing the use of biodiesel and installing more solar panels and solar lamps.

Previously, we also started the process of quantifying the JC&C head office Scope 3 emissions. We began by disclosing Category 6 (business travel) and Category 7 (employee commuting). In 2023, we expanded to include Category 2 (capital goods), Category 3 (fuel- and energy-related activities) and Category 4 (upstream transportation and distribution)[3] from our head office. Our total head office Scope 3 emissions accounted for in 2023 is 561 tCO_2e.

We have been working on our internal carbon pricing methodology and began piloting on some M&A transactions and capital expenditures throughout 2023. Our model assumptions are derived from a mixture of pricing from carbon regulations and market instruments. We will continue to improve our methodology through further studies and trials.

Moving forward, we plan to continue maximising our renewable energy generation on-site as well as exploring electrification and low-carbon solution opportunities. We look to continue providing progress updates on our targets as well as expanding our Scope 3 measurement and disclosures.

2 For Scope 1 and 2 GHG emissions, we cannot disaggregate the emissions between the consolidated accounting group and other investees as we follow the operational control approach. The parent and its consolidated subsidiaries contribute to 100% of Scope 1 and 2 emissions. Further details on the GHG emissions figures will be provided in our SR2023.

3 Category 4 emissions associated with upstream transportation and distribution is accounted for under Category 2 due to the methodology applied.

FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

The directors of Jardine Cycle & Carriage Limited (the "Company") present their statement to the members together with the audited financial statements for the financial year ended 31st December 2023.

In the opinion of the directors,

(a) the accompanying financial statements set out on pages 75 to 176 are drawn up so as to give a true and fair view of the financial position of Jardine Cycle & Carriage Limited and its subsidiaries (the "Group") and of the Company as at 31st December 2023, the financial performance and the changes in equity of the Group and of the Company and the cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. Directors

The directors of the Company in office at the date of this statement are as follows:

Benjamin Keswick (Chairman)
Benjamin Birks (Group Managing Director)
Amy Hsu (Group Finance Director)
Stephen Gore (Group Director, Business Development)
Mrs Lim Hwee Hua#
Dr Marty Natalegawa
Steven Phan#
Tan Yen Yen
Samuel Tsien#
Mikkel Larsen# (appointed on 1st January 2024)

Audit & Risk Committee member

2. Directors' Interests

As at 31st December 2023 and 1st January 2023, the directors of the Company had interests set out below in the ordinary shares of Jardine Cycle & Carriage Limited and its related companies. These were direct interests except where otherwise indicated:

Name of director/ Par value per share	Jardine Cycle & Carriage Limited	Jardine Matheson Holdings Limited US$0.25
As at 31st December 2023		
Benjamin Keswick	–	4,401,023
		45,757,727*
Benjamin Birks	44,000	19,500
Stephen Gore	25,000	35,000
As at 1st January 2023		
Benjamin Keswick	–	4,208,293
		44,428,876*
Benjamin Birks	25,000	19,500
Stephen Gore	25,000	35,000

* Deemed interest in shares held by family trusts in which Benjamin Keswick is a beneficiary

2. **Directors' Interests (continued)**

In addition:

(a) At 31st December 2023, Benjamin Keswick, Benjamin Birks, Amy Hsu and Stephen Gore held options in respect of 120,000 (1.1.23: 120,000), 30,000 (1.1.23: 30,000), 10,000 (1.1.23: 10,000) and 35,000 (1.1.23: 35,000) ordinary shares, respectively, in Jardine Matheson Holdings Limited issued pursuant to that company's Senior Executive Share Incentive Schemes.

(b) At 31st December 2023 and 1st January 2023, Benjamin Keswick had deemed interests in 36,814,091 ordinary shares in Jardine Matheson Holdings Limited as a discretionary object under the 1947 Trust, the income of which is available for distribution to senior executive officers and employees of Jardine Matheson Holdings Limited and its wholly-owned subsidiaries.

(c) At 31st December 2023 and 21st January 2024, Benjamin Birks and Stephen Gore held 44,000 and 25,000 ordinary shares each in the Company.

Other than as mentioned above, no person who was a director of the Company as at the end of the financial year had an interest in any shares or debentures of the Company either at the beginning or end of the financial year or on 21st January 2024.

At no time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

3. **Audit & Risk Committee**

In relation to the financial statements of the Group and the Company for the financial year ended 31st December 2023, the Audit & Risk Committee reviewed the audit plans and scope of the audit examination of the internal and external auditors of the Company. The internal and external auditors' findings on the internal controls of the companies within the Group and management's response to these findings were also discussed with the internal and external auditors and management. The Audit & Risk Committee's activities included a review of the financial statements of the Group and the Company for the financial year ended 31st December 2023 and the reports of the external auditors thereon. The Audit & Risk Committee has had four meetings since the report of the previous financial year.

The Audit & Risk Committee has recommended to the Board of Directors the re-appointment of our auditors, PricewaterhouseCoopers LLP, as external auditors of the Company at the forthcoming Annual General Meeting.

4. **Share Options**

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

5. **Auditors**

Our auditors, PricewaterhouseCoopers LLP, being eligible, have expressed their willingness to accept re-appointment at the Annual General Meeting.

On behalf of the directors

Benjamin Keswick
Director

Steven Phan
Director

Singapore
15th March 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Jardine Cycle & Carriage Limited

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Jardine Cycle & Carriage Limited (the "Company") and its subsidiaries (the "Group") and the profit and loss account, the statement of comprehensive income, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31st December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the financial performance and changes in equity of the Company for the financial year ended on that date.

Separate Opinion in relation to International Financial Reporting Standards

As explained in Note 2.1 to the financial statements, the Group and the Company, in addition to applying SFRS(I)s, have also applied International Financial Reporting Standards ("IFRSs"). In our opinion, the consolidated financial statements of the Group and the profit and loss account, the statement of comprehensive income, the balance sheet and the statement of changes in equity of the Company give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31st December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the financial performance and changes in equity of the Company for the financial year then ended in accordance with IFRSs.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated profit and loss account of the Group for the year ended 31st December 2023;
- the consolidated statement of comprehensive income of the Group for the year then ended;
- the consolidated balance sheet of the Group as at 31st December 2023;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the profit and loss account of the Company for the year then ended;
- the statement of comprehensive income of the Company for the year then ended;
- the balance sheet of the Company as at 31st December 2023;
- the statement of changes in equity of the Company for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of material accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Our Audit Approach (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31st December 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of investment in an associate – Siam City Cement Public Company Limited (“SCCC”) *Refer to Note 2.32 (Critical accounting estimates and judgements) and Note 16 (Interests in associates and joint ventures) to the financial statements.* As at 31st December 2023, the Group has a 25.5% interest in SCCC, an associate listed on the Stock Exchange of Thailand. Management undertook an impairment assessment on the basis that the carrying amount of the investment in SCCC as at 31st December 2023 was higher than its fair value based on prevailing market share price, as well as the heightened market uncertainties brought about by the impact of climate change. The determination of the recoverable amount requires significant judgements by management, particularly management’s view on key internal inputs and external market conditions including climate change related and other risks which impact future cash flows, discount rates and long-term growth rates. We focused on the impairment assessment of the investment in SCCC due to the significant judgements involved in determining the recoverable amount of the investment. Based on management’s assessment, as the recoverable amount determined using the value-in-use computation was higher than the carrying amount of the investment, no impairment charge was recognised (2022: impairment charge of US$114.0 million). The carrying amount of SCCC was US$403.7 million (2022: US$402.6 million) as at 31st December 2023.	We evaluated the key controls over the impairment assessment process, including the identification of indicators of impairment and appropriateness of the key inputs used in the valuation model used to determine the recoverable amount. With the support of our valuation experts, we assessed the appropriateness of the methodology used, and benchmarked and challenged key assumptions in management’s valuation model. This included assumptions of projected profit of the business, expected levels of capital expenditure, long-term growth rates and discount rates appropriate for the countries under review, using external data as well as our knowledge and experience. We also understood how management has considered the impact of climate change and the resulting heightened market uncertainties, as well as other risks in its estimation. We tested the discounted cash flow model used by management in their assessment, re-performed the calculations to check their accuracy, and compared management’s projections against historical budgeted performance and actual results to assess the reasonableness of the cash flows used in the model. We compared the discount rates and growth rates used to the range of typical rates used in similar businesses, considering whether management had incorporated all relevant macro-economic and country-specific factors, as well as those specific to SCCC, in their determination of discount rates and growth rates. We also considered whether management had incorporated the impact of climate change related risks on future cash flows, discount rates and long-term growth rates used in the model. We tested management’s historical estimation accuracy by comparing previous projected growth rates to the actual growth rates achieved. Where differences were noted, we understood management’s rationale and performed procedures to obtain evidence, such as actual recent performance, to support management’s estimate. We evaluated the sensitivity analysis performed by management and, in addition, performed our independent sensitivity analysis on the key assumptions, considering a range of alternative outcomes to determine the sensitivity of the valuation model to changes in assumptions. Based on the procedures performed and the available evidence, we found that the methodology used by management was appropriate and the judgements made by management to determine the key assumptions used in management’s valuation model were supportable. We also assessed the adequacy of the disclosures related to the impairment of investment in an associate in the context of the relevant SFRS(I)s and IFRSs. We are satisfied that appropriate disclosure has been made.

Our Audit Approach (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of consumer financing debtors *Refer to Note 2.32 (Critical accounting estimates and judgements) and Note 20 (Financing debtors) to the financial statements.* As at 31st December 2023, consumer financing debtors of the Group amounted to US$4,517.4 million (2022: US$4,107.8 million), inclusive of an allowance for impairment of US$329.7 million (2022: US$340.5 million), held primarily in two subsidiaries of the Group, PT Astra Sedaya Finance and PT Federal International Finance. The allowance for impairment is calculated using complex expected credit loss models based on a segmentation of the consumer financing debtors portfolio that shares similar characteristics and incorporates a number of inputs and assumptions. Assessing the allowance for impairment of consumer financing debtors requires management to consider the delinquency status of consumer financing debtors and make judgements over expected credit loss rates, which are an estimation of any impairment required considering the probability of default, estimated irrecoverable amounts and forecasts of economic conditions. There is an inherent degree of uncertainty in estimating the expected credit loss rates, which are determined using historical data adjusted to reflect current and forward-looking information on macroeconomic factors. We focused on the valuation of consumer financing debtors due to the complex nature of the models and significant judgements involved in determining the impairment allowance required.	We understood management's controls and processes for determining the allowance for impairment for consumer financing debtors and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the complexity of management's models and judgements involved in determining the assumptions applied. We evaluated the methodology used in the models against the requirements of the accounting standards and, on a sample basis, tested the accuracy of the consumer financing debtors data used in the models to relevant supporting documents. We also tested the completeness of the data to information technology systems and, on a sample basis, to underlying supporting documents. We assessed management's basis for determining when there was an increase in the credit risk for the consumer financing debtors, whether that basis was justified and whether the debtors that experienced an increase in credit risk were grouped based on their delinquency status in the models. We assessed the expected credit loss rates assumptions applied by management in the models and whether historical experience considered by management was a representation of current circumstances and losses incurred. In assessing the assumptions, we challenged management on the key areas of judgement, including the segmentation of the debtors, the period of historical data used, the historical amount recovered against delinquent debtors and the relevant macroeconomic factors identified affecting the recoverability of the receivables and assessed these against available industry, historical and actual loss rate data. We also independently recalculated the impairment allowance and compared the results to management's impairment allowance. Based on the procedures performed and the available evidence, we found that management's expected credit loss models were appropriate and the judgements made by management to determine the key assumptions in these models were supportable. We also assessed the adequacy of the disclosures related to the valuation of consumer financing debtors in the context of the relevant SFRS(I)s and IFRSs. We are satisfied that appropriate disclosure has been made.

Our Audit Approach (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of mining properties and related assets *Refer to Note 2.32 (Critical accounting estimates and judgements) and Note 12 (Property, plant and equipment) to the financial statements.* As at 31st December 2023, the carrying value of the Group's mining properties was US$1,157.7 million, which primarily relate to the Group's coal and gold mining properties. The other non-financial assets related to the gold mining properties includes goodwill. We focused on the valuation of mining properties and other non-financial assets due to the significant judgements and estimates involved to determine whether the carrying values of these assets are supportable.	We assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions applied.
Coal mining properties Management performs an impairment assessment on the coal mining properties when indicators of impairment or reversal of impairment are identified, as required by accounting standards. In reviewing these indicators, management considers the remaining useful lives of the coal mining properties and considers whether the carrying value remains supportable by the ability of the assets to generate future economic benefits. There is inherent estimation uncertainty in determining the remaining useful lives of the coal mining properties, due to increasing climate change related risks and their potential impact to production levels. When indicators of impairment or reversal of impairment are present, the determination of the recoverable amount of the coal mining properties involves significant management judgements in preparing the discounted cash flow models, particularly management's view on key inputs and market conditions. Based on management's assessment, the carrying value of the coal mining properties remains supportable by the ability of the assets to generate future economic benefits and further consideration of impairment or reversal of impairment was not required.	We understood and assessed management's process to identify whether there were indicators of impairment or reversal of impairment. In assessing these indicators, we considered the available information and market analysts forecasts of long-term coal prices. We assessed whether management had considered the impact of climate change related risks in its assessment of indicators, including their impact on the remaining useful lives of the coal mining properties. We compared the coal production quantity used by management to calculate the amortisation of the coal mining properties to production data. We also compared the basis of the calculation of amortisation to the coal reserve report issued by management's expert and evaluated the expert's competence, capabilities and objectivity. Based on the procedures performed and the available evidence, we found that the judgements made by management on the key assumptions used in the review of whether the carrying value of the coal mining properties remains recoverable, were supportable. We also assessed the adequacy of the disclosures related to the valuation of coal mining properties in the context of the relevant SFRS(I)s and IFRSs. We are satisfied that appropriate disclosure has been made.

Our Audit Approach (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Gold mining properties Management performs an impairment assessment on the gold mining properties when indicators of impairment are identified, and an annual impairment assessment on goodwill, as required by accounting standards. In making the assessment, management compares the carrying amounts of these non-financial assets with their recoverable amounts. The recoverable amount is determined by considering the higher of the assets' value-in-use, based on a discounted cash flow model, and their fair value less costs to sell. There is uncertainty in estimating the recoverable amount of non-financial assets in respect of gold mining properties, which principally arises from key inputs used in the discounted cash flow model, including: the forecast gold price, the discount rate and expected production levels. Based on management's assessment, as the recoverable amount determined using fair value less costs to sell was lower than the carrying amounts of the non-financial assets related to the gold mining properties, an impairment charge of US$22.1 million (2022: nil) was recognised against the goodwill related to the gold mining properties.	We understood management's impairment assessment process and the valuation model used. We benchmarked and evaluated the key assumptions used in management's valuation model against market data by comparing the forecast gold price used with that of market analysts' estimates and considering whether management had incorporated all relevant macroeconomic factors, as well as those factors specific to the non-financial assets related to the gold mining properties. With the support of our valuation experts, we evaluated the discount rate used by assessing the inputs to the calculation and recalculating the discount rate. We compared the gold production quantity used by management to calculate the amortisation of the gold mining properties to production data. We also compared the basis of the calculation of amortisation to the gold reserve report issued by management's expert and evaluated the expert's competence, capabilities, and objectivity. We checked the mathematical accuracy of the discounted cash flow model used in the assessment. We compared historical budgeted performance with actual results to assess management's ability to accurately forecast the cash flows used in the model. We also compared the financial information in the discounted cash flow model used in the assessment with management's approved budget. We performed independent sensitivity analyses on the key assumptions and considered a range of alternative outcomes to determine the sensitivity of the valuation models to changes in these assumptions. Based on the procedures performed, we found that the methodology used by management was appropriate and the judgements made by management to determine the key assumptions used in management's valuation model were supportable. We also assessed the adequacy of the disclosures related to the valuation of the non-financial assets related to the gold mining properties in the context of the relevant SFRS(I)s and IFRSs. We are satisfied that appropriate disclosure has been made.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report (the "Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor’s Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor’s report is Hans Koopmans.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore

15th March 2024

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 31st December 2023

	Note	2023 US$m	Restated 2022 US$m
Revenue	3	**22,234.5**	21,565.5
Net operating costs	4	**(19,130.3)**	(18,855.5)
Operating profit		**3,104.2**	2,710.0
Financing income		**149.0**	120.0
Financing charges		**(271.5)**	(178.2)
Net financing charges	6	**(122.5)**	(58.2)
Share of associates' and joint ventures' results after tax	16	**732.8**	575.4
Profit before tax		**3,714.5**	3,227.2
Tax	7	**(737.8)**	(771.3)
Profit after tax		**2,976.7**	2,455.9
Profit attributable to:			
Shareholders of the Company		**1,215.4**	739.8
Non-controlling interests		**1,761.3**	1,716.1
		2,976.7	2,455.9
		US¢	US¢
Earnings per share:			
– basic	9	**308**	187
– diluted	9	**308**	187

The notes on pages 85 to 176 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December 2023

	Note	2023 US$m	Restated 2022 US$m
Profit for the year		**2,976.7**	2,455.9
Items that will not be reclassified to profit and loss:			
Translation difference		**145.5**	(718.2)
Asset revaluation			
– surplus during the year		**–**	0.9
Remeasurements of defined benefit pension plans	28	**(1.5)**	13.6
Tax relating to items that will not be reclassified	7	**0.6**	(2.7)
Share of other comprehensive income of associates and joint ventures, net of tax		**9.5**	6.0
		154.1	(700.4)
Items that may be reclassified subsequently to profit and loss:			
Translation difference			
– gain/(loss) arising during the year		**85.1**	(622.7)
Financial assets at FVOCI [1]			
– loss arising during the year	17	**(11.6)**	(20.4)
– transfer to profit and loss		**–**	(1.9)
		(11.6)	(22.3)
Cash flow hedges			
– gain arising during the year		**11.4**	34.7
Tax relating to items that may be reclassified	7	**(2.0)**	(7.6)
Share of other comprehensive income of associates and joint ventures, net of tax		**0.6**	97.6
		83.5	(520.3)
Other comprehensive income/(expense) for the year		**237.6**	(1,220.7)
Total comprehensive income for the year		**3,214.3**	1,235.2
Attributable to:			
Shareholders of the Company		**1,305.5**	157.2
Non-controlling interests		**1,908.8**	1,078.0
		3,214.3	1,235.2

(1) Fair value through other comprehensive income ("FVOCI")

The notes on pages 85 to 176 form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

As at 31st December 2023

	Note	2023 US$m	Restated 2022 US$m
Non-current assets			
Intangible assets	10	**1,715.2**	1,632.5
Right-of-use assets	11	**827.9**	733.2
Property, plant and equipment	12	**4,989.8**	3,692.4
Investment properties	13	**463.0**	455.9
Bearer plants	14	**480.7**	464.7
Interests in associates and joint ventures	16	**5,642.0**	4,576.1
Non-current investments	17	**2,572.2**	2,128.9
Non-current debtors	21	**3,683.2**	3,088.4
Deferred tax assets	27	**455.5**	403.5
		20,829.5	17,175.6
Current assets			
Current investments	17	**55.0**	18.2
Properties for sale	18	**554.0**	400.2
Stocks	19	**2,599.4**	2,130.2
Current debtors	21	**5,493.0**	5,421.4
Current tax assets		**80.2**	69.2
Cash and bank balances			
– non-financial services companies		**2,421.8**	3,645.7
– financial services companies		**360.7**	372.4
	22	**2,782.5**	4,018.1
		11,564.1	12,057.3
Total assets		**32,393.6**	29,232.9
Non-current liabilities			
Non-current creditors	23	**254.0**	163.1
Non-current provisions	24	**234.7**	207.3
Non-current lease liabilities	25	**178.7**	87.6
Long-term borrowings			
– non-financial services companies		**2,252.9**	1,575.5
– financial services companies		**1,646.4**	1,532.4
	26	**3,899.3**	3,107.9
Deferred tax liabilities	27	**468.1**	385.9
Pension liabilities	28	**346.3**	337.9
		5,381.1	4,289.7

The notes on pages 85 to 176 form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET (continued)

As at 31st December 2023

	Note	2023 US$m	Restated 2022 US$m
Current liabilities			
Current creditors	23	**5,379.8**	5,135.9
Current provisions	24	**117.0**	107.2
Current lease liabilities	25	**79.4**	68.0
Current borrowings			
– non-financial services companies		**1,314.0**	1,177.4
– financial services companies		**2,094.3**	1,662.9
	26	**3,408.3**	2,840.3
Current tax liabilities		**212.7**	279.4
		9,197.2	8,430.8
Total liabilities		**14,578.3**	12,720.5
Net assets		**17,815.3**	16,512.4
Equity			
Share capital	29	**1,381.0**	1,381.0
Revenue reserve	30	**8,545.0**	7,768.6
Other reserves	31	**(1,886.6)**	(1,978.3)
Shareholders' funds		**8,039.4**	7,171.3
Non-controlling interests	32	**9,775.9**	9,341.1
Total equity		**17,815.3**	16,512.4

The notes on pages 85 to 176 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2023

	Note	Share capital US$m	Revenue reserve US$m	Asset revaluation reserve US$m	Translation reserve US$m	Fair value and other reserves US$m	Total US$m	Attributable to non-controlling interests US$m	Total equity US$m
		Attributable to shareholders of the Company							
2023									
Balance at 1st January as restated		**1,381.0**	**7,768.6**	**404.8**	**(2,397.3)**	**14.2**	**7,171.3**	**9,341.1**	**16,512.4**
Total comprehensive income		**–**	**1,213.8**	**5.3**	**85.1**	**1.3**	**1,305.5**	**1,908.8**	**3,214.3**
Dividends paid by the Company	8	**–**	**(442.9)**	**–**	**–**	**–**	**(442.9)**	**–**	**(442.9)**
Dividends paid to non-controlling interests		**–**	**–**	**–**	**–**	**–**	**–**	**(1,682.7)**	**(1,682.7)**
Issue of shares to non-controlling interests		**–**	**–**	**–**	**–**	**–**	**–**	**156.4**	**156.4**
Change in shareholding		**–**	**(3.1)**	**–**	**–**	**–**	**(3.1)**	**3.4**	**0.3**
Acquisition of subsidiaries		**–**	**–**	**–**	**–**	**–**	**–**	**39.4**	**39.4**
Other		**–**	**8.6**	**–**	**–**	**–**	**8.6**	**9.5**	**18.1**
Balance at 31st December		**1,381.0**	**8,545.0**	**410.1**	**(2,312.2)**	**15.5**	**8,039.4**	**9,775.9**	**17,815.3**
2022 Restated									
Balance at 1st January as previously reported		1,381.0	7,374.3	404.7	(1,774.6)	(17.2)	7,368.2	9,027.1	16,395.3
Effect of adoption of IFRS 17		–	31.5	–	–	–	31.5	31.4	62.9
Balance at 1st January as restated		1,381.0	7,405.8	404.7	(1,774.6)	(17.2)	7,399.7	9,058.5	16,458.2
Total comprehensive income		–	748.1	0.4	(622.7)	31.4	157.2	1,078.0	1,235.2
Dividends paid by the Company	8	–	(357.0)	–	–	–	(357.0)	–	(357.0)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(642.4)	(642.4)
Issue of shares to non-controlling interests		–	–	–	–	–	–	46.2	46.2
Change in shareholding		–	(28.2)	–	–	–	(28.2)	(198.9)	(227.1)
Other		–	(0.1)	(0.3)	–	–	(0.4)	(0.3)	(0.7)
Balance at 31st December as restated		1,381.0	7,768.6	404.8	(2,397.3)	14.2	7,171.3	9,341.1	16,512.4

The notes on pages 85 to 176 form an integral part of the financial statements.

PROFIT AND LOSS ACCOUNT

For the year ended 31st December 2023

	Note	2023 US$m	2022 US$m
Revenue	3	**969.9**	493.7
Net operating income/(costs)	4	**96.6**	(196.9)
Operating profit		**1,066.5**	296.8
Financing income		**6.4**	0.7
Financing charges		**(53.5)**	(34.6)
Net financing charges	6	**(47.1)**	(33.9)
Profit before tax		**1,019.4**	262.9
Tax	7	**(90.5)**	(42.9)
Profit after tax		**928.9**	220.0

The notes on pages 85 to 176 form an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December 2023

	2023 US$m	2022 US$m
Profit for the year	**928.9**	220.0
Items that may be reclassified subsequently to profit and loss:		
Translation difference		
– gain arising during the year	**48.8**	8.1
Cash flow hedges		
– gain arising during the year	**2.3**	–
Other comprehensive income for the year	**51.1**	8.1
Total comprehensive income for the year	**980.0**	228.1

The notes on pages 85 to 176 form an integral part of the financial statements.

BALANCE SHEET
As at 31st December 2023

	Note	2023 US$m	2022 US$m
Non-current assets			
Property, plant and equipment	12	**33.7**	33.6
Interests in subsidiaries	15	**1,457.9**	1,432.7
Interests in associates and joint ventures	16	**881.3**	864.3
Non-current investments	17	**681.2**	197.6
Non-current debtors	21	**2.3**	–
		3,056.4	2,528.2
Current assets			
Current debtors	21	**1,103.9**	1,115.4
Cash and bank balances	22	**26.8**	72.6
		1,130.7	1,188.0
Total assets		**4,187.1**	3,716.2
Non-current liabilities			
Long-term borrowings	26	**400.0**	877.5
Deferred tax liabilities	27	**6.5**	6.2
		406.5	883.7
Current liabilities			
Current creditors	23	**305.7**	118.4
Current borrowings	26	**883.4**	660.0
Current tax liabilities		**2.0**	1.7
		1,191.1	780.1
Total liabilities		**1,597.6**	1,663.8
Net assets		**2,589.5**	2,052.4
Equity			
Share capital	29	**1,381.0**	1,381.0
Revenue reserve	30	**823.1**	337.1
Other reserves	31	**385.4**	334.3
Total equity		**2,589.5**	2,052.4

The notes on pages 85 to 176 form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2023

	Note	Share capital US$m	Revenue reserve US$m	Hedging reserve US$m	Translation reserve US$m	Total equity US$m
2023						
Balance at 1st January		**1,381.0**	**337.1**	**–**	**334.3**	**2,052.4**
Total comprehensive income		**–**	**928.9**	**2.3**	**48.8**	**980.0**
Dividends paid	8	**–**	**(442.9)**	**–**	**–**	**(442.9)**
Balance at 31st December		**1,381.0**	**823.1**	**2.3**	**383.1**	**2,589.5**
2022						
Balance at 1st January		1,381.0	474.1	–	326.2	2,181.3
Total comprehensive income		–	220.0	–	8.1	228.1
Dividends paid	8	–	(357.0)	–	–	(357.0)
Balance at 31st December		1,381.0	337.1	–	334.3	2,052.4

The notes on pages 85 to 176 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st December 2023

	Note	2023 US$m	2022 US$m
Cash flows from operating activities			
Cash generated from operations	36	**3,047.9**	3,043.8
Interest paid		**(257.3)**	(90.9)
Interest received		**146.1**	122.5
Other finance costs paid		**(15.2)**	(38.7)
Income taxes paid		**(956.4)**	(681.9)
		(1,082.8)	(689.0)
Dividends received from associates and joint ventures (net)		**506.1**	495.7
		(576.7)	(193.3)
Net cash flows from operating activities		**2,471.2**	2,850.5
Cash flows from investing activities			
Sale of intangible assets		**0.1**	2.2
Sale of right-of-use assets		**0.7**	0.2
Sale of property, plant and equipment		**257.6**	35.5
Sale of investments		**156.6**	226.7
Purchase of intangible assets		**(77.6)**	(118.6)
Additions to right-of-use assets		**(31.2)**	(24.0)
Purchase of property, plant and equipment		**(1,421.8)**	(727.3)
Purchase of investment properties		**(0.3)**	(0.8)
Additions to bearer plants		**(34.2)**	(39.4)
Purchase of subsidiaries, net of cash acquired		**(423.9)**	–
Purchase of shares in associates and joint ventures		**(819.7)**	(397.6)
Purchase of investments		**(645.2)**	(481.0)
Net cash flows from investing activities		**(3,038.9)**	(1,524.1)
Cash flows from financing activities			
Drawdown of loans	26	**5,273.1**	3,058.9
Repayment of loans	26	**(3,916.3)**	(3,384.3)
Principal elements of lease payments		**(109.8)**	(86.6)
Changes in controlling interests in subsidiaries		**(1.7)**	(224.7)
Investments by non-controlling interests		**156.4**	46.2
Dividends paid to non-controlling interests		**(1,682.7)**	(642.4)
Dividends paid by the Company	8	**(442.9)**	(357.0)
Net cash flows from financing activities		**(723.9)**	(1,589.9)
Net change in cash and cash equivalents		**(1,291.6)**	(263.5)
Cash and cash equivalents at the beginning of the year		**4,018.1**	4,588.8
Effect of exchange rate changes		**56.0**	(307.2)
Cash and cash equivalents at the end of the year	37	**2,782.5**	4,018.1

The notes on pages 85 to 176 form an integral part of the financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 General

The Company is incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The address of its registered office is 239, Alexandra Road, Singapore 159930.

The principal activities of the Group are the manufacture, assembly, distribution and retail of motor vehicles and motorcycles, financial services, heavy equipment, mining, construction & energy, agribusiness, infrastructure & logistics, information technology and property. The Company acts as an investment holding company and a provider of management services.

On 15th March 2024, the Jardine Cycle & Carriage Limited Board of Directors authorised the financial statements for issue.

2 Material Accounting Policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

2.1 Basis of Preparation

The financial statements of the Group and the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"), including International Accounting Standards ("IAS") and Interpretations as issued by the International Accounting Standards Board ("IASB"), under the historical cost convention, except as disclosed in the accounting policies below.

SFRS(I)s comprise standards and interpretations that are equivalent to IFRSs. All references to SFRS(I)s and IFRSs are referred to collectively as "IFRSs" in these financial statements, unless specified otherwise.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.32.

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 account on initial recognition of certain insurance contracts. Under IFRS 17, all profits are recognised in the profit and loss account over the life of the contracts as insurance services are provided. The adoption of IFRS 17 resulted in certain restatements to the Group's consolidated financial statements.

The effects of adopting IFRS 17 for the year ended 31st December 2022 were as follows:

(a) On the consolidated profit and loss account

	As previously reported US$m	Adjustment upon adoption of IFRS 17 US$m	Restated US$m
Revenue	21,793.5	(228.0)	21,565.5
Net operating costs	(19,083.5)	228.0	(18,855.5)
Operating profit	2,710.0	–	2,710.0

2 Material Accounting Policies (continued)

2.1 Basis of Preparation (continued)

IFRS 17 Insurance Contracts (effective from 1st January 2023) (continued)
The effect of adopting IFRS 17 for the year ended 31st December 2022 were as follows: (continued)

(b) On the consolidated balance sheet

	As previously reported US$m	Adjustment upon adoption of IFRS 17 US$m	Restated US$m
Intangible assets	1,675.4	(42.9)	1,632.5
Deferred tax assets	404.0	(0.5)	403.5
Non-current debtors	3,041.5	46.9	3,088.4
Current debtors	5,495.2	(73.8)	5,421.4
Non-current creditors	154.5	8.6	163.1
Current creditors	5,276.9	(141.0)	5,135.9
Current tax liabilities	280.2	(0.8)	279.4
Shareholders' funds	7,139.8	31.5	7,171.3
Non-controlling interests	9,309.7	31.4	9,341.1

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

Other than as detailed above, there is no other material impact to the Group's consolidated financial statements upon adoption of the standard.

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 2.2 to 2.30.

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. The Group applied the amendment from 1st January 2023 and there is no material impact on the Group's consolidated financial statements.

2 Material Accounting Policies (continued)

2.1 Basis of Preparation (continued)

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. 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 material impact on the Group's results, financial position and accounting policies.

Standards and amendments issued but not yet effective

A number of amendments effective for the accounting periods beginning after 2023 have been published and will be adopted by the Group from their effective date. The Group is currently assessing the potential impact of these amendments but expects their adoption will not have a material impact on the Group's consolidated financial statements.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and the Group's interests in associates and joint ventures on the basis set out below.

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of acquisition includes the fair value at the acquisition date of any contingent consideration. The Group recognises the non-controlling interest's proportionate share of the recognised identifiable net assets of the acquired subsidiary. In a business combination achieved in stages, the Group remeasures its previously held interest in the acquiree at its acquisition-date fair value and recognises the resulting gain or loss in the profit and loss account. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions. When control over a previous subsidiary is lost, any remaining interest in the entity is remeasured at fair value and the resulting gain or loss is recognised in the profit and loss account.

All material inter-company transactions, balances and unrealised gains and deficits on transactions between Group companies have been eliminated.

An associate is an entity, not being a subsidiary or joint venture, over which the Group exercises significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

2 Material Accounting Policies (continued)

2.2 Consolidation (continued)

Associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting and are initially recorded at cost. The Group's investment in associates and joint ventures includes goodwill (net of any accumulated impairment loss) identified on acquisition. The Group's share of its post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are included in the carrying amount of the associates and joint ventures. Its share of post-acquisition profit and loss is recognised in the profit and loss account.

Profit and loss resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognised in the consolidated financial statements only to the extent of unrelated investor's interests in the associates and joint ventures.

The results of subsidiaries, associates and joint ventures are included or excluded from the consolidated financial statements from the effective dates of acquisition or disposal, respectively. The results of entities other than subsidiaries, associates and joint ventures are included to the extent of dividends received when the right to receive such dividend is established.

Non-controlling interests represent the proportion of the results and net assets of subsidiaries and their associates and joint ventures not attributable to the Group.

2.3 Property, Plant and Equipment

Freehold properties comprised land and buildings. Freehold land is stated at cost less any impairment. No depreciation is provided on freehold land as it is deemed to have an indefinite life. Buildings on freehold and leasehold land are stated at cost less any accumulated depreciation and impairment loss. The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Mining properties, which are contractual rights to mine and own coal and gold reserves in specified concession areas, and other assets are stated at historical cost or at fair value if acquired as part of a business combination, less accumulated depreciation and impairment loss. Cost of mining properties includes expenditure to restore and rehabilitate coal and gold mining areas following the completion of production.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial year in which they are incurred.

Mining properties are depreciated using the unit of production method. Depreciation of all other assets is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives at the following annual rates:

Building and leasehold improvements	$3^1/_3$% – 50%
Plant and machinery	4% – 50%
Office furniture, fixtures and equipment	10% – 50%
Transportation equipment and motor vehicles	4% – 50%

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at each balance sheet date and adjusted, if appropriate.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

2 Material Accounting Policies (continued)

2.4 Bearer Plants and Agricultural Produce

Bearer plants are stated at cost less any accumulated depreciation and impairment loss. The cost of bearer plants includes costs incurred for field preparation, planting, fertilising and maintenance, capitalisation of borrowing costs incurred on loans used to finance the development of immature bearer plants and an allocation of other indirect costs based on planted hectares. Bearer plants are considered mature within three to four years after planting and generating fresh fruit bunches which average four to six tonnes per hectare per year. Depreciation of mature bearer plants commences in the year when the bearer plants are mature using the straight-line method over the estimated useful life of 20 years.

Agricultural produce growing on bearer plants comprise oil palm fruits which are measured at fair value. Changes in fair value are recorded in the profit and loss account.

2.5 Investment Properties

Investment properties are properties held for long-term rental yields or capital gains, but their business model does not necessarily envisage that the properties will be held for their entire useful lives. Investment properties are stated at fair value, representing estimated open market value determined annually by independent qualified valuers who have recent experience in the location and category of the investment property being valued. Changes in fair values are recorded in the profit and loss account. Due to the absence of an active market, investment properties under development are measured at cost until their fair values become reliably measurable or construction is completed (whichever is earlier).

2.6 Intangible Assets

i) Goodwill

Goodwill represents the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the acquisition-date fair value of any previously held equity interest in the acquiree over the acquisition-date fair value of the net identifiable assets acquired. Non-controlling interests are measured at their proportionate share of the net identifiable assets at the acquisition date. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised directly in the profit and loss account. Goodwill on acquisition of associates and joint ventures is included in interests in associates and joint ventures while goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of subsidiaries is tested annually for impairment and carried at cost less accumulated impairment loss. Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing.

The profit or loss on disposal of subsidiaries, associates and joint ventures is stated after deducting the carrying amount of goodwill relating to the entity sold.

ii) Franchise rights

Franchise rights, which are rights under franchise agreements, are separately identified intangible assets acquired as part of a business combination. These franchise agreements are deemed to have indefinite lives because either they do not have any term of expiry or their renewal by the Group would be probable and would not involve significant costs, taking into account the history of renewal and the relationships between the franchisee and contracting parties. Franchise rights are not amortised, but are tested annually for impairment and carried at cost less accumulated impairment loss.

iii) Concession rights

Concession rights are operating rights for toll roads under service concession agreements. The cost of the construction services is amortised based on traffic volume projections over the period of the concession.

2 Material Accounting Policies (continued)

2.6 Intangible Assets (continued)

iv) Deferred exploration costs
Exploration costs are capitalised when the rights of tenure of a mining area are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area. Stripping costs incurred during the production phase are capitalised when there is improved access to the ore body in future periods. Deferred exploration costs are amortised using the unit of production method, and are assessed for impairment if facts and circumstances indicate that an impairment may exist.

v) Computer software and other
Computer software is stated at cost less accumulated amortisation and impairment loss. These costs are amortised using the straight-line method over their estimated useful lives that range from 1 to 10 years. Other intangible assets refer to customer databases that are separately identified intangible assets acquired as part of a business combination. They are stated at cost less accumulated amortisation and impairment loss. These costs are amortised using the straight-line method over their estimated useful lives of 15 years.

2.7 Impairment of Non-Financial Assets

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less cost to sell and value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Non-financial assets, other than goodwill, for which the Group recorded a cumulative impairment are reviewed for possible reversal of the impairment annually.

2.8 Investments

The Group classifies its investments into the following measurement categories:

i) those to be measured subsequently at fair value, either through other comprehensive income or through the profit and loss account; and

ii) those to be measured at amortised cost.

The classification is based on the management's business model and their contractual cash flows characteristics.

Equity investments are measured at fair value with fair value gains or losses recognised in the profit and loss account, unless management has elected to recognise the fair value gains or losses through other comprehensive income. For equity investments measured at fair value through other comprehensive income, gains or losses realised upon disposal are not reclassified to the profit and loss account. Dividends from equity investments are recognised in the profit and loss account when the right to receive payments is established.

2 Material Accounting Policies (continued)

2.8 Investments (continued)

Debt investments that are held for collection of contractual cash flows and for sale, where the cash flows represent solely payments of principal and interest, are measured at fair value though other comprehensive income. On disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the profit and loss account. Interest income calculated using the effective interest rate method is recognised in the profit and loss account.

Debt investments that are held for collection of contractual cash flows till maturity, where the cash flows represent solely payments of principal and interest, are measured at amortised cost. Any gain or loss arising on derecognition is recognised in the profit and loss account. Interest income calculated using the effective interest rate method is recognised in the profit and loss account.

At initial recognition, the Group measures an investment at its fair value. Transaction costs of financial assets carried at fair value through profit and loss are expensed in the profit and loss account. In the case of the investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment are capitalised.

Investments with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group assesses on a forward-looking basis the expected credit losses associated with both types of debt instruments. They are considered "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows have occurred. Any impairment is recognised in the profit and loss account.

All purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the investment.

Investments are classified as non-current assets, except in the case of debt investments with maturities less than 12 months after the balance sheet date, which are classified as current assets.

2.9 Investments in Subsidiaries, Associates and Joint Ventures

Investments in subsidiaries, associates and joint ventures are stated in the financial statements of the Company at cost. When an indication of impairment exists, the carrying amount of the investment is written down immediately to its recoverable amount. The write-down is charged to the profit and loss account.

2.10 Properties for Sale

Properties for sale, which comprise land and buildings held for resale, are stated at the lower of cost and net realisable value. The cost of properties for sale comprises land costs, construction and other development costs, and borrowing costs.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is generally determined using the first-in, first-out method, specific identification method and weighted average method. The cost of finished goods and work in progress comprises goods held for resale, raw materials, labour and an appropriate portion of overheads. The net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

2 Material Accounting Policies (continued)

2.12 Debtors

Financing and trade debtors are recognised initially at the amount of consideration that is unconditional and measured subsequently at amortised cost using the effective interest method. Finance lease receivables are shown as the finance lease receivables plus the guaranteed residual values at the end of the lease period, net of unearned finance lease income, security deposits and allowance for impairment. A contract asset arises if the Group has a right to consideration in exchange for goods or services the Group has transferred to a customer, that is conditional on something other than the passage of time. Repossessed collateral of finance companies are measured at the lower of the carrying amount of the debtors in default and fair value less costs to sell. All other debtors, excluding derivative financial instruments, are measured at amortised cost except where the effect of discounting would be immaterial.

The Group assesses the potential losses associated with its consumer financing debtors and financing lease receivables, on a forward-looking basis, using the three stages expected credit losses model. The impairment measurement is subject to whether there has been a significant increase in credit risk. For trade debtors and contract assets, the Group applied the simplified approach as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the debtors. An allowance for impairment is established when there is objective evidence that the outstanding amounts will not be collected. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the debtor is impaired.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in arriving at operating profit. When a debtor is uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited to the profit and loss account.

Debtors with maturities greater than 12 months after the balance sheet date are classified under non-current assets.

2.13 Cash and Cash Equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise deposits with banks and financial institutions, bank and cash balances, net of bank overdrafts. In the balance sheet, bank overdrafts are included under current borrowings.

2.14 Borrowings

Borrowings are initially stated at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities for at least 12 months after the balance sheet date. Borrowing costs that are not used in financing the acquisition or construction of qualifying assets, are recognised as an expense in the period in which they are incurred.

2.15 Provisions

Provisions are recognised when the Group has present legal or constructive obligations as a result of past events, it is more likely than not that an outflow of economic resources embodying economic benefits will be required to settle the obligations, and a reliable estimate of the amount of the obligation can be made.

i) Motor vehicle warranties
The Group recognises the estimated liability that falls due under the warranty terms offered on sale of new and used vehicles beyond that which is reimbursed by the manufacturer. The provision is calculated based on the past history of repairs.

2 Material Accounting Policies (continued)

2.15 Provisions (continued)

ii) Closure costs

The Group recognises a provision for closure costs when legal or constructive obligations arise on closure or disposal of businesses.

iii) Statutory employee entitlements

The Group recognises a provision for statutory employee entitlements which are related to long service leave and service awards in Indonesia.

2.16 Creditors

Creditors, excluding derivative financial instruments, are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

Creditors are classified under non-current liabilities unless their maturities are within 12 months after the balance sheet date.

2.17 Employee Benefits

i) Pension obligations

The Group operates a number of defined benefit and defined contribution plans.

Pension accounting costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the costs of providing pensions are charged to the profit and loss account spreading the regular cost over the service period in which employees accrue benefits, in accordance with the advice of qualified actuaries, who carry out a full valuation of major plans every year. The pension obligations are measured as the present value of the estimated future cash outflows by reference to market yields on government bonds which have terms to maturity approximating the terms of the related liability. Plan assets are measured at fair value. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, and are recognised in other comprehensive income and accumulated under equity in the revenue reserve. Past service costs are recognised immediately in the profit and loss account.

The Group pays fixed contributions into separate entities for defined contribution plans and has no legal or constructive obligations once the contributions are paid. The Group's contributions to the defined contribution plans are charged to the profit and loss account in the period to which the contributions relate.

ii) Share-based compensation

The fair value of the employee services received in exchange for the grant of the options in respect of shares in the Company or in its subsidiaries is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options on the grant date, excluding the impact of non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the profit and loss account, and a corresponding adjustment to share option reserve.

The proceeds received net of any transaction costs are credited to share capital when the options are exercised.

2 Material Accounting Policies (continued)

2.17 Employee Benefits (continued)

iii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

2.18 Foreign Currencies

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is the Singapore Dollar. The financial statements of the Group and the Company are presented in United States Dollars to serve the needs of the readers of the Group's and the Company's financial statements who are spread globally and reflects the international nature of the Group.

Foreign currency transactions of each entity in the Group are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities are translated into the functional currency at the rates of exchange prevailing at the balance sheet date. Foreign exchange gains or losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account, except when recognised in other comprehensive income and accumulated under equity in the hedging reserve as qualifying cash flow hedges.

Translation differences on other investments measured at fair value through profit and loss are recognised in the profit and loss account as part of the gains or losses arising from changes in their fair value. Translation differences on other investments measured at fair value through other comprehensive income are recognised in other comprehensive income as part of the gains or losses arising from changes in their fair value.

For the purpose of consolidation, the balance sheets of foreign entities are translated into the Group's presentation currency in United States Dollars at the rates of exchange prevailing at the balance sheet date and the results of foreign entities are translated into United States Dollars at the average exchange rates for the financial year. The resulting exchange differences are recognised in other comprehensive income and accumulated in equity under the translation reserve. On disposal, these translation differences are recognised in the profit and loss account as part of the gain or loss on sale. None of the Group's entities has the currency of a hyperinflationary economy.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the rate of exchange prevailing at the balance sheet date. For the purpose of presenting the financial statements of the Company in United States Dollars, assets and liabilities of the Company are translated at the rates of exchange prevailing at the balance sheet date, the results of the Company are translated at the average exchange rates for the financial year and share capital and reserves are translated at the exchange rates prevailing at the dates of the transactions. The resulting exchange differences are taken to the Company's translation reserve.

The exchange rates used for translating assets and liabilities at the balance sheet date are US$1=S$1.3185 (2022: US$1=S$1.3445), US$1=RM4.5872 (2022: US$1=RM4.4125), US$1=IDR15,416 (2022: US$1=IDR15,731), US$1=VND24,276 (2022: US$1=VND23,627) and US$1=THB34.211 (2022: US$1=THB34.560).

The exchange rates used for translating the results for the year are US$1=S$1.3411 (2022: US$1=S$1.3796), US$1=RM4.5631 (2022: US$1=RM4.4104), US$1=IDR15,217 (2022: US$1=IDR14,922), US$1=VND23,877 (2022: US$1=VND23,465) and US$1=THB34.776 (2022: US$1=THB35.173).

2 Material Accounting Policies (continued)

2.19 Revenue Recognition

i) Motor vehicles and motorcycles

Revenue from the sale of motor vehicles and motorcycles, and rendering of aftersales services, is recognised through dealership structures. In instances where the contracts with customers include multiple deliverables, the separate performance obligations are identified. The transaction price, which is represented by the consideration fixed in the contract and net of discounts if any, is then allocated to each performance obligation based on their relative stand-alone selling prices. When a stand-alone selling price is not directly observable, it is estimated. Revenue from the sale of motor vehicles and motorcycles is recognised when control is transferred to the customer, which generally coincides with the point of delivery. Revenue from the aftersales services is recognised when the services are rendered. In instances where payments are received in advance from customers but there are unfulfilled aftersales services obligations by the Group, a contract liability is recognised for which revenue is subsequently recognised over time as the services are rendered.

ii) Financial services

Revenue from consumer financing and finance leases is recognised over the term of the respective contracts based on a constant rate of return on the net investment, using the effective interest method. Revenue from insurance contracts recognised in the period represents the transfer of services provided at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services. For insurance contracts not measured under the premium allocation approach, the Group reduces the liability for remaining coverage and recognises insurance revenue for the services provided.

iii) Heavy equipment, mining, construction & energy

Heavy equipment

Revenue from heavy equipment includes sale of heavy equipment and rendering of maintenance services. In instances where the contracts with customers include multiple deliverables, the separate performance obligations are identified and generally referred as sale of heavy equipment and rendering of maintenance services. The transaction price, which is represented by the consideration fixed in the contract and net of discounts if any, is then allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from the sale of heavy equipment is recognised when control of the heavy equipment is transferred to the customer, which generally coincides with the point of delivery. Payments from customers for maintenance services are received in advance and recognised as a contract liability. Revenue from the maintenance services is recognised when customers have received and consumed the benefits from these services.

Mining

Revenue from mining includes contract mining services and through the Group's own production. The performance obligations identified under contract mining services relate to the extraction of mining products and removal of overburden on behalf of the customers. Revenue is recognised when the services are rendered by reference to the volume of mining products extracted and overburden removed at contracted rates, and payment is due upon delivery. Revenue from its own mining production is recognised when control of the output is transferred to the customer, which generally coincides with the point of delivery.

2 Material Accounting Policies (continued)

2.19 Revenue Recognition (continued)

iii) Heavy equipment, mining, construction & energy (continued)

Construction
Revenue from construction includes contracts to provide construction and foundation services for building, civil and maritime works. Under the contracts, the Group's construction activities create or enhance an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Under this method, the revenue recognised is based on the latest estimate of the total value of the contract and actual completion rate determined by reference to the physical state of progress of the works.

Claims and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

iv) Property

Properties for sale
Revenue from properties for sale is recognised when or as the control of the property is transferred to the customer. Revenue consists of the fair value of the consideration received and receivable, net of value added tax, rebates and discounts. Proceeds received in advance for pre-sale are recorded as contract liabilities. Depending on the terms of the contract and the laws that apply to the contract, control of the property may transfer over time or at a point in time.

If control of the property transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the property.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For properties for sale under development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

Investment properties
Rental income from investment properties are accounted for on an accrual basis over the lease terms.

2.20 Tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Material Accounting Policies (continued)

2.20 Tax (continued)

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying values. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Provision for deferred tax is made on the revaluation of certain non-current assets and, in relation to business acquisitions, on the difference between the fair values of the net assets acquired and their tax bases. Deferred tax is provided on temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.21 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease contracts may contain lease and non-lease components. The Group allocates the consideration in the contract to lease and non-lease component based on their relative stand-alone prices. For property leases where the Group is a lessee, it has elected not to separate lease and immaterial non-lease components and accounts for these items as a single lease component.

(i) As a lessee

The Group enters into property leases for use as retail stores and offices, as well as leases for plant and machinery and motor vehicles for use in its operations.

The Group recognises right-of-use assets and lease liabilities at the lease commencement dates, that is the dates the underlying assets are available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment, and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use assets includes amounts of the initial measurement of lease liabilities recognised, lease payments made at or before the commencement dates less any lease incentives received, initial direct costs incurred and restoration costs. Right-of-use assets are depreciated using the straight-line method over the shorter of their estimated useful lives and the lease terms.

When right-of-use assets meet the definition of investment properties, they are presented in investment properties, and are initially measured at cost and subsequently measured at fair value, in accordance with the Group's accounting policy.

The Group also has interests in leasehold land for use in its operations. Lump sum payments were made upfront to acquire these land interests from their previous registered owners or governments in the jurisdictions where the land is located. There are no ongoing payments to be made under the term of the land leases, other than insignificant lease renewal costs or payments based on rateable value set by the relevant government authorities. These payments are stated at cost and are amortised over the term of the lease which includes the renewal period if the lease can be renewed by the Group without significant cost.

2 Material Accounting Policies (continued)

2.21 Leases (continued)

(i) As a lessee (continued)

Lease liabilities are measured at the present value of lease payments to be made over the lease terms. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised and payments of penalties for terminating a lease, if the lease term reflects the Group exercising that option. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities are measured at amortised cost using the effective interest method. After the commencement date, the amount of lease liabilities is increased by the interest costs on the lease liabilities and decreased by lease payments made.

The carrying amount of lease liabilities is remeasured when there is a change in the lease term, or there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise an extension or a termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (i.e. US$5,000 or less) and short-term leases. Low-value assets comprised IT equipment and small items of office furniture. Short-term leases are leases with a lease term of 12 months or less. Lease payments associated with these leases are recognised on a straight-line basis as an expense in the profit and loss account over the lease term.

Lease liabilities are classified as non-current liabilities unless payments are within 12 months from the balance sheet date.

(ii) As a lessor

The Group enters into contracts with lease components as a lessor primarily on its investment properties. These leases are operating leases as they do not transfer the risk and rewards incidental to the underlying investment properties. The Group recognises the lease payments received under these operating leases on a straight-line basis over the lease term as part of revenue in the profit and loss account.

2.22 Non-current Assets held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Once classified as held for sale, the assets are no longer amortised or depreciated.

2.23 Insurance Contracts

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts.

2 Material Accounting Policies (continued)

2.23 Insurance Contracts (continued)

On initial recognition, insurance contracts are measured as the total of (a) the fulfilment cash flows ("FCF"), adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the Contractual Service Margin ("CSM"). The FCF are the current estimates of the future cash flows within the contract boundary that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. The CSM is a component of the carrying amount of the insurance contract asset or liability representing the unearned profit that the Group will recognise as it provides insurance contract services in the future.

Subsequently, the carrying amount at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the FCF that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

2.24 Financial Guarantee Contracts

Financial guarantee contracts are recognised when the Group accepts significant risk from a third party by agreeing to compensate that party on the occurrence of a specified uncertain future event. They are recognised at fair value, and subsequently measured at the higher of the loss allowance and its amortised cost, using the effective interest method.

2.25 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.26 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, agricultural produce and equity investments which are measured at fair value through profit and loss; gains or losses arising from sale of businesses, investments and properties; impairment of non-depreciable intangible assets, associates and joint ventures and other investments; provisions for 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 the Group's underlying business performance.

2.27 Derivative Financial Instruments

The Group only enters into derivative financial instruments in order to hedge underlying exposures and not as speculative investments. Derivative financial instruments are initially recognised in the balance sheet at fair value on the date a derivative contract is entered into and subsequently remeasured at their fair values. The method of recognising the resulting gain or loss is dependent on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. On the date a derivative contract is entered into, the Group designates certain derivatives as either a hedge of the fair value of a recognised asset or liability (fair value hedge), a hedge of a forecasted transaction or of the foreign currency risk on a firm commitment (cash flow hedge) or a hedge of a net investment in a foreign entity.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

2 Material Accounting Policies (continued)

2.27 Derivative Financial Instruments (continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective, are recorded in the profit and loss account, along with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the profit and loss account within financing charges, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the profit and loss account. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria of hedge accounting, the cumulative adjustment to the carrying amount of a hedged item, for which the effective interest method is used, is amortised to the profit and loss account over the residual period to maturity.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are highly effective, are recognised in other comprehensive income and accumulated in equity under the hedging reserve. Changes in the fair value relating to the ineffective portion are recognised immediately in the profit and loss account. Where the hedged item results in the recognition of a non-financial asset or of a non-financial liability, the deferred gains or losses are included in the initial measurement of the cost of the asset or liability. The deferred amounts are ultimately recognised in the profit and loss account as the hedged item affects the profit and loss account. Otherwise, amounts deferred in equity are transferred to the profit and loss account in the same periods during which the hedged firm commitment or forecasted transaction affects the profit and loss account. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in the profit and loss account within financing charges at the same time as the interest expense on the hedged borrowings. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the hedging reserve at that time remains in equity and is recognised when the committed or forecasted transaction ultimately is recognised in the profit and loss account. When a committed or forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in the hedging reserve is immediately transferred to the profit and loss account.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management policies, do not qualify for hedge accounting under the specific rules in IFRS 9. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting under IFRS 9 are recognised immediately in the profit and loss account.

Hedges of net investments in foreign entities are accounted for on a similar basis to that used for cash flow hedges. Changes in the fair value of the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and accumulated in equity under the translation reserve; changes in the fair value relating to the ineffective portion are recognised immediately in the profit and loss account.

The fair value of derivative financial instruments is classified as a non-current asset or liability if the remaining maturities of the derivative financial instruments are greater than 12 months after the balance sheet date.

2.28 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board who is responsible for allocating resources and assessing performance of the operating segments.

2.29 Dividends

Interim dividends are recorded during the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholders.

2 Material Accounting Policies (continued)

2.30 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.31 Financial Risk Management

i) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group co-ordinates, under the directions of the directors, financial risk management policies and their implementation on a group-wide basis. The Group's treasury policies are designed to manage the financial impact of fluctuations in interest rates and exchange rates and to minimise the Group's financial risks. The Group uses derivative financial instruments, principally interest rate swaps, caps and collars, cross-currency swaps, forward foreign exchange contracts, forward currency options and commodity forward contracts, options and zero collar as appropriate for hedging transactions and managing the Group's assets and liabilities in accordance with the Group's financial risk management policies. Financial derivative contracts are executed between third party banks and the Group entity that is directly exposed to the risk being hedged. Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through other comprehensive income and will be recognised in the profit and loss account when the hedged item affects the profit and loss account. In general, the volatility in profit and loss can be reduced by applying hedge accounting.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. The Group assesses whether the derivative designated in each hedging relationship has been and is expected to be effective in offsetting changes in cash flow of the hedged item using the hypothetical derivative method.

Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated for hedges of foreign currency purchases, or if there are changes in the credit risk of the Group or the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, effective economic relationship existed between the swaps and the loans.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to: (i) the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan; and (ii) differences in critical terms between the interest rate swaps and loans. The ineffectiveness during 2023 or 2022 in relation to interest rate swaps and other hedges was not material.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

i) Financial risk factors (continued)

a) Market risk

Foreign exchange risk

Group entities are exposed to 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.

Group entities use cross-currency swaps, forward foreign exchange contracts and foreign currency options in a consistent manner to hedge firm and anticipated foreign exchange commitments and manage their foreign exchange risk arising from future commercial transactions. The Group does not usually hedge its net investments in foreign operations except in circumstances where there is a material exposure arising from a currency that is anticipated to be volatile and the hedging is cost effective. Group entities are required to manage their foreign exchange risk against their functional currency. Foreign currency borrowings are swapped into the entity's functional currency using cross-currency swaps except where the foreign currency borrowings are repaid with cash flows generated in the same foreign currency. The purpose of these hedges is to mitigate the impact of movements in foreign exchange rates on assets and liabilities and the profit and loss account of the Group.

Currency risks as defined by IFRS 7 arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency. At 31st December 2023, the Group's Indonesian Rupiah functional currency entities had United States Dollar denominated net monetary liabilities of US$385.4 million (2022: net monetary assets of US$438.6 million). At 31st December 2023, if the United States Dollar had strengthened/weakened by 10% against the Indonesian Rupiah with all other variables held constant, the profit attributable to shareholders of the Group would have been US$8.2 million lower/higher (2022: US$11.5 million higher/lower), arising mainly from foreign exchange losses/gains taken to the profit and loss account on translation. The sensitivity analysis ignores any offsetting foreign exchange factors and has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date. The stated change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. There are no other significant monetary balances held by Group entities at 31st December 2023 that are denominated in a non-functional currency other than the cross-currency swap contracts with contract amounts of US$1,103.5 million (2022: US$1,443.2 million) and the United States Dollar denominated net monetary liabilities of the Company as described below. Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration. Since the Group manages the interdependencies between foreign exchange risk and interest rate risk of foreign currency borrowings using cross-currency swaps, the sensitivity analysis on financial impacts arising from cross-currency swaps is included in the sensitivity assessment on interest rates under the interest rate risk section.

At 31st December 2023, the Company had United States Dollar denominated net monetary liabilities of US$972.4 million (2022: US$1,182.0 million). At 31st December 2023, if the United States Dollar had strengthened/weakened by 10% against the Singapore Dollar with all other variables held constant, the profit attributable to shareholders of the Company would have been US$97.2 million (2022: US$118.2 million) lower/higher, arising mainly from foreign exchange losses/gains taken to the profit and loss account on translation.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

i) Financial risk factors (continued)

a) Market risk (continued)

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly through fixed rate borrowings and the use of interest rate swaps, caps and collars. The Group monitors interest rate exposure on a monthly basis by currency and business unit, taking into consideration proposed financing and hedging arrangements. The Group's guideline is to maintain 40% – 60% of its gross borrowings, exclusive of the financial services companies, in fixed rate instruments although the cost of hedging, interest rate outlook and future financing plans are also taken into consideration. The financial services companies borrow predominantly at a fixed rate. The interest rate profile of the Group's borrowings after taking into account hedging transactions are set out in Note 26.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages this risk by using forward rate agreements to a maturity of one year, and by entering into interest rate swaps, caps and collars for a maturity of up to five years. Forward rate agreements and interest rate swaps have the economic effect of converting borrowings from floating rate to fixed rate, caps provide protection against a rise in floating rates above a pre-determined rate, and collars combine the purchase of a cap and the sale of a floor to specify a range in which an interest rate will fluctuate. Details of interest rate swaps and cross-currency swaps are set out in Note 35.

Fair value interest rate risk is the risk that the value of a financial asset or liability and derivative financial instrument will fluctuate because of changes in market interest rates. The Group may manage its fair value interest rate risk by entering into interest rate swaps which have the economic effect of converting borrowings from fixed rate to floating rate, to maintain the Group's fixed rate instruments within the Group's guideline.

At 31st December 2023, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's profit after tax would have been US$8.5 million (2022: US$19.9 million) higher/lower and the hedging reserve would have been approximately US$16.9 million (2022: US$20.8 million) higher/lower as a result of fair value changes to cash flow hedges. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. There is no significant variation in the sensitivity analysis as a result of interest rate caps and collars. The 100 basis point increase or decrease represents management's assessment of a reasonable possible change in those interest rates, specifically the Indonesian rates, which have the most impact on the Group over the period until the next annual balance sheet date. In the case of effective fair value hedges, changes in fair value of the hedged items caused by interest rate movements balance out in the profit and loss account against changes in the fair value of the hedging instruments. Changes in market interest rates affect the interest income or expense of non-derivative variable-interest financial instruments, the interest payments of which are not designated as hedged items of cash flow hedges against interest rate risks. As a consequence, they are included in the calculation of profit after tax sensitivities. Changes in market interest rates of financial instruments that were designated as hedging instruments in a cash flow hedge to hedge payment fluctuations resulting from interest rate movements affect the hedging reserves and are therefore taken into consideration in the equity-related sensitivity calculations.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

i) Financial risk factors (continued)

a) Market risk (continued)

Interest rate risk (continued)

At 31st December 2023, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Company's profit after tax would have been US$8.6 million (2022: US$9.8 million) lower/higher and the hedging reserve would have been approximately US$4.8 million (2022: nil) higher/lower as a result of fair value changes to cash flow hedges.

Price risk

The Group is exposed to securities price risk because of its equity investments which are measured at fair value through profit and loss and debt investments which are measured at fair value through other comprehensive income. Gains or losses arising from changes in the fair value of these investments are recognised in the profit and loss account or other comprehensive income according to their classification. The performances of these investments are monitored regularly, together with a regular assessment of their relevance to the Group's long-term strategic plans. Details of these investments are contained in Note 17.

The Group's interests in these investments are unhedged. At 31st December 2023, if the price of the Group's investments had been 30% higher/lower with all other variables held constant, total equity would have been US$768.0 million (2022: US$621.8 million) higher/lower, of which US$502.1 million (2022: US$402.4 million) relating to equity investments would be reflected in operating profit as non-trading items. The sensitivity analysis has been determined based on a reasonable expectation of possible valuation volatility over the next 12 months.

At 31st December 2023, if the price of the Company's investment had been 30% higher/lower with all other variables held constant, the Company's profit after tax would have been US$204.4 million (2022: US$59.3 million) higher/lower.

The Group is exposed to financial risks arising from changes in commodity prices, primarily crude palm oil, gold, and coal. The Group considers the outlook for crude palm oil, gold and coal regularly in considering the need for active financial risk management. The Group's policy is generally not to hedge commodity price risk, although limited hedging may be undertaken for strategic reasons. To mitigate or hedge the price risk, Group entities may enter into a forward contract to buy the commodity at a fixed price at a future date, or a commodity derivative contract to sell the commodity at a fixed price or at a specific range of prices at a future date.

b) Credit risk

The Group's credit risk is primarily attributable to deposits with banks, contractual cash flows of debt investments measured at fair value through profit and loss and other comprehensive income, credit exposures to customers and derivative financial instruments with a positive fair value. The Group has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

i) Financial risk factors (continued)

b) Credit risk (continued)

The Group manages its deposits with banks and financial institutions and transactions involving derivative financial instruments by monitoring credit ratings and capital adequacy ratios of counterparties, limiting the aggregate risk to any individual counterparty. The utilisation of credit limits is regularly monitored. At 31st December 2023, deposits with banks and financial institutions amounted to US$2,773.7 million (2022: US$4,010.0 million) of which 8% (2022: 16%) were made to financial institutions with credit ratings of no less than A- (Fitch). This is because in Indonesia, it may be necessary to deposit money with banks that have a lower credit rating. However, the Group only enters into derivative transactions with counterparties which have credit ratings of at least investment grade. Management does not expect any counterparty to fail to meet its obligations.

The Company does not have significant deposits made to financial institutions with credit rating less than A- (Fitch).

The Group's debt investments are considered to be low risk investments. The investments are monitored for credit deterioration based on credit ratings from major rating agencies.

In respect of credit exposures to customers, the Group has policies in place to ensure that sales on credit without collateral are made principally to corporate companies with an appropriate credit history and credit insurance is purchased for businesses where it is economically effective. The Group normally obtains collateral over motor vehicles and motorcycles from consumer financing debtors towards settlement of receivables.

Customers give the right to the Group to sell the collateral vehicles or take any other action to settle the outstanding receivables. Sales to other customers are made in cash or by major credit cards.

For finance lease receivables, the Group provides financing to its leasing customers based on applicable rules and company policies which are reviewed periodically.

The maximum exposure to credit risk of the Group and the Company are represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. The Group's exposure to credit risk arising from consumer financing and trade debtors, and derivative financial instruments with a positive fair value are set out in Note 21. The Group's exposure to credit risk arising from deposits and balances with banks and financial institutions is set out in Note 22.

c) Liquidity risk

Prudent liquidity risk management includes managing the profile of debt maturities and funding sources, maintaining sufficient cash and marketable securities, and ensuring the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group's ability to fund its existing and prospective debt requirements is managed by maintaining diversified funding sources with adequate committed funding lines of evenly spread debt maturities from high quality lenders, and by monitoring rolling short-term forecasts of the Group's cash and gross debt on the basis of expected cash flows. In addition, long-term cash flows are projected to assist with the Group's long-term debt financing plans.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

i) Financial risk factors (continued)

c) Liquidity risk (continued)

The Group's total available committed and uncommitted borrowing facilities at 31st December 2023 amounted to US$13,174.7 million (2022: US$10,379.1 million) of which US$7,307.6 million (2022: US$5,948.2 million) was drawn down. Undrawn committed facilities, in the form of revolving credit and term loan facilities, totalled US$3,086.9 million (2022: US$2,036.5 million).

As at 31st December 2023, the Company has long-term borrowings of US$400.0 million (2022: US$877.5 million) and current borrowings of US$883.4 million (2022: US$660.0 million). The Company manages its liquidity risk mainly by extending the maturity of its borrowing facilities and obtaining additional borrowing facilities as appropriate.

The following table analyses the Group's non-derivative financial liabilities and derivative financial liabilities contracts into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity dates. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within one year US$m	Between one and two years US$m	Between two and three years US$m	Between three and four years US$m	Between four and five years US$m	Beyond five years US$m	Total US$m
2023							
Borrowings	**3,699.4**	**2,141.2**	**1,698.0**	**241.0**	**248.3**	**124.0**	**8,151.9**
Lease liabilities	**96.8**	**64.9**	**34.6**	**25.9**	**24.8**	**100.6**	**347.6**
Creditors	**3,998.1**	**2.5**	**2.4**	**2.8**	**2.9**	**49.4**	**4,058.1**
Gross settled derivative financial instruments							
– inflow	**566.3**	**318.9**	**216.3**	**2.9**	**–**	**–**	**1,104.4**
– outflow	**542.7**	**315.6**	**217.4**	**2.9**	**–**	**–**	**1,078.6**
2022 Restated							
Borrowings	3,059.8	2,264.0	820.1	121.9	33.3	143.9	6,443.0
Lease liabilities	73.1	54.1	16.5	3.8	1.4	30.1	179.0
Creditors	3,854.2	2.6	2.7	3.4	0.6	0.7	3,864.2
Gross settled derivative financial instruments							
– inflow	634.9	592.4	362.4	30.1	–	–	1,619.8
– outflow	538.8	398.5	302.6	13.5	–	–	1,253.4

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

ii) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern while seeking to maximise benefits to shareholders and other stakeholders. Capital is total equity as shown in the consolidated balance sheet plus net debt.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, purchase Group shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the Group's consolidated gearing ratio and consolidated interest cover before taking into account the impact of IFRS 16 Leases. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less bank balances and other liquid funds. Interest cover is calculated as underlying operating profit, before the deduction of amortisation/depreciation of right-of-use assets, net of actual lease payments, and share of results of associates and joint ventures divided by net financing charges excluding interest on lease liabilities. The relevant ratios are monitored both inclusive and exclusive of the Group's financial services companies, which by their nature are generally more leveraged than the Group's other businesses. The Group does not have a defined gearing or interest cover benchmark or range.

The financing activities of PT Astra International Tbk ("Astra") are subject to a minimum total equity requirement of Rp600 billion (2022: Rp600 billion), in aggregate. The insurance activities of Astra are subject to a minimum solvency ratio of 120% calculated in accordance with requirements set out by the Ministry of Finance in Indonesia, and a minimum total equity requirement of Rp200 billion (2022: Rp200 billion), in aggregate.

The Group and the Company had complied with all externally imposed capital requirements throughout the reporting period.

The gearing ratios of the Group at 31st December 2023 and 2022 were as follows:

	2023	2022
Gearing ratio excluding financial services companies	**6%**	nm
Gearing ratio including financial services companies	**25%**	12%
Interest cover excluding financial services companies	**27 times**	53 times
Interest cover including financial services companies	**38 times**	78 times

nm – not meaningful

iii) Fair value estimation

a) Financial instruments that are measured at fair value

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

Quoted prices (unadjusted) in active markets for identical assets or liabilities ("quoted prices in active markets")

The fair values of listed securities and bonds are based on quoted prices in active markets at the balance sheet date. The quoted market price used for listed investments held by the Group is the current bid price.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

iii) Fair value estimation (continued)

a) Financial instruments that are measured at fair value (continued)

Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly ("observable current market transactions")

The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps and caps, cross-currency swaps and forward foreign exchange contracts are calculated by reference to the market interest rates and foreign exchange rates.

Inputs for the asset or liability that are not based on observable market data ("unobservable inputs")

The fair values of other unlisted equity and debt investments are determined using valuation techniques by reference to observable current market transactions or the market prices of the underlying investments with certain degree of entity-specific estimates or discounted cash flows by projecting the cash inflows from these investments. There were no changes in valuation techniques during the year.

The table below analyses the Group's financial instruments carried at fair value, by the levels in the fair value measurement hierarchy.

	Quoted prices in active markets US$m	Observable current market transactions US$m	Unobservable inputs US$m	Total US$m
Group				
2023				
Assets				
Other investments				
– equity investments	1,117.2	–	175.3	1,292.5
– debt investments	916.2	–	418.5	1,334.7
	2,033.4	–	593.8	2,627.2
Derivative financial instruments at fair value				
– through other comprehensive income	–	50.8	–	50.8
– through profit and loss	–	0.7	–	0.7
	–	51.5	–	51.5
	2,033.4	51.5	593.8	2,678.7
Liabilities				
Derivative financial instruments at fair value				
– through other comprehensive income	–	(4.2)	–	(4.2)
– through profit and loss	–	(0.1)	–	(0.1)
	–	(4.3)	–	(4.3)

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

iii) Fair value estimation (continued)

a) Financial instruments that are measured at fair value (continued)

	Quoted prices in active markets US$m	Observable current market transactions US$m	Unobservable inputs US$m	Total US$m
2022				
Assets				
Other investments				
– equity investments	1,177.6	–	206.7	1,384.3
– debt investments	762.8	–	–	762.8
	1,940.4	–	206.7	2,147.1
Derivative financial instruments at fair value				
– through other comprehensive income	–	119.8	–	119.8
– through profit and loss	–	0.2	–	0.2
	–	120.0	–	120.0
	1,940.4	120.0	206.7	2,267.1
Liabilities				
Contingent consideration payable	–	–	(8.8)	(8.8)
Derivative financial instruments at fair value				
– through other comprehensive income	–	(2.0)	–	(2.0)
– through profit and loss	–	(0.4)	–	(0.4)
	–	(2.4)	–	(2.4)
	–	(2.4)	(8.8)	(11.2)

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

iii) Fair value estimation (continued)

a) Financial instruments that are measured at fair value (continued)

	Quoted prices in active markets US$m	Observable current market transactions US$m	Unobservable inputs US$m	Total US$m
Company				
2023				
Assets				
Other investments				
– equity investments	264.8	–	–	264.8
– debt investments	–	–	416.4	416.4
	264.8	–	416.4	681.2
Derivative financial instruments at fair value				
– through other comprehensive income	–	2.3	–	2.3
	264.8	2.3	416.4	683.5
2022				
Assets				
Other investments				
– equity investments	197.6	–	–	197.6
	197.6	–	–	197.6

There were no transfers among the three categories during the years ended 31st December 2023 and 2022.

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

iii) Fair value estimation (continued)

b) Financial instruments that are not measured at fair value

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

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

c) Financial instruments by category

The table below analyses financial instruments of the Group by category.

	Fair value of hedging instruments US$m	Fair value through profit and loss US$m	Fair value through other comprehensive income US$m	Financial assets at amortised costs US$m	Other financial liabilities US$m	Total carrying amount US$m	Fair value US$m
2023							
Financial assets measured at fair value							
Other investments							
– equity investments	–	1,292.5	–	–	–	1,292.5	1,292.5
– debt investments	–	418.5	916.2	–	–	1,334.7	1,334.7
Derivative financial instruments	50.8	0.7	–	–	–	51.5	51.5
	50.8	1,711.7	916.2	–	–	2,678.7	2,678.7
Financial assets not measured at fair value							
Debtors	–	–	–	7,714.7	–	7,714.7	7,175.1
Bank balances	–	–	–	2,782.5	–	2,782.5	2,782.5
	–	–	–	10,497.2	–	10,497.2	9,957.6
Financial liabilities measured at fair value							
Derivative financial instruments	(4.2)	(0.1)	–	–	–	(4.3)	(4.3)
	(4.2)	(0.1)	–	–	–	(4.3)	(4.3)
Financial liabilities not measured at fair value							
Borrowings excluding lease liabilities	–	–	–	–	(7,307.6)	(7,307.6)	(7,284.4)
Lease liabilities	–	–	–	–	(258.1)	(258.1)	(258.1)
Creditors excluding non-financial liabilities	–	–	–	–	(4,058.1)	(4,058.1)	(4,058.1)
	–	–	–	–	(11,623.8)	(11,623.8)	(11,600.6)

2 Material Accounting Policies (continued)

2.31 Financial Risk Management (continued)

iii) Fair value estimation (continued)

c) Financial instruments by category (continued)

	Fair value of hedging instruments US$m	Fair value through profit and loss US$m	Fair value through other comprehensive income US$m	Financial assets at amortised costs US$m	Other financial liabilities US$m	Total carrying amount US$m	Fair value US$m
2022 Restated							
Financial assets measured at fair value							
Other investments							
– equity investments	–	1,384.3	–	–	–	1,384.3	1,384.3
– debt investments	–	–	762.8	–	–	762.8	762.8
Derivative financial instruments	119.8	0.2	–	–	–	120.0	120.0
	119.8	1,384.5	762.8	–	–	2,267.1	2,267.1
Financial assets not measured at fair value							
Debtors	–	–	–	7,293.1	–	7,293.1	6,897.0
Bank balances	–	–	–	4,018.1	–	4,018.1	4,018.1
	–	–	–	11,311.2	–	11,311.2	10,915.1
Financial liabilities measured at fair value							
Derivative financial instruments	(2.0)	(0.4)	–	–	–	(2.4)	(2.4)
Contingent consideration payable	–	(8.8)	–	–	–	(8.8)	(8.8)
	(2.0)	(9.2)	–	–	–	(11.2)	(11.2)
Financial liabilities not measured at fair value							
Borrowings excluding lease liabilities	–	–	–	–	(5,948.2)	(5,948.2)	(5,925.7)
Lease liabilities	–	–	–	–	(155.6)	(155.6)	(155.6)
Creditors excluding non-financial liabilities	–	–	–	–	(3,855.4)	(3,855.4)	(3,855.4)
	–	–	–	–	(9,959.2)	(9,959.2)	(9,936.7)

2 Material Accounting Policies (continued)

2.32 Critical Accounting Estimates and Judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable according to circumstances and conditions available. The existing and potential impacts arising from climate change has been considered when applying estimates and assumptions in the preparation of the financial statements, including the Group's assessment of impairment of assets and the independent valuers' valuation of the Group's investment properties. Given the uncertainty of the impact of climate change, the actual results may differ from these accounting estimates. The estimates and assumptions that have a significant effect on the reported amounts of assets and liabilities, and income and expenses are discussed below.

i) Acquisition of subsidiaries, associates and joint ventures

The initial accounting on the acquisition of subsidiaries, associates and joint ventures involves identifying and determining the fair values to be assigned to the identifiable assets, liabilities and contingent liabilities of the acquired entities. The fair values of franchise rights, concession rights, certain property, plant and equipment and right-of-use assets, investment properties and bearer plants are determined by independent, professionally qualified valuers by reference to comparable market prices or present value of expected net cash flows from the assets. Any changes in the assumptions used and estimates made in determining the fair values, and management's ability to measure reliably the contingent liabilities of the acquired entity will impact the carrying amount of these assets and liabilities.

On initial acquisition or acquisition of further interests in an entity, an assessment of the level of control or influence exercised by the Group is required. For entities where the Group has a shareholding of less than 50%, an assessment of the Group's level of voting rights, board representation and other indicators of influence is performed to consider whether the Group has de facto control, requiring consolidation of that entity, or significant influence/joint control, requiring classification as an associate/joint venture.

ii) Impairment of assets

The Group tests annually whether goodwill and other non-financial assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is determined based on the higher of fair value less costs to sell or value-in-use calculations prepared on the basis of management's assumptions and estimates. Changing the key assumptions, including the amount of estimated coal and gold reserves, discount rates or growth rates in the cash flow projections, could materially affect the value-in-use calculations.

The results of the impairment review undertaken at 31st December 2023 on the Group's indefinite-life franchise rights indicated that no impairment charge was necessary. If there is a significant increase in the discount rate and/or a significant adverse change to the projected performance of the business to which these rights attach, it may be necessary to take an impairment charge to the profit and loss account in the future.

The results of the review undertaken at 31st December 2023 on the Group's coal mining properties indicated that the consideration of impairment or reversal of impairment was not required. Significant changes to assumptions on the remaining useful lives of the coal mining properties, long-term projected prices and production levels in view of climate change related regulations could affect this assessment in the future. The results of the impairment review and assessment undertaken at 31st December 2023 on the Group's gold mining properties and related assets including goodwill indicated that an impairment charge of US$22.1 million was necessary based on a discounted cash flow analysis, in view of operating challenges. Significant changes to the amount of estimated gold reserves, discount rate, projected prices and production levels could affect the valuation of these assets in the future.

2 Material Accounting Policies (continued)

2.32 Critical Accounting Estimates and Judgements (continued)

ii) Impairment of assets (continued)

Management undertook an impairment assessment on the basis that the carrying amount of the investment in Siam City Cement Public Company Limited ("SCCC") as at 31st December 2023 was higher than its fair value based on the prevailing market share price, as well as the challenging operating environment and outlook. The determination of the recoverable amount requires significant judgements by management, particularly management's view on key internal inputs and external market conditions which impact future cash flows, discount rates and long-term growth rates. Management's assessment concludes that no impairment has occurred. If there are significant changes to the above estimates, it may be necessary to take an additional impairment charge to the profit and loss account in the future. The sensitivity of carrying amount to key assumptions and estimates is disclosed in Note 16.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the balance sheet date. The allowance for impairment for financing debtors and trade and other debtors are disclosed in Note 20 and 21, respectively.

iii) Income taxes

The Group is subject to income taxes in multiple jurisdictions. Significant judgement is required in determining the provision for income taxes, particularly in Indonesia. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax follows the way management expects to recover or settle the carrying amount of the related assets or liabilities, which management may expect to recover through use, sale or combination of both. Accordingly, deferred tax will be calculated at income tax rate, capital gains tax rate or combination of both. There is a rebuttable presumption in IFRS that investment properties measured at fair value are recovered by sale. Thus, deferred tax on revaluation of investment properties held by the Group are calculated at the capital gains tax rate.

Recognition of deferred tax assets, which principally relate to tax losses, depends on management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of the actual utilisation may be different.

iv) Pension obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

2 Material Accounting Policies (continued)

2.32 Critical Accounting Estimates and Judgements (continued)

iv) Pension obligations (continued)

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liabilities.

Other key assumptions for pension obligations are based in part on current market conditions.

v) Revenue recognition

For revenue from the heavy equipment maintenance contracts, the Group exercises judgement in determining the level of actual service provided to the end of the reporting period as a proportion of the total services to be reported, and estimated total costs of the maintenance contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognised as a current year expense.

For other contracts with customers which include multiple deliverables, the separate performance obligations are identified. The transaction price is then allocated to each performance obligation based on their stand-alone selling prices. From time to time, when a stand-alone selling price may not be directly observable, the Group estimated the selling price using expected costs of rendering such services and adding an appropriate margin.

vi) Non-trading items

The Group uses underlying business performance in its internal financial reporting to distinguish between the underlying profits and non-trading items. The identification of non-trading items requires judgement by management, but follows the consistent methodology as set out in the Group's accounting policies.

vii) Leases

Liabilities and the corresponding right-of-use assets arising from leases are initially measured at the present value of the lease payments at the commencement date, discounted using the interest rates implicit in the leases, or if that rate cannot be readily determinable, the Group uses the incremental borrowing rate. The Group generally uses the incremental borrowing rate as the discount rate.

The Group applies the incremental borrowing rate with reference to the rate of interest that the Group would have to pay to borrow, over a similar term as that of the lease, the funds necessary to obtain an asset of a similar value to the right-of-use asset in the country where it is located.

Lease payments to be made during the lease term will be included in the measurement of a lease liability. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any period covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, the Group considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew. The assessment of whether the Group is reasonably certain to exercise the options impacts the lease terms, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

3 **Revenue**

	Astra US$m	Direct Motor Interests US$m	Total US$m
Group			
2023			
Automotive	**8,300.5**	**1,629.2**	**9,929.7**
Financial services	**1,757.5**	**–**	**1,757.5**
Heavy equipment, mining, construction & energy	**8,428.8**	**–**	**8,428.8**
Agribusiness	**1,363.3**	**–**	**1,363.3**
Infrastructure & logistics	**551.2**	**–**	**551.2**
Information technology	**146.2**	**–**	**146.2**
Property	**57.8**	**–**	**57.8**
	20,605.3	**1,629.2**	**22,234.5**
From contracts with customers:			
Recognised at a point in time	**18,234.1**	**1,578.3**	**19,812.4**
Recognised over time	**317.4**	**44.0**	**361.4**
	18,551.5	**1,622.3**	**20,173.8**
From other sources:			
Rental income from investment properties	**10.0**	**–**	**10.0**
Revenue from financial services companies	**1,757.5**	**–**	**1,757.5**
Other	**286.3**	**6.9**	**293.2**
	2,053.8	**6.9**	**2,060.7**
	20,605.3	**1,629.2**	**22,234.5**
2022 Restated			
Automotive	7,999.1	1,588.7	9,587.8
Financial services	1,551.6	–	1,551.6
Heavy equipment, mining, construction & energy	8,261.3	–	8,261.3
Agribusiness	1,462.9	–	1,462.9
Infrastructure & logistics	486.9	–	486.9
Information technology	150.4	–	150.4
Property	64.6	–	64.6
	19,976.8	1,588.7	21,565.5
From contracts with customers:			
Recognised at a point in time	17,946.2	1,518.3	19,464.5
Recognised over time	213.0	65.9	278.9
	18,159.2	1,584.2	19,743.4
From other sources:			
Rental income from investment properties	12.3	–	12.3
Revenue from financial services companies	1,551.6	–	1,551.6
Other	253.7	4.5	258.2
	1,817.6	4.5	1,822.1
	19,976.8	1,588.7	21,565.5

	2023 US$m	2022 US$m
Company		
Rendering of services	**3.1**	2.4
Dividends	**966.8**	491.3
	969.9	493.7

The Company's revenue arising from contracts with customers recognised over time is US$3.1 million (2022: US$2.4 million) and from other sources is US$966.8 million (2022: US$491.3 million).

3 Revenue (continued)

Contract balances

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed, and are transferred to receivables when the rights become unconditional which usually occurs when the customers are billed.

Contract liabilities primarily relate to the advance consideration received from customers relating to properties for sale and sale of motor vehicles and motorcycles. It also includes service credits and extended warranties paid by or given to customers for which revenue is recognised over time.

Contract assets and contract liabilities of the Group are further analysed as follows:

	2023 US$m	2022 US$m
Contract assets (Note 21)		
– heavy equipment, mining, construction & energy	**128.8**	91.1
– other	**18.2**	17.2
	147.0	108.3
Less: Allowance for impairment	**(61.5)**	(59.6)
	85.5	48.7
Contract liabilities (Note 23)		
– properties for sale	**20.7**	24.3
– motor vehicles and motorcycles	**298.5**	312.1
– heavy equipment, mining, construction & energy	**88.5**	85.2
– other	**35.4**	31.9
	443.1	453.5

Revenue recognised in relation to contract liabilities

Revenue of the Group recognised in the current year relating to carried-forward contract liabilities:

	2023 US$m	2022 US$m
Properties for sale	**20.8**	32.5
Motor vehicles and motorcycles	**182.7**	198.4
Heavy equipment, mining, construction & energy	**62.6**	49.7
Other	**28.9**	39.7
	295.0	320.3

3 Revenue (continued)

Revenue expected to be recognised on unsatisfied contracts with customers

Timing of revenue of the Group to be recognised on unsatisfied performance obligations:

	Properties for sale US$m	Motor vehicles and motorcycles US$m	Heavy equipment, mining, construction & energy US$m	Other US$m	Total US$m
2023					
Within one year	**50.4**	**83.4**	**189.4**	**23.5**	**346.7**
Between one and two years	**21.8**	**31.6**	**24.0**	**–**	**77.4**
Between two and three years	**21.0**	**13.9**	**2.5**	**–**	**37.4**
Between three and four years	**4.0**	**7.4**	**0.5**	**–**	**11.9**
Between four and five years	**2.5**	**8.5**	**0.2**	**–**	**11.2**
Beyond five years	**2.0**	**0.1**	**–**	**–**	**2.1**
	101.7	**144.9**	**216.6**	**23.5**	**486.7**
2022					
Within one year	46.7	116.2	162.1	40.4	365.4
Between one and two years	21.8	45.6	83.9	15.2	166.5
Between two and three years	41.5	20.4	1.0	–	62.9
Between three and four years	1.7	9.4	0.4	–	11.5
Between four and five years	1.2	4.9	0.1	–	6.2
Beyond five years	0.5	0.4	–	–	0.9
	113.4	196.9	247.5	55.6	613.4

As permitted under *IFRS 15 Revenue from Contracts with Customers*, the revenue expected to be recognised in the next reporting periods arising from unsatisfied performance obligations for contracts that have original expected durations of one year or less is not disclosed.

4 Net Operating Costs

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Cost of sales and services rendered	**(17,185.4)**	(16,657.1)	**–**	–
Other operating income	**359.5**	258.0	**127.9**	10.8
Selling and distribution expenses	**(861.7)**	(890.4)	**–**	–
Administrative expenses	**(1,282.3)**	(1,178.6)	**(31.3)**	(27.2)
Other operating expenses	**(160.4)**	(387.4)	**–**	(180.5)
	(19,130.3)	(18,855.5)	**96.6**	(196.9)

4 Net Operating Costs (continued)

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
The following credits/(charges) are included in net operating costs:				
Amortisation/depreciation of:				
– intangible assets (Note 10)	**(97.5)**	(141.8)	**–**	–
– right-of-use assets (Note 11)	**(154.5)**	(141.1)	**–**	–
– property, plant and equipment (Note 12)	**(754.9)**	(694.4)	**(0.8)**	(0.8)
– bearer plants (Note 14)	**(30.1)**	(28.2)	**–**	–
(Impairment)/write-back of impairment of:				
– intangible assets (Note 10)	**(34.1)**	(1.1)	**–**	–
– property, plant and equipment (Note 12)	**1.1**	(45.6)	**–**	–
– associates (Note 16)[1]	**–**	–	**–**	(114.0)
– financing debtors (Note 20)	**(94.8)**	(166.4)	**–**	–
– trade debtors (Note 21)	**(16.2)**	(11.9)	**–**	–
– other debtors (Note 21)	**(12.1)**	(1.8)	**–**	–
– contract assets (Note 21)	**(0.7)**	(1.2)	**–**	–
Fair value gain/(loss) on:				
– investment properties (Note 13)	**(2.7)**	(2.8)	**–**	–
– investments (Note 17)	**(29.5)**	(269.6)	**98.3**	(66.5)
– agricultural produce	**1.6**	(11.4)	**–**	–
– derivatives not qualifying as hedges	**(0.1)**	0.1	**–**	–
Profit/(loss) on disposal of:				
– intangible assets	**(0.5)**	(0.9)	**–**	–
– right-of-use assets	**0.6**	0.1	**–**	–
– property, plant and equipment	**77.1**	12.0	**0.1**	0.2
– investments	**0.6**	1.7	**–**	–
Bargain purchase on acquisition of subsidiaries	**2.2**	–	**–**	–
Loss on disposal/write-down of receivables from collateral vehicles	**(54.8)**	(37.3)	**–**	–
Stocks:				
– cost of stocks recognised as an expense (included in cost of sales and services rendered)	**(11,567.6)**	(11,342.3)	**–**	–
– write-down of stocks	**(36.1)**	(32.8)	**–**	–
– reversal of write-down of stocks made in previous years	**23.2**	22.8	**–**	–
(Provision)/write-back for:				
– motor vehicle warranties (Note 24)	**(1.4)**	(3.5)	**–**	–
– closure costs (Note 24)	**(0.9)**	0.8	**–**	–
– statutory employee entitlements (Note 24)	**(25.2)**	(19.1)	**–**	–
– other (Note 24)	**(16.9)**	(20.9)	**–**	–
Operating expenses arising from investment properties	**(8.1)**	(7.6)	**–**	–

(1) Impairment of associates at the Group has been included in the share of results of associates and joint ventures.

4 Net Operating Costs (continued)

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Expenses relating to low-value leases	**(0.4)**	(0.2)	**–**	–
Expenses relating to short-term leases	**(95.7)**	(71.5)	**(0.4)**	(0.3)
Expenses relating to variable lease payment not included in lease liabilities	**(0.7)**	(0.3)	**–**	–
Gain/(loss) on lease modification or termination	**(0.8)**	1.1	**–**	–
Auditors' remuneration for:				
– audit services	**(7.8)**	(6.9)	**(1.6)**	(1.1)
– non-audit services	**(3.7)**	(2.9)	**(0.2)**	(0.4)
Net exchange gain/(loss)	**(6.3)**	18.2	**22.5**	4.6
Rental income from:				
– investment properties	**1.1**	1.1	**–**	–
– other properties	**2.9**	2.8	**–**	–
Dividend income from investments	**60.3**	50.3	**6.6**	5.6
Interest income from investments	**60.2**	51.7	**–**	–

5 Employee Benefits

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Salaries and benefits-in-kind	**1,696.1**	1,543.0	**14.9**	13.6
Pension costs – defined contribution plans	**17.3**	17.1	**0.4**	0.4
Pension costs – defined benefit plans (Note 28)	**22.2**	11.4	**–**	–
	1,735.6	1,571.5	**15.3**	14.0

6 Net Financing Charges

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Interest expense on:				
– bank borrowings	**(161.0)**	(130.6)	**(51.8)**	(33.0)
– lease liabilities (Note 25)	**(20.0)**	(10.5)	**–**	–
– other borrowings	**(78.4)**	(3.1)	**–**	–
	(259.4)	(144.2)	**(51.8)**	(33.0)
Interest capitalised	**3.1**	4.7	**–**	–
Other finance costs	**(15.2)**	(38.7)	**(1.7)**	(1.6)
Financing charges	**(271.5)**	(178.2)	**(53.5)**	(34.6)
Financing income	**149.0**	120.0	**6.4**	0.7
	(122.5)	(58.2)	**(47.1)**	(33.9)

7 Tax

Tax expense attributable to profit is made up of:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Current tax:				
– Singapore	**5.7**	8.2	**0.6**	0.4
– Foreign	**802.6**	779.0	**89.8**	42.5
	808.3	787.2	**90.4**	42.9
Deferred tax (Note 27)	**(75.9)**	(24.0)	**0.1**	–
	732.4	763.2	**90.5**	42.9
Under-provision in prior years:				
– Current tax	**5.4**	8.1	**–**	–
	737.8	771.3	**90.5**	42.9

The following sets out the differences between the tax expense on the Group's and the Company's profit before tax and the theoretical amount that would arise using the domestic tax rates applicable to profits of the respective companies.

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Profit before tax	**3,714.5**	3,227.2	**1,019.4**	262.9
Less: Share of associates' and joint ventures' results after tax	**(732.8)**	(575.4)	**–**	–
	2,981.7	2,651.8	**1,019.4**	262.9
Tax calculated at domestic tax rates applicable to profits in the respective countries	**661.6**	560.5	**112.0**	17.1
Income not subject to tax	**(144.6)**	(76.5)	**(128.4)**	(59.3)
Expenses not deductible for tax purposes	**131.1**	173.1	**16.8**	42.5
Utilisation of previously unrecognised tax losses	**(3.1)**	(4.3)	**–**	–
Utilisation of previously unrecognised temporary differences	**(0.1)**	(0.2)	**–**	–
Recognition of previously unrecognised tax losses	**(0.2)**	(0.5)	**–**	–
Deferred tax assets written off	**–**	0.4	**–**	–
Tax losses arising in the year not recognised	**13.1**	19.4	**–**	–
Temporary differences arising in the year not recognised	**0.3**	0.7	**–**	–
Withholding tax	**74.3**	87.8	**90.1**	42.6
Change in tax rates	**–**	2.8	**–**	–
Under-provision in prior years	**5.4**	8.1	**–**	–
	737.8	771.3	**90.5**	42.9

The effective tax rates for the Group and Company were 25% (2022: 29%) and 9% (2022: 16%), respectively.

7 Tax (continued)

Tax relating to components of other comprehensive income is analysed as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Cash flow hedges	**(2.0)**	(7.6)	**–**	–
Defined benefit pension plans	**0.6**	(2.7)	**–**	–
	(1.4)	(10.3)	**–**	–

8 Dividends

At the Annual General Meeting in 2024, a final one-tier tax-exempt dividend in respect of 2023 of US¢90 per share amounting to a dividend of approximately US$355.7 million is to be proposed. These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31st December 2024. The dividends paid in 2023 and 2022 were as follows:

	Group and Company	
	2023 US$m	2022 US$m
Final one-tier tax-exempt dividend in respect of previous year of US¢83 per share (2022: in respect of 2021 of US¢62)	**329.5**	245.2
Interim one-tier tax-exempt dividend in respect of current year of US¢28 per share (2022: US¢28)	**113.4**	111.8
	442.9	357.0

9 Earnings Per Share

	Group	
	2023 US$m	2022 US$m
Basic and diluted earnings per share		
Profit attributable to shareholders	**1,215.4**	739.8
Weighted average number of ordinary shares in issue (millions)	**395.2**	395.2
Basic earnings per share	**US¢308**	US¢187
Diluted earnings per share	**US¢308**	US¢187
Basic and diluted underlying earnings per share		
Underlying profit attributable to shareholders	**1,160.1**	1,096.2
Weighted average number of ordinary shares in issue (millions)	**395.2**	395.2
Basic underlying earnings per share	**US¢294**	US¢277
Diluted underlying earnings per share	**US¢294**	US¢277

As at 31st December 2023 and 2022, there were no dilutive potential ordinary shares in issue.

9 Earnings Per Share (continued)

A reconciliation of the profit attributable to shareholders and underlying profit attributable to shareholders is as follows:

	Group	
	2023 US$m	2022 US$m
Profit attributable to shareholders	**1,215.4**	739.8
Less:		
Non-trading items (net of tax and non-controlling interests)		
Fair value changes of agricultural produce and livestock	**0.5**	(3.4)
Fair value changes of investment properties	**(1.0)**	(0.9)
Fair value changes of investments	**(20.0)**	(238.1)
Impairment loss on associates and joint ventures	**–**	(114.0)
Impairment loss on goodwill on subsidiaries	**(6.4)**	–
Bargain purchase on acquisition of subsidiaries	**0.5**	–
Gain on sale and leaseback of properties	**81.1**	–
Gain on sale of property	**0.6**	–
	55.3	(356.4)
Underlying profit attributable to shareholders	**1,160.1**	1,096.2

10 Intangible Assets

	Goodwill US$m	Franchise rights US$m	Concession rights US$m	Deferred exploration costs US$m	Computer software & other US$m	Total US$m
Group						
2023						
Net book value at 1st January as restated	**368.1**	**134.3**	**561.4**	**498.3**	**70.4**	**1,632.5**
Translation adjustments	**3.9**	**2.8**	**11.2**	**0.2**	**0.8**	**18.9**
Additions arising from acquisition of subsidiaries (Note 37)	**–**	**–**	**–**	**0.3**	**37.8**	**38.1**
Additions	**44.9**	**–**	**29.1**	**51.2**	**32.6**	**157.8**
Disposal	**–**	**–**	**–**	**–**	**(0.5)**	**(0.5)**
Amortisation (Note 4)	**–**	**–**	**(13.4)**	**(60.0)**	**(24.1)**	**(97.5)**
Impairment (Note 4)	**(22.1)**	**–**	**–**	**(12.0)**	**–**	**(34.1)**
Net book value at 31st December	**394.8**	**137.1**	**588.3**	**478.0**	**117.0**	**1,715.2**
Cost	**449.9**	**138.3**	**664.8**	**1,319.7**	**281.6**	**2,854.3**
Accumulated amortisation and impairment	**(55.1)**	**(1.2)**	**(76.5)**	**(841.7)**	**(164.6)**	**(1,139.1)**
	394.8	**137.1**	**588.3**	**478.0**	**117.0**	**1,715.2**
2022 Restated						
Net book value at 1st January as previously reported	388.6	148.1	604.6	513.0	121.6	1,775.9
Effect of adoption of IFRS 17 (Note 2.1)	–	–	–	–	(42.9)	(42.9)
Net book value at 1st January as restated	388.6	148.1	604.6	513.0	78.7	1,733.0
Translation adjustments	(20.5)	(13.8)	(56.9)	–	(11.3)	(102.5)
Additions	–	–	26.4	56.3	65.4	148.1
Disposal	–	–	–	–	(3.2)	(3.2)
Amortisation (Note 4)	–	–	(12.7)	(69.9)	(59.2)	(141.8)
Impairment (Note 4)	–	–	–	(1.1)	–	(1.1)
Net book value at 31st December as restated	368.1	134.3	561.4	498.3	70.4	1,632.5
Cost	400.9	135.5	623.4	1,270.3	208.9	2,639.0
Accumulated amortisation and impairment	(32.8)	(1.2)	(62.0)	(772.0)	(138.5)	(1,006.5)
	368.1	134.3	561.4	498.3	70.4	1,632.5

10 Intangible Assets (continued)

Goodwill included goodwill arising from acquisition of shares in Astra which is regarded as an operating segment, as well as those arising from acquisition of other subsidiaries, including those under Astra. For the purpose of impairment review of the goodwill arising from acquisition of shares in Astra, the carrying value of Astra is compared with the recoverable amount measured by reference to the quoted market price of the shares held. On the basis of this review and the continued expected level of profitability, management concluded that no impairment has occurred.

In 2023, an impairment loss of US$22.1 million was recognised in respect of goodwill relating to an acquisition of a gold mining business, in view of operating challenges. No impairment loss was recognised in 2022. The impairment review of goodwill was performed collectively with the gold mining properties and related assets as detailed in Note 12.

The carrying amounts of franchise rights comprise mainly Astra's automotive of US$49.5 million (2022: US$48.5 million) and Astra's heavy equipment of US$87.6 million (2022: US$85.8 million).

No impairment of Astra's franchise rights has occurred. The impairment review of Astra's franchise rights was made by comparing the carrying amounts of the cash-generating units in which the franchise rights reside with the recoverable amounts of the cash-generating units. The recoverable amounts of the cash-generating units are determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a three-year period. Cash flows beyond the three-year period are extrapolated using the estimates stated below:

	2023	2022
Growth rates	**3% – 4%**	3% – 4%
Pre-tax discount rates	**20% – 23%**	19% – 20%

The growth rates do not exceed the long-term average growth rates of the industries. The pre-tax discount rates reflect business specific risks relating to the relevant industries.

The remaining amortisation lives for intangible assets are as follows:

Concession rights	Traffic volume over 32 to 36 years
Computer software and other	1 to 12 years
Trademark	20 years
Deferred exploration costs based on unit of production method	2.6 million ounces (gold mining property) 28.9 to 113.6 million tonnes (coal mining properties)

11 Right-Of-Use Assets

	Leasehold land US$m	Properties US$m	Plant & machinery US$m	Motor vehicles US$m	Total US$m
Group					
2023					
Net book value at 1st January	**556.4**	**60.9**	**76.1**	**39.8**	**733.2**
Translation adjustments	**10.4**	**1.0**	**1.6**	**0.7**	**13.7**
Additions arising from acquisition of subsidiaries (Note 37)	**83.3**	**–**	**–**	**–**	**83.3**
Additions	**37.4**	**28.5**	**45.6**	**27.8**	**139.3**
Disposals/terminations	**(0.1)**	**(0.1)**	**(1.7)**	**(1.1)**	**(3.0)**
Transfer to investment properties (Note 13)	**–**	**–**	**(0.6)**	**–**	**(0.6)**
Modifications to lease terms	**(11.9)**	**28.4**	**–**	**–**	**16.5**
Amortisation/depreciation (Note 4)	**(51.2)**	**(29.4)**	**(46.5)**	**(27.4)**	**(154.5)**
Net book value at 31st December	**624.3**	**89.3**	**74.5**	**39.8**	**827.9**
Cost	**1,079.4**	**182.1**	**143.6**	**83.8**	**1,488.9**
Accumulated amortisation/depreciation and impairment	**(455.1)**	**(92.8)**	**(69.1)**	**(44.0)**	**(661.0)**
	624.3	**89.3**	**74.5**	**39.8**	**827.9**
2022					
Net book value at 1st January	624.4	68.1	49.1	27.8	769.4
Translation adjustments	(55.8)	(4.1)	(6.3)	(3.4)	(69.6)
Additions	20.1	23.5	78.0	38.7	160.3
Disposals/terminations	(0.1)	(0.2)	(2.1)	(0.1)	(2.5)
Transfer from investment properties (Note 13)	15.7	–	–	–	15.7
Modifications to lease terms	–	0.1	–	–	0.1
Amortisation/depreciation (Note 4)	(48.8)	(26.5)	(42.6)	(23.2)	(141.1)
Surplus on revaluation	0.9	–	–	–	0.9
Net book value at 31st December	556.4	60.9	76.1	39.8	733.2
Cost	970.5	202.0	273.4	196.8	1,642.7
Accumulated amortisation/depreciation and impairment	(414.1)	(141.1)	(197.3)	(157.0)	(909.5)
	556.4	60.9	76.1	39.8	733.2

The typical lease terms associated with the right-of-use assets are as follows:

Leasehold land	6 to 99 years
Properties	1 to 30 years
Plant & machinery	1 to 4 years
Motor vehicles	1 to 6 years

The Group's leasehold land and other right-of-use assets have not been pledged as security for borrowings at 31st December 2023 and 2022.

12 Property, Plant And Equipment

	Freehold land US$m	Buildings & leasehold improvements US$m	Mining properties US$m	Plant & machinery US$m	Office furniture, fixtures & equipment US$m	Transportation equipment & motor vehicles US$m	Total US$m
Group							
2023							
Net book value at 1st January	**38.8**	**955.1**	**756.9**	**1,346.4**	**119.1**	**476.1**	**3,692.4**
Translation adjustments	**0.1**	**16.8**	**(4.5)**	**17.8**	**1.7**	**9.2**	**41.1**
Additions arising from acquisition of subsidiaries (Note 37)	**–**	**12.9**	**470.9**	**1.7**	**0.5**	**0.2**	**486.2**
Additions	**–**	**112.7**	**–**	**1,166.8**	**87.9**	**203.3**	**1,570.7**
Transfer from/(to) investment properties (Note 13)	**–**	**(0.1)**	**–**	**0.6**	**–**	**–**	**0.5**
Transfer from/(to) stocks	**–**	**–**	**–**	**15.8**	**(1.0)**	**(21.4)**	**(6.6)**
Disposals	**–**	**(20.6)**	**–**	**(15.7)**	**(0.2)**	**(4.2)**	**(40.7)**
Depreciation (Note 4)	**–**	**(100.7)**	**(65.6)**	**(413.2)**	**(62.6)**	**(112.8)**	**(754.9)**
Write-back of impairment (Note 4)	**–**	**0.4**	**–**	**0.1**	**–**	**0.6**	**1.1**
Net book value at 31st December	**38.9**	**976.5**	**1,157.7**	**2,120.3**	**145.4**	**551.0**	**4,989.8**
Cost	**38.9**	**2,045.8**	**2,222.5**	**5,854.9**	**683.2**	**958.3**	**11,803.6**
Accumulated depreciation and impairment	**–**	**(1,069.3)**	**(1,064.8)**	**(3,734.6)**	**(537.8)**	**(407.3)**	**(6,813.8)**
	38.9	**976.5**	**1,157.7**	**2,120.3**	**145.4**	**551.0**	**4,989.8**
2022							
Net book value at 1st January	39.3	1,063.0	835.8	1,327.2	128.8	458.0	3,852.1
Translation adjustments	(0.5)	(89.9)	(4.8)	(107.0)	(11.0)	(42.5)	(255.7)
Additions	–	78.6	–	534.6	63.7	186.7	863.6
Transfer from investment properties (Note 13)	–	7.2	–	–	–	–	7.2
Transfer from/(to) stocks	–	–	–	1.9	(0.5)	(18.2)	(16.8)
Disposals	–	(3.1)	–	(6.6)	(0.9)	(7.4)	(18.0)
Depreciation (Note 4)	–	(101.3)	(74.1)	(357.8)	(60.8)	(100.4)	(694.4)
(Impairment)/write-back of impairment (Note 4)	–	0.6	–	(45.9)	(0.2)	(0.1)	(45.6)
Net book value at 31st December	38.8	955.1	756.9	1,346.4	119.1	476.1	3,692.4
Cost	38.8	1,945.1	1,746.2	4,707.8	586.6	831.5	9,856.0
Accumulated depreciation and impairment	–	(990.0)	(989.3)	(3,361.4)	(467.5)	(355.4)	(6,163.6)
	38.8	955.1	756.9	1,346.4	119.1	476.1	3,692.4

12 Property, Plant And Equipment (continued)

Property, plant and equipment with a net book value of US$11.8 million (2022: US$6.8 million) have been pledged as security for borrowings at 31st December 2023.

Management has performed an impairment review of the gold mining properties and related assets. The impairment review was performed by comparing the carrying amounts of the cash-generating unit, which includes the related goodwill, with the recoverable amount of the cash-generating unit determined based on fair value less costs to sell calculations. This calculation uses pre-tax cash flow projections based on financial budgets approved by management covering the remaining concession period. In 2023, an impairment loss of US$22.1 million (Note 10) was recognised in respect of goodwill relating to an acquisition of a gold mining business, in view of operating challenges. No impairment loss was recognised in 2022.

	Freehold land US$m	Buildings & leasehold improvements US$m	Office furniture, fixtures & equipment US$m	Motor vehicles US$m	Total US$m
Company					
2023					
Net book value at 1st January	**27.4**	**3.9**	**0.3**	**2.0**	**33.6**
Translation adjustments	**0.5**	**0.1**	**–**	**–**	**0.6**
Additions	**–**	**–**	**–**	**0.9**	**0.9**
Disposals	**–**	**–**	**–**	**(0.6)**	**(0.6)**
Depreciation (Note 4)	**–**	**(0.2)**	**(0.1)**	**(0.5)**	**(0.8)**
Net book value at 31st December	**27.9**	**3.8**	**0.2**	**1.8**	**33.7**
Cost	**27.9**	**6.6**	**1.4**	**2.5**	**38.4**
Accumulated depreciation	**–**	**(2.8)**	**(1.2)**	**(0.7)**	**(4.7)**
	27.9	**3.8**	**0.2**	**1.8**	**33.7**
2022					
Net book value at 1st January	27.2	4.1	0.4	1.4	33.1
Translation adjustments	0.2	–	0.1	–	0.3
Additions	–	–	–	1.4	1.4
Disposals	–	–	–	(0.4)	(0.4)
Depreciation (Note 4)	–	(0.2)	(0.2)	(0.4)	(0.8)
Net book value at 31st December	27.4	3.9	0.3	2.0	33.6
Cost	27.4	6.4	1.4	2.5	37.7
Accumulated depreciation	–	(2.5)	(1.1)	(0.5)	(4.1)
	27.4	3.9	0.3	2.0	33.6

13 Investment Properties

	Group	
	2023 US$m	**2022 US$m**
Completed commercial properties:		
Balance at 1st January	**455.9**	529.1
Translation adjustments	**9.4**	(47.9)
Fair value loss (Note 4)	**(2.7)**	(2.8)
Additions	**0.3**	0.4
Transfer to commercial properties under development	**(1.8)**	–
Transfer from/(to) right-of-use assets (Note 11)	**0.6**	(15.7)
Transfer to property, plant and equipment (Note 12)	**(0.5)**	(7.2)
Balance at 31st December	**461.2**	455.9
Commercial properties under development:		
Balance at 1st January	**–**	–
Transfer from completed commercial properties	**1.8**	–
Balance at 31st December	**1.8**	–
Total	**463.0**	455.9

The valuations of the investment properties were conducted by independent, professionally qualified valuers, based on the open market value. Fair values of these properties are generally derived based on the direct comparison method, using observable recent market transactions. This valuation method is based on comparing the property to be valued directly with other comparable properties in close proximity. However, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

The Group's policy is to recognise transfers between the levels in the fair value measurement hierarchy as of the date of the event or change in circumstances that caused the transfer. There were no transfers between the fair value hierarchy levels for the financial years ended 31st December 2023 and 2022.

The Group's investment properties have not been pledged as security for borrowings at 31st December 2023 and 2022.

14 Bearer Plants

The Group's bearer plants are primarily for the production of palm oil.

	Group	
	2023 US$m	2022 US$m
Net book value at 1st January	**464.7**	498.6
Translation adjustments	**9.5**	(47.0)
Additions	**36.6**	41.3
Depreciation (Note 4)	**(30.1)**	(28.2)
Net book value at 31st December	**480.7**	464.7
Immature bearer plants	**97.3**	104.0
Mature bearer plants	**383.4**	360.7
	480.7	464.7
Cost	**748.5**	702.3
Accumulated depreciation	**(267.8)**	(237.6)
	480.7	464.7

The Group's bearer plants have not been pledged as security for borrowings at 31st December 2023 and 2022.

15 Interests In Subsidiaries

	Company	
	2023 US$m	2022 US$m
At cost:		
– quoted equity securities (market value: 2023: US$7,435.7 million; 2022: US$7,351.3 million)	**1,271.6**	1,247.0
– unquoted equity securities	**187.1**	186.4
	1,458.7	1,433.4
Less: Impairment	**(0.8)**	(0.7)
	1,457.9	1,432.7

A list of principal subsidiaries is set out in Note 41.

16 Interests In Associates And Joint Ventures

The amounts recognised in the balance sheet are as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
At cost:				
– quoted equity securities (Group market value: 2023: US$1,085.6 million; 2022: US$736.5 million)	**1,581.5**	940.3	**797.8**	782.4
– unquoted equity securities	**2,167.4**	1,958.3	**398.5**	390.8
	3,748.9	2,898.6	**1,196.3**	1,173.2
Post-acquisition reserves and impairment	**1,893.1**	1,677.5	**(315.0)**	(308.9)
	5,642.0	4,576.1	**881.3**	864.3
Associates	**3,015.7**	2,156.6	**813.1**	797.4
Joint ventures	**2,626.3**	2,419.5	**68.2**	66.9
	5,642.0	4,576.1	**881.3**	864.3

The market value of quoted equity securities is based on their quoted prices. In determining whether these investments are impaired, management has also considered recent arm's length transactions of a similar nature and the investment's recoverable amount computed using a value-in-use calculation.

Movements of the Group's associates and joint ventures during the year are as follows:

	Associates		Joint ventures	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Balance at 1st January	**2,156.6**	2,148.5	**2,419.5**	2,237.0
Translation adjustments	**(18.2)**	(129.2)	**45.8**	(218.9)
Share of results after tax and non-controlling interests	**205.8**	154.7	**527.0**	420.7
Share of other comprehensive income after tax and non-controlling interests	**(4.2)**	94.9	**14.3**	8.7
Dividends received	**(112.1)**	(164.9)	**(394.0)**	(330.8)
Transfer from other investments (Note 17)	**33.5**	–	**1.5**	–
Acquisitions and increase in attributable interests	**754.3**	50.3	**12.6**	302.6
Disposals and decrease in attributable interests	**–**	(1.2)	**–**	–
Other	**–**	3.5	**(0.4)**	0.2
Balance at 31st December	**3,015.7**	2,156.6	**2,626.3**	2,419.5

16 Interests In Associates And Joint Ventures (continued)

(a) Investment in associates

The material associates of the Group are Truong Hai Group Corporation ("THACO"), SCCC and PT Astra Daihatsu Motor. These associates have share capital consisting solely of ordinary shares. The Company has a 26.6% and a 25.5% interest in THACO and SCCC, respectively, and the Group's subsidiary, Astra has a 31.9% interest in PT Astra Daihatsu Motor. THACO is a multi-industry group in Vietnam and SCCC is a cement manufacturer in Thailand. PT Astra Daihatsu Motor is principally involved in the manufacturing and distribution of Daihatsu motor vehicles in Indonesia.

In 2022, an impairment loss of US$114.0 million has been included in the share of results of associates and joint ventures of US$575.4 million. The Company has recorded an impairment loss of US$114.0 million in the net operating costs.

In 2023, an impairment review was performed by management on the carrying amount of SCCC for the Group and Company at 31st December 2023, and concluded that no impairment has occurred.

The impairment review was performed by comparing the carrying amount of SCCC with the recoverable amount. The recoverable amount was determined based on a value-in-use ("VIU") calculation using cash flow projections approved by management covering a four-year period. Cash flows beyond the four-year period were extrapolated using the estimates stated below:

Growth rates	2.6% – 3.5%
Pre-tax discount rate	13.4%

The growth rates do not exceed the long-term average industry growth rates of the countries, and the pre-tax discount rate reflects business specific risks relating to the relevant industry.

For the recoverable amount of SCCC:

- If the estimated operating EBITDA margin used in the VIU calculation had been 4%-point lower than management's estimates, the Group would have recognised an impairment charge of US$83 million;
- If the estimated pre-tax discount rate applied to the discounted cash flows had been 1%-point higher than management's estimates, the Group would have recognised an impairment charge of US$13 million; and
- If the long-term growth rate applied to the discounted cash flows had been 0.5%-point lower than management's estimates, no further impairment are required.

As at 31st December 2023, the fair value of the Group's interest in SCCC, which is listed on the Stock Exchange of Thailand, was US$301.4 million (2022: US$338.0 million).

16 Interests In Associates And Joint Ventures (continued)

(a) Investment in associates (continued)

Set out below is the summarised financial information for the Group's material associates.

Summarised balance sheet at 31st December:

	THACO US$m	SCCC US$m	PT Astra Daihatsu Motor US$m	Total US$m
2023				
Non-current assets	**3,765.3**	**1,840.7**	**550.4**	**6,156.4**
Current assets				
Cash and cash equivalents	**66.1**	**176.2**	**531.9**	**774.2**
Other current assets	**3,263.6**	**267.7**	**655.1**	**4,186.4**
Total current assets	**3,329.7**	**443.9**	**1,187.0**	**4,960.6**
Non-current liabilities				
Financial liabilities	**(1,312.9)**	**(424.1)**	**–**	**(1,737.0)**
Other non-current liabilities	**(181.9)**	**(151.0)**	**(110.2)**	**(443.1)**
Total non-current liabilities	**(1,494.8)**	**(575.1)**	**(110.2)**	**(2,180.1)**
Current liabilities				
Financial liabilities (excluding trade payables)	**(1,727.8)**	**(224.3)**	**–**	**(1,952.1)**
Other current liabilities (including trade payables)	**(1,639.1)**	**(248.5)**	**(711.0)**	**(2,598.6)**
Total current liabilities	**(3,366.9)**	**(472.8)**	**(711.0)**	**(4,550.7)**
Non-controlling interests	**(296.9)**	**(25.3)**	**–**	**(322.2)**
Net assets attributable to associates' shareholders	**1,936.4**	**1,211.4**	**916.2**	**4,064.0**
2022				
Non-current assets	3,435.9	1,893.2	532.8	5,861.9
Current assets				
Cash and cash equivalents	57.0	99.3	498.1	654.4
Other current assets	3,152.1	378.9	768.9	4,299.9
Total current assets	3,209.1	478.2	1,267.0	4,954.3
Non-current liabilities				
Financial liabilities	(615.9)	(550.0)	(0.9)	(1,166.8)
Other non-current liabilities	(188.2)	(154.9)	(99.0)	(442.1)
Total non-current liabilities	(804.1)	(704.9)	(99.9)	(1,608.9)
Current liabilities				
Financial liabilities (excluding trade payables)	(1,689.6)	(85.3)	(2.0)	(1,776.9)
Other current liabilities (including trade payables)	(1,974.8)	(334.0)	(860.4)	(3,169.2)
Total current liabilities	(3,664.4)	(419.3)	(862.4)	(4,946.1)
Non-controlling interests	(235.7)	(36.5)	–	(272.2)
Net assets attributable to associates' shareholders	1,940.8	1,210.7	837.5	3,989.0

16 Interests In Associates And Joint Ventures (continued)

(a) Investment in associates (continued)

Summarised statement of comprehensive income for the year ended 31st December:

	THACO US$m	SCCC US$m	PT Astra Daihatsu Motor US$m	Total US$m
2023				
Revenue	**2,836.0**	**1,205.6**	**5,111.7**	**9,153.3**
Depreciation and amortisation	**(150.1)**	**(104.1)**	**(128.7)**	**(382.9)**
Financing income	**89.3**	**2.5**	**22.3**	**114.1**
Financing charges	**(223.7)**	**(37.4)**	**(0.8)**	**(261.9)**
Tax	**(9.6)**	**(17.2)**	**(52.5)**	**(79.3)**
Profit after tax	**145.1**	**67.2**	**205.4**	**417.7**
Other comprehensive income/(expense)	**–**	**(2.6)**	**0.1**	**(2.5)**
Total comprehensive income	**145.1**	**64.6**	**205.5**	**415.2**
Dividends received from associates	**27.2**	**19.7**	**45.6**	**92.5**
2022				
Revenue	3,702.2	1,416.2	5,236.7	10,355.1
Depreciation and amortisation	(143.5)	(108.4)	(123.0)	(374.9)
Financing income	122.0	2.4	11.4	135.8
Financing charges	(192.4)	(29.0)	(0.7)	(222.1)
Tax	(34.3)	(31.9)	(71.9)	(138.1)
Profit after tax	311.8	54.5	263.6	629.9
Other comprehensive income	–	3.2	2.8	6.0
Total comprehensive income	311.8	57.7	266.4	635.9
Dividends received from associates	55.3	19.5	76.6	151.4

The information above reflects the amounts presented in the financial statements of the associates, adjusted for differences in accounting policies between the Group and the associates, and fair value of the associates at the time of acquisition. For associates acquired during 2023, the fair value of the identifiable assets and liabilities at the acquisition date is provisional and will be finalised within one year after the acquisition date.

16 Interests In Associates And Joint Ventures (continued)

(a) Investment in associates (continued)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in the material associates is set out below.

	THACO US$m	SCCC US$m	PT Astra Daihatsu Motor US$m	Total US$m
2023				
Net assets	**1,936.4**	**1,211.4**	**916.2**	**4,064.0**
Interest in associates	**26.6%**	**25.5%**	**31.9%**	
Group's share of net assets in associates	**515.1**	**309.4**	**292.0**	**1,116.5**
Goodwill	**158.2**	**368.7**	**–**	**526.9**
Less: Impairment	**–**	**(274.4)**	**–**	**(274.4)**
Carrying value	**673.3**	**403.7**	**292.0**	**1,369.0**
2022				
Net assets	1,940.8	1,210.7	837.5	3,989.0
Interest in associates	26.6%	25.5%	31.9%	
Group's share of net assets in associates	516.2	309.2	266.9	1,092.3
Goodwill	162.6	365.0	–	527.6
Less: Impairment	–	(271.6)	–	(271.6)
Carrying value	678.8	402.6	266.9	1,348.3

The Group has interests in a number of individually immaterial associates. The following table analyses, in aggregate, the share of profit and other comprehensive income and carrying amount of these associates.

	2023 US$m	2022 US$m
Group's share of profit	**86.0**	89.8
Group's share of other comprehensive income	**(3.6)**	93.2
Group's share of total comprehensive income	**82.4**	183.0
Carrying amount of interests in these associates	**1,646.7**	808.3

In 2023, the Group has acquired new associates which are disclosed in Note 37.

16 Interests In Associates And Joint Ventures (continued)

(b) Investment in joint ventures

The material joint venture of the Group is PT Astra Honda Motor. The joint venture has share capital consisting solely of ordinary shares, which are held by the Group's subsidiary, Astra. Astra has a 50.0% interest in PT Astra Honda Motor. PT Astra Honda Motor is principally involved in the manufacturing and distribution of Honda motorcycles in Indonesia.

Set out below is the summarised financial information for the Group's material joint venture.

Summarised balance sheet at 31st December:

	2023 US$m	2022 US$m
Non-current assets	**1,301.1**	1,181.7
Current assets		
Cash and cash equivalents	**932.5**	819.6
Other current assets	**465.6**	512.0
Total current assets	**1,398.1**	1,331.6
Non-current liabilities	**(264.2)**	(240.2)
Current liabilities (including trade and other payables)	**(1,133.9)**	(1,072.6)
Net assets	**1,301.1**	1,200.5

Summarised statement of comprehensive income for the year ended 31st December:

	2023 US$m	2022 US$m
Revenue	**6,160.1**	5,393.2
Depreciation and amortisation	**(101.3)**	(130.8)
Financing income	**43.4**	17.9
Tax	**(145.2)**	(118.2)
Profit after tax	**547.9**	413.9
Other comprehensive income/(expense)	**(3.6)**	2.5
Total comprehensive income	**544.3**	416.4
Dividends received from joint venture	**233.6**	217.3

The information above reflects the amounts presented in the financial statements of the joint venture, adjusted for fair value adjustments made at the time of acquisition and differences in accounting policies between the Group and the joint venture. There are no contingent liabilities relating to the Group's interest in the joint venture.

16 Interests In Associates And Joint Ventures (continued)

(b) Investment in joint ventures (continued)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in the material joint venture is set out below.

	2023 US$m	2022 US$m
Net assets	**1,301.1**	1,200.5
Interest in joint venture	**50.0%**	50.0%
Group's share of net assets in joint venture	**650.5**	600.3
Carrying value	**650.5**	600.3

The Group has interests in a number of individually immaterial joint ventures. The following table analyses, in aggregate, the share of profit and other comprehensive income and carrying amount of these joint ventures.

	2023 US$m	2022 US$m
Group's share of profit	**253.1**	213.8
Group's share of other comprehensive income	**16.0**	7.4
Group's share of total comprehensive income	**269.1**	221.2
Carrying amount of interests in these joint ventures	**1,975.8**	1,819.2

A list of the Group's principal associates and joint ventures is set out in Note 41.

17 Investments

The Group's investments consist of equity investments at fair value through profit and loss and debt investments at fair value through comprehensive income.

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Equity investments at fair value through profit and loss				
– quoted investments	**1,117.2**	1,177.6	**264.8**	197.6
– unquoted investments	**175.3**	206.7	**–**	–
	1,292.5	1,384.3	**264.8**	197.6
Debt investments at fair value through profit and loss				
– unquoted investments	**418.5**	–	**416.4**	–
Debt investments at fair value through other comprehensive income	**916.2**	762.8	**–**	–
	2,627.2	2,147.1	**681.2**	197.6
Non-current	**2,572.2**	2,128.9	**681.2**	197.6
Current	**55.0**	18.2	**–**	–
	2,627.2	2,147.1	**681.2**	197.6

Debt investments at fair value through other comprehensive income comprised listed bonds.

Movements during the year are as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Balance at 1st January	**2,147.1**	2,300.9	**197.6**	264.5
Translation adjustments	**54.7**	(117.4)	**18.3**	(0.4)
Change in fair value recognised in profit and loss (Note 4)	**(29.5)**	(269.6)	**98.3**	(66.5)
Change in fair value recognised in other comprehensive income	**(11.6)**	(20.4)	**–**	–
Additions	**658.3**	481.1	**367.0**	–
Disposals	**(156.1)**	(226.8)	**–**	–
Transfer to associates and joint ventures (Note 16)	**(35.0)**	–	**–**	–
Unwinding of premium	**(0.7)**	(0.7)	**–**	–
Balance at 31st December	**2,627.2**	2,147.1	**681.2**	197.6

The fair value measurements of investments are determined on the following bases:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Quoted prices in active markets	**2,033.4**	1,940.4	**264.8**	197.6
Other valuation techniques using unobservable inputs	**593.8**	206.7	**416.4**	–
	2,627.2	2,147.1	**681.2**	197.6

17 Investments (continued)

Movements of unlisted equity and debt investments which are valued based on unobservable inputs during the year ended 31st December are as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Balance at 1st January	**206.7**	387.8	**–**	–
Translation adjustments	**18.0**	(28.2)	**13.3**	–
Change in fair value recognised in profit and loss	**31.5**	24.4	**36.1**	–
Additions	**372.6**	55.7	**367.0**	–
Transfer to associates and joint ventures	**(35.0)**	–	**–**	–
Transfer to quoted investments	**–**	(233.0)	**–**	–
Balance at 31st December	**593.8**	206.7	**416.4**	–

18 Properties For Sale

	Group	
	2023 US$m	2022 US$m
Properties under development	**515.5**	354.8
Completed properties	**38.5**	45.4
	554.0	400.2

As at 31st December 2023, properties under development amounting to US$415.1 million (2022: US$271.3 million) were not scheduled for completion within the next 12 months.

The Group's properties for sale have not been pledged as security for borrowings at 31st December 2023 and 2022.

19 Stocks

	Group	
	2023 US$m	2022 US$m
Finished goods	**2,136.5**	1,711.0
Work in progress	**59.0**	64.6
Raw materials	**124.5**	104.3
Spare parts	**118.5**	90.5
Other	**160.9**	159.8
	2,599.4	2,130.2

The Group's stocks have not been pledged as security for borrowings at 31st December 2023 (2022: US$0.9 million).

20 Financing Debtors

	Group	
	2023 US$m	2022 US$m
Consumer financing debtors	**4,847.1**	4,448.3
Less: Allowance for impairment	**(329.7)**	(340.5)
	4,517.4	4,107.8
Financing lease receivables		
– gross investment	**680.2**	568.6
– unearned finance income	**(70.6)**	(63.5)
– net investment	**609.6**	505.1
Less: Allowance for impairment	**(35.0)**	(31.1)
	574.6	474.0
	5,092.0	4,581.8
Non-current	**2,590.2**	2,240.1
Current	**2,501.8**	2,341.7
	5,092.0	4,581.8

The maturity analysis of consumer financing debtors is as follows:

Including related finance income

	2023 US$m	2022 US$m
Within one year	**3,154.0**	3,055.1
Between one and two years	**1,888.7**	1,609.2
Between two and three years	**778.9**	677.7
Between three and four years	**272.4**	251.9
Between four and five years	**82.4**	78.2
	6,176.4	5,672.1

Excluding related finance income

	2023 US$m	2022 US$m
Within one year	**2,342.4**	2,280.6
Between one and two years	**1,519.0**	1,292.0
Between two and three years	**672.2**	579.9
Between three and four years	**241.5**	224.3
Between four and five years	**72.0**	71.5
	4,847.1	4,448.3

20 Financing Debtors (continued)

The maturity analysis of investment in financing lease receivables is as follows:

	Gross investment		Net investment	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Within one year	**396.5**	305.8	**346.4**	262.8
Between one and two years	**213.0**	190.9	**195.9**	174.2
Between two and three years	**60.2**	65.7	**57.0**	62.4
Between three and four years	**6.0**	5.5	**5.8**	5.1
Between four and five years	**1.2**	0.7	**1.2**	0.6
Beyond five years	**3.3**	–	**3.3**	–
	680.2	568.6	**609.6**	505.1

Impairment of financing debtors

The consumer financing debtors relate primarily to Astra's motor vehicle and motorcycle financing. Before accepting any new customer, the Group assesses the potential customer's credit quality and sets credit limits by customer using internal scoring systems. These limits and scoring are reviewed periodically. The Group obtains collateral in the form of motor vehicles and motorcycles from consumer financing debtors.

The loan period ranges from 6 to 60 months for motor vehicles and motorcycles. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payment are factors in determining the credit risk of financing debtors. To measure the expected credit losses, the financing debtors have been grouped based on shared credit risk characteristics and the days past due. The calculation reflects the probability-weighted outcome, the time value of money, historical loss rate, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Changes in certain macroeconomic information, such as GDP and inflation rate, are relevant for determining expected credit loss rates. Financing debtors are performing when timely repayments are being made. Financing debtors are underperforming and subject to a significant increase in credit risk when motor vehicle and motorcycle financing debtors are overdue for 30 days, or for certain motor vehicle and motorcycle financing debtors who had restructured their loans. Lifetime expected credit losses are provided at this stage. Financing debtors are non-performing if they are overdue for 90 days. Financing debtors are written off when they are overdue for 150 days and there is no reasonable expectation of recovery. In case of default, the Group facilitates the customer to sell the collateral vehicles under fiduciary arrangements for the purpose of recovering the outstanding receivables.

The fair value of the financing debtors is US$4,559.5 million (2022: US$4,192.1 million). The fair value of financing debtors is determined based on a discounted cash flow method using unobservable inputs, which are mainly discount rates of 10% to 37% per annum (2022: 10% to 37% per annum).

Financing debtors are due within eight years (2022: five years) from the balance sheet date and the interest rates range from 7% to 48% per annum (2022: 7% to 45% per annum).

Financing debtors amounting to US$15.8 million at 31st December 2023 (2022: US$17.3 million) have been pledged as security for borrowings (Note 26).

20 Financing Debtors (continued)

Impairment of financing debtors (continued)

The Group provides for credit losses against the financing debtors in 2023 and 2022 as follows:

	Expected credit loss rate %	Estimated gross carrying amount at default US$m
2023		
Performing	**1.46 – 8.00**	**4,187.1**
Underperforming	**1.46 – 32.57**	**1,164.7**
Non-performing	**34.20 – 66.00**	**104.9**
2022		
Performing	2.15 – 13.58	3,666.0
Underperforming	2.15 – 37.60	1,161.0
Non-performing	42.00 – 66.00	126.4

Movements in the allowance for impairment of financing debtors are as follows:

	Performing US$m	Under-performing US$m	Non-performing US$m	Total US$m
2023				
Balance at 1st January	**164.1**	**117.2**	**90.3**	**371.6**
Translation adjustments	**3.1**	**2.4**	**2.2**	**7.7**
Impairment/(write-back of impairment) (Note 4)	**(79.0)**	**114.0**	**59.8**	**94.8**
Transfer	**94.2**	**(61.9)**	**(32.3)**	**–**
Write-off/Utilisation	**–**	**(55.3)**	**(54.1)**	**(109.4)**
Balance at 31st December	**182.4**	**116.4**	**65.9**	**364.7**
2022				
Balance at 1st January	181.2	148.9	34.0	364.1
Translation adjustments	(15.8)	(12.9)	(6.4)	(35.1)
Impairment/(write-back of impairment) (Note 4)	(45.3)	176.7	35.0	166.4
Transfer	44.0	(133.4)	89.4	–
Write-off/Utilisation	–	(62.1)	(61.7)	(123.8)
Balance at 31st December	164.1	117.2	90.3	371.6

As at 31st December 2023 and 2022, there are no financing debtors that are written off but still subject to enforcement activities.

21 Debtors

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Financing debtors (Note 20)	**5,092.0**	4,581.8	**–**	–
Trade debtors				
Amounts owing by third parties	**1,573.8**	1,747.2	**–**	–
Amounts owing by associates	**43.3**	44.2	**–**	–
Amounts owing by joint ventures	**163.4**	117.5	**–**	–
	1,780.5	1,908.9	**–**	–
Less: Allowance for impairment	**(66.3)**	(84.8)	**–**	–
	1,714.2	1,824.1	**–**	–
Other debtors				
Receivables from collateral vehicles	**40.8**	15.6	**–**	–
Restricted bank balances and deposits	**49.3**	43.4	**–**	–
Loans to employees	**37.7**	31.8	**0.3**	0.1
Interest receivable	**12.8**	9.6	**2.8**	–
Amounts owing by associates	**127.1**	136.6	**0.1**	–
Amounts owing by joint ventures	**52.1**	45.5	**0.3**	0.1
Amounts owing by subsidiaries	**–**	–	**1,096.4**	1,112.5
Other financial assets	**627.4**	633.9	**1.3**	–
	947.2	916.4	**1,101.2**	1,112.7
Less: Allowance for impairment	**(38.7)**	(29.2)	**–**	–
	908.5	887.2	**1,101.2**	1,112.7
Financial assets excluding derivatives	**7,714.7**	7,293.1	**1,101.2**	1,112.7
Forward foreign exchange contracts (Note 35)	**0.7**	0.2	**–**	–
Cross-currency swap contracts (Note 35)	**48.2**	118.9	**–**	–
Interest rate swap contracts (Note 35)	**2.6**	0.9	**2.3**	–
	51.5	120.0	**2.3**	–
Financial assets	**7,766.2**	7,413.1	**1,103.5**	1,112.7
Contract assets (Note 3)				
Gross	**147.0**	108.3	**–**	–
Less: Allowance for impairment	**(61.5)**	(59.6)	**–**	–
	85.5	48.7	**–**	–
Reinsurance contract assets	**122.2**	91.7	**–**	–
Insurance contract assets	**67.9**	45.8	**–**	–
Deposits	**7.7**	6.9	**0.1**	0.1
Prepayments	**751.3**	691.3	**1.3**	1.7
Other	**375.4**	212.3	**1.3**	0.9
	9,176.2	8,509.8	**1,106.2**	1,115.4

21 Debtors (continued)

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Non-current				
Consumer financing debtors	**2,342.7**	2,013.2	**–**	–
Financing lease receivables	**247.5**	226.9	**–**	–
Financing debtors	**2,590.2**	2,240.1	**–**	–
Trade debtors	**1.8**	–	**–**	–
Other debtors	**1,091.2**	848.3	**2.3**	–
	3,683.2	3,088.4	**2.3**	–
Current				
Consumer financing debtors	**2,174.7**	2,094.6	**–**	–
Financing lease receivables	**327.1**	247.1	**–**	–
Financing debtors	**2,501.8**	2,341.7	**–**	–
Trade debtors	**1,712.4**	1,824.1	**–**	–
Other debtors	**1,193.3**	1,206.9	**1,103.9**	1,115.4
Contract assets	**85.5**	48.7	**–**	–
	5,493.0	5,421.4	**1,103.9**	1,115.4
Analysis by geographical area of operation:				
Indonesia	**9,081.1**	8,415.3	**–**	–
Singapore	**78.6**	68.6	**1,106.2**	1,115.4
Malaysia	**16.5**	25.9	**–**	–
	9,176.2	8,509.8	**1,106.2**	1,115.4
Analysis by fair value:				
Consumer financing debtors	**4,010.0**	3,741.0	**–**	–
Financing lease receivables	**549.5**	451.1	**–**	–
Financing debtors	**4,559.5**	4,192.1	**–**	–
Trade debtors	**1,714.2**	1,824.2	**–**	–
Other debtors	**2,361.1**	2,095.2	**1,106.2**	1,115.4
	8,634.8	8,111.5	**1,106.2**	1,115.4

21 Debtors (continued)

Impairment of trade debtors and contract assets

Before accepting any new customer, the individual Group business assesses the potential customer's credit quality and sets credit limits by customer using internal credit scoring systems. These limits and scoring are reviewed periodically.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payment are considered indicators that the debtor is impaired and an allowance for impairment is made based on the estimated irrecoverable amount determined by reference to past default experience.

The Group applies the simplified approach to measure expected credit loss, that is a lifetime expected loss allowance for trade debtors and contract assets. To measure the expected credit losses, trade debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due. Changes in certain macroeconomic information, such as GDP and inflation rate, are relevant for determining expected credit loss rates. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade debtors for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade debtors are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors and industry trends affecting the ability of the customers to settle the receivables.

The loss allowance for both trade debtors and contract assets as at 31st December 2023 and 2022 were determined as follows:

	Below 30 days	Between 31 and 60 days	Between 61 and 120 days	More than 120 days	Total
2023					
Trade debtors					
Expected loss rate (%)	**1.1%**	**2.9%**	**5.1%**	**61.0%**	
Gross carrying amount (US$m)	**1,564.5**	**97.0**	**47.5**	**71.5**	**1,780.5**
Loss allowance (US$m)	**(17.5)**	**(2.8)**	**(2.4)**	**(43.6)**	**(66.3)**
Contract assets					
Expected loss rate (%)	**41.8%**	**–**	**–**	**–**	
Gross carrying amount (US$m)	**147.0**	**–**	**–**	**–**	**147.0**
Loss allowance (US$m)	**(61.5)**	**–**	**–**	**–**	**(61.5)**
2022 Restated					
Trade debtors					
Expected loss rate (%)	0.2%	1.7%	4.1%	66.6%	
Gross carrying amount (US$m)	1,628.4	115.0	49.2	116.3	1,908.9
Loss allowance (US$m)	(3.5)	(1.9)	(2.0)	(77.4)	(84.8)
Contract assets					
Expected loss rate (%)	55.0%	–	–	–	
Gross carrying amount (US$m)	108.3	–	–	–	108.3
Loss allowance (US$m)	(59.6)	–	–	–	(59.6)

21 Debtors (continued)

Impairment of trade debtors and contract assets (continued)

Movements in the allowance for impairment are as follows:

	Trade debtors		Contract assets		Other debtors	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Balance at 1st January as previously reported	**86.6**	85.5	**59.6**	64.5	**29.2**	29.0
Effect of adoption of IFRS 17 (Note 2.1)	**(1.8)**	(1.8)	**–**	–	**–**	–
Balance at 1st January as restated	**84.8**	83.7	**59.6**	64.5	**29.2**	29.0
Translation adjustments	**2.0**	(6.2)	**1.2**	(6.1)	**0.4**	(2.8)
Impairment (Note 4)	**16.3**	14.7	**0.7**	1.6	**16.2**	7.5
Write-back of impairment (Note 4)	**(0.1)**	(2.8)	**–**	(0.4)	**(4.1)**	(5.7)
Write-off	**(36.7)**	(4.6)	**–**	–	**(3.0)**	1.2
Balance at 31st December	**66.3**	84.8	**61.5**	59.6	**38.7**	29.2

Trade debtors, contract assets and other debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

The fair value of the non-current trade and other debtors are determined based on a discounted cash flow method using unobservable inputs, which are mainly discount rates of 5% to 13% per annum (2022: 6% to 13% per annum). The fair value of the receivables from collateral vehicles held amounted to US$26.1 million (2022: US$15.6 million).

Other debtors of the Group amounting to US$12.3 million at 31st December 2023 (2022: US$15.5 million) have been pledged as security for borrowings (Note 26).

The amounts owing by subsidiaries, associates and joint ventures are unsecured, interest-free except for amounts owing by associates and joint ventures amounting to US$139.9 million (2022: US$9.4 million) which bear weighted average interest rate of 1% to 8% (2022: 1% to 6%) per annum.

22 Cash and Bank Balances

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Bank and cash balances	**1,651.6**	2,989.8	**16.3**	17.3
Deposits with banks and financial institutions	**1,130.9**	1,028.3	**10.5**	55.3
	2,782.5	4,018.1	**26.8**	72.6
Analysis by currency:				
Singapore Dollar	**72.9**	28.9	**7.8**	2.7
United States Dollar	**569.7**	1,385.1	**17.8**	68.8
Malaysian Ringgit	**14.2**	6.3	**–**	–
Japanese Yen	**9.9**	6.8	**0.4**	0.4
Indonesian Rupiah	**2,112.8**	2,577.1	**0.2**	–
Euro	**0.5**	0.6	**–**	–
Vietnamese Dong	**1.1**	10.7	**0.6**	0.7
Other	**1.4**	2.6	**–**	–
	2,782.5	4,018.1	**26.8**	72.6

The weighted average effective interest rate on interest-bearing deposits at 31st December 2023 was 3.4% (2022: 2.1%) per annum.

23 Creditors

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Trade creditors				
Amounts owing to third parties	**2,255.1**	1,997.9	**–**	–
Amounts owing to associates	**83.2**	132.3	**–**	–
Amounts owing to joint ventures	**286.2**	266.1	**–**	–
	2,624.5	2,396.3	**–**	–
Other creditors				
Accruals	**1,062.3**	1,184.2	**18.5**	15.6
Interest payable	**45.1**	40.7	**11.9**	9.7
Amounts owing to joint ventures	**0.6**	3.1	**–**	–
Amounts owing to subsidiaries	**–**	–	**275.3**	93.1
Contingent consideration payable	**–**	8.8	**–**	–
Other financial liabilities	**325.6**	231.1	**–**	–
Financial liabilities excluding derivatives	**4,058.1**	3,864.2	**305.7**	118.4
Forward foreign exchange contracts (Note 35)	**0.1**	0.4	**–**	–
Cross-currency swap contracts (Note 35)	**4.2**	2.0	**–**	–
	4.3	2.4	**–**	–
Financial liabilities	**4,062.4**	3,866.6	**305.7**	118.4
Contract liabilities (Note 3)	**443.1**	453.5	**–**	–
Insurance contract liabilities	**906.9**	798.9	**–**	–
Reinsurance contract liabilities	**1.4**	2.5	**–**	–
Rental income received in advance	**9.3**	7.4	**–**	–
Customer deposits and advances	**129.3**	109.5	**–**	–
Other	**81.4**	60.6	**–**	–
	5,633.8	5,299.0	**305.7**	118.4
Non-current	**254.0**	163.1	**–**	–
Current	**5,379.8**	5,135.9	**305.7**	118.4
	5,633.8	5,299.0	**305.7**	118.4
Analysis by geographical area of operation:				
Indonesia	**5,286.0**	5,004.7	**–**	–
Singapore	**318.6**	246.0	**305.7**	118.4
Malaysia	**29.2**	48.3	**–**	–
	5,633.8	5,299.0	**305.7**	118.4

The amounts owing to subsidiaries, associates and joint ventures are unsecured, interest-free and repayable on demand. The fair value of creditors approximates their carrying amounts.

The contingent consideration payable which arose from Astra's acquisition of a 60% interest in PT Duta Nurcahya in 2012 has been settled during the year.

24 Provisions

	Motor vehicle warranties US$m	Closure costs US$m	Statutory employee entitlements US$m	Other US$m	Total US$m
Group					
2023					
Balance at 1st January	**71.1**	**–**	**160.7**	**82.7**	**314.5**
Translation adjustments	**1.4**	**–**	**2.9**	**0.8**	**5.1**
Additions arising from acquisition of subsidiaries (Note 37)	**–**	**–**	**–**	**1.1**	**1.1**
Additional provisions (Note 4)	**1.4**	**0.9**	**25.2**	**16.9**	**44.4**
Utilised during the year	**(1.3)**	**–**	**(0.1)**	**(12.0)**	**(13.4)**
Balance at 31st December	**72.6**	**0.9**	**188.7**	**89.5**	**351.7**
Non-current	**–**	**0.9**	**163.2**	**70.6**	**234.7**
Current	**72.6**	**–**	**25.5**	**18.9**	**117.0**
	72.6	**0.9**	**188.7**	**89.5**	**351.7**
2022					
Balance at 1st January	70.4	0.9	157.1	68.4	296.8
Translation adjustments	0.4	(0.1)	(15.4)	(3.7)	(18.8)
Additional provisions/(write-back) (Note 4)	3.5	(0.8)	19.1	20.9	42.7
Utilised during the year	(3.2)	–	(0.1)	(2.9)	(6.2)
Balance at 31st December	71.1	–	160.7	82.7	314.5
Non-current	–	–	138.1	69.2	207.3
Current	71.1	–	22.6	13.5	107.2
	71.1	–	160.7	82.7	314.5

25 Lease Liabilities

	Group	
	2023 US$m	2022 US$m
Balance at 1st January	**155.6**	117.0
Translation adjustments	**4.1**	(11.1)
Additions	**101.9**	139.9
Terminations	**(3.0)**	(4.3)
Modifications to lease terms	**109.3**	0.7
Lease payments	**(129.8)**	(97.1)
Interest expense (Note 6)	**20.0**	10.5
Balance at 31st December	**258.1**	155.6
Non-current	**178.7**	87.6
Current	**79.4**	68.0
	258.1	155.6

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for other borrowing purposes.

The Group is not exposed to any residual guarantees in respect of the leases entered into at 31st December 2023 and 2022.

The Group has not entered into lease contracts which have not commenced at 31st December 2023 and 2022.

26 Borrowings

	Group	
	2023 US$m	2022 US$m
Current borrowings		
Bank loans	**487.4**	393.7
Current portion of long-term borrowings:		
– Bank loans	**2,360.7**	2,083.9
– Astra Sedaya Finance Berkelanjutan IV Tahap II Bonds	**38.8**	–
– Astra Sedaya Finance Berkelanjutan IV Tahap III Bonds	**15.3**	–
– Astra Sedaya Finance Berkelanjutan IV Tahap IV Bonds	**–**	77.9
– Astra Sedaya Finance Berkelanjutan V Tahap I Bonds	**–**	28.3
– Astra Sedaya Finance Berkelanjutan V Tahap II Bonds	**101.1**	–
– Astra Sedaya Finance Berkelanjutan V Tahap III Bonds	**86.5**	–
– Astra Sedaya Finance Berkelanjutan V Tahap IV Bonds	**–**	65.1
– Astra Sedaya Finance Berkelanjutan V Tahap V Bonds	**–**	29.7
– Astra Sedaya Finance Berkelanjutan VI Tahap I Bonds	**33.8**	–
– Astra Sedaya Finance Berkelanjutan VI Tahap II Bonds	**12.1**	–
– Federal International Finance Berkelanjutan IV Tahap II Bonds	**–**	41.0
– Federal International Finance Berkelanjutan V Tahap I Bonds	**56.5**	–
– Federal International Finance Berkelanjutan V Tahap II Bonds	**43.9**	–
– Federal International Finance Berkelanjutan V Tahap III Bonds	**–**	74.1
– Federal International Finance Berkelanjutan V Tahap IV Bonds	**–**	27.0
– Federal International Finance Berkelanjutan V Tahap V Bonds	**65.8**	–
– Federal International Finance Berkelanjutan VI Tahap I Bonds	**35.3**	–
– Federal International Finance Berkelanjutan VI Tahap II Bonds	**50.4**	–
– SAN Finance Berkelanjutan IV Tahap I Bonds	**–**	6.9
– SAN Finance Berkelanjutan IV Tahap II Bonds	**20.5**	–
– Serasi Autoraya Berkelanjutan I Tahap I Bonds	**–**	10.6
– Other	**0.2**	2.1
	3,408.3	2,840.3

26 Borrowings (continued)

	Group	
	2023 US$m	2022 US$m
Long-term borrowings		
Bank loans	**3,212.9**	2,508.7
Astra Sedaya Finance Berkelanjutan IV Tahap II Bonds	**–**	38.0
Astra Sedaya Finance Berkelanjutan IV Tahap III Bonds	**–**	15.0
Astra Sedaya Finance Berkelanjutan V Tahap II Bonds	**–**	99.0
Astra Sedaya Finance Berkelanjutan V Tahap III Bonds	**–**	84.7
Astra Sedaya Finance Berkelanjutan V Tahap IV Bonds	**121.4**	118.8
Astra Sedaya Finance Berkelanjutan V Tahap V Bonds	**24.6**	24.1
Astra Sedaya Finance Berkelanjutan VI Tahap I Bonds	**127.7**	–
Astra Sedaya Finance Berkelanjutan VI Tahap II Bonds	**49.6**	–
Federal International Finance Berkelanjutan V Tahap I Bonds	**–**	55.3
Federal International Finance Berkelanjutan V Tahap II Bonds	**–**	43.0
Federal International Finance Berkelanjutan V Tahap III Bonds	**43.3**	42.4
Federal International Finance Berkelanjutan V Tahap IV Bonds	**40.5**	39.7
Federal International Finance Berkelanjutan V Tahap V Bonds	**127.2**	–
Federal International Finance Berkelanjutan VI Tahap I Bonds	**28.0**	–
Federal International Finance Berkelanjutan VI Tahap II Bonds	**16.2**	–
SAN Finance Berkelanjutan IV Tahap I Bonds	**32.4**	31.6
SAN Finance Berkelanjutan IV Tahap II Bonds	**64.7**	–
Other	**10.8**	7.6
	3,899.3	3,107.9
Total borrowings	**7,307.6**	5,948.2
Secured	**63.8**	51.2
Unsecured	**7,243.8**	5,897.0
	7,307.6	5,948.2

26 Borrowings (continued)

At 31st December 2023, the Company has unsecured bank loans of US$400.0 million in long-term borrowings (2022: US$877.5 million) and US$883.4 million (2022: US$660.0 million) in current borrowings.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at 31st December, after taking into account hedging transactions are as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Floating rate borrowings	**2,708.1**	1,461.5	**883.4**	1,037.5
Fixed rate borrowings:				
– within one year	**1,994.9**	2,265.1	**–**	500.0
– between one and two years	**1,622.9**	1,212.4	**400.0**	–
– between two and three years	**797.0**	776.3	**–**	–
– between three and four years	**59.2**	105.3	**–**	–
– between four and five years	**37.1**	20.9	**–**	–
– beyond five years	**88.4**	106.7	**–**	–
	7,307.6	5,948.2	**1,283.4**	1,537.5

After taking into account hedging transactions, the weighted average interest rates and period of fixed rate borrowings of the Group are as follows:

			Fixed rate borrowings	Floating rate borrowings	Total
	Weighted average interest rates %	Weighted average period outstanding Months	US$m	US$m	US$m
Currency:					
Group					
2023					
United States Dollar	**5.43**	**15**	**410.3**	**1,156.0**	**1,566.3**
Indonesian Rupiah	**5.90**	**21**	**4,189.2**	**1,148.6**	**5,337.8**
Singapore Dollar	**4.35**	**–**	**–**	**403.5**	**403.5**
			4,599.5	**2,708.1**	**7,307.6**
2022					
United States Dollar	3.70	6	520.4	802.5	1,322.9
Indonesian Rupiah	6.18	22	3,965.6	322.1	4,287.7
Malaysian Ringgit	3.60	4	0.7	–	0.7
Singapore Dollar	3.15	–	–	336.9	336.9
			4,486.7	1,461.5	5,948.2

26 Borrowings (continued)

			Fixed rate borrowings	Floating rate borrowings	Total
	Weighted average interest rates %	Weighted average period outstanding Months	US$m	US$m	US$m
Currency:					
Company					
2023					
United States Dollar	**5.71**	**15**	**400.0**	**580.0**	**980.0**
Singapore Dollar	**4.59**	**–**	**–**	**303.4**	**303.4**
			400.0	**883.4**	**1,283.4**
2022					
United States Dollar	3.70	6	500.0	740.0	1,240.0
Singapore Dollar	3.39	–	–	297.5	297.5
			500.0	1,037.5	1,537.5

The fair values of current borrowings approximate their carrying amounts, as the impact of discounting is not significant. The fair values of the long-term borrowings at the end of the year are as follows:

	Group	
	2023 US$m	2022 US$m
Bank loans	**3,190.8**	2,487.0
Bonds and other	**685.3**	598.4
	3,876.1	3,085.4

The fair values are based on market prices or are estimated using the expected future payments discounted at market interest rates ranging from 4.16% to 9.20% per annum (2022: 5.65% to 8.50% per annum). This is in line with the definition of "observable current market transactions" under the fair value measurement hierarchy.

At 31st December 2023, bank loans and bonds amounting to US$63.8 million (2022: US$51.2 million) have been collateralised by property, plant and equipment, stocks, debtors, and financing debtors.

26 Borrowings (continued)

Details of the bonds outstanding at 31st December are as follows:

	Maturity	Interest rates	Nominal values	
			US$m	Rp billion
Astra Sedaya Finance ("ASF") Bonds and MTNs				
ASF Berkelanjutan IV Tahap II Bonds	2024	9.20%	40.4	623.0
ASF Berkelanjutan IV Tahap III Bonds	2024	7.95%	15.3	236.2
ASF Berkelanjutan V Tahap II Bonds	2024	6.35%	104.3	1,608.0
ASF Berkelanjutan V Tahap III Bonds	2024	5.30%	94.6	1,459.1
ASF Berkelanjutan V Tahap IV Bonds	2025	5.70%	127.9	1,971.9
ASF Berkelanjutan V Tahap V Bonds	2025-2027	6.35%-6.50%	24.6	380.0
ASF Berkelanjutan VI Tahap I Bonds	2024-2026	5.50%-6.00%	162.2	2,500.0
ASF Berkelanjutan VI Tahap II Bonds	2024-2028	6.05%-6.45%	64.9	1,000.0
			634.2	9,778.2

The ASF Bonds were issued by a wholly-owned subsidiary of Astra and are unsecured.

	Maturity	Interest rates	Nominal values	
			US$m	Rp billion
Federal International Finance ("FIF") Bonds and MTNs				
FIF Berkelanjutan V Tahap I Bonds	2024	6.25%	56.6	872.0
FIF Berkelanjutan V Tahap II Bonds	2024	5.30%	50.3	774.7
FIF Berkelanjutan V Tahap III Bonds	2025	5.60%	52.3	807.0
FIF Berkelanjutan V Tahap IV Bonds	2025	6.80%	43.9	676.2
FIF Berkelanjutan V Tahap V Bonds	2024-2026	6.00%-6.80%	194.6	3,000.0
FIF Berkelanjutan VI Tahap I Bonds	2024-2026	5.50%-6.00%	64.9	1,000.0
FIF Berkelanjutan VI Tahap II Bonds	2024-2026	6.40%-6.75%	71.4	1,100.0
			534.0	8,229.9

The FIF Bonds were issued by a wholly-owned subsidiary of Astra and are unsecured.

	Maturity	Interest rates	Nominal values	
			US$m	Rp billion
SAN Finance ("SANF") Bonds				
SANF Berkelanjutan IV Tahap I Bonds	2025	7.05%	38.9	600.0
SANF Berkelanjutan IV Tahap II Bonds	2024-2028	6.00%-7.25%	97.3	1,500.0
			136.2	2,100.0

The SANF Bonds were issued by a partly-owned subsidiary of Astra and are unsecured.

26 Borrowings (continued)

The movements in borrowings are as follows:

	Long-term borrowings US$m	Current borrowings US$m	Total US$m
Group			
2023			
Balance at 1st January	**3,107.9**	**2,840.3**	**5,948.2**
Translation adjustments	**5.1**	**(13.4)**	**(8.3)**
Amortisation of borrowing costs	**0.9**	**10.0**	**10.9**
Transfer	**(3,169.8)**	**3,169.8**	**–**
Drawdown of borrowings	**4,294.1**	**979.0**	**5,273.1**
Repayment of borrowings	**(338.9)**	**(3,577.4)**	**(3,916.3)**
Balance at 31st December	**3,899.3**	**3,408.3**	**7,307.6**
2022			
Balance at 1st January	3,870.3	2,689.9	6,560.2
Translation adjustments	(150.6)	(147.8)	(298.4)
Amortisation of borrowing costs	0.6	11.2	11.8
Transfer	(2,967.6)	2,967.6	–
Drawdown of borrowings	2,355.2	703.7	3,058.9
Repayment of borrowings	–	(3,384.3)	(3,384.3)
Balance at 31st December	3,107.9	2,840.3	5,948.2

27 Deferred Tax

	Accelerated tax depreciation & tax assets revaluation US$m	Fair value (gains)/ losses US$m	Provisions US$m	Tax losses US$m	Employee benefits & other US$m	Total US$m
Group						
2023						
Balance at 1st January as restated	**38.7**	**(277.9)**	**146.3**	**9.0**	**101.5**	**17.6**
Translation adjustments	**1.4**	**(1.2)**	**4.0**	**0.1**	**2.3**	**6.6**
Additions arising from acquisition of subsidiaries (Note 37)	**–**	**(111.9)**	**0.1**	**–**	**0.5**	**(111.3)**
Credited/(charged) to profit and loss account (Note 7)	**4.4**	**12.5**	**(3.0)**	**2.7**	**59.3**	**75.9**
Credited/(charged) to other comprehensive income (Note 7)	**–**	**(2.0)**	**–**	**–**	**0.6**	**(1.4)**
Other	**(5.8)**	**–**	**5.8**	**–**	**–**	**–**
Balance at 31st December	**38.7**	**(380.5)**	**153.2**	**11.8**	**164.2**	**(12.6)**
2022 Restated						
Balance at 1st January as previously reported	42.8	(289.6)	148.3	7.5	123.7	32.7
Effect of adoption of IFRS 17 (Note 2.1)	–	–	(0.4)	–	(0.1)	(0.5)
Balance at 1st January as restated	42.8	(289.6)	147.9	7.5	123.6	32.2
Translation adjustments	(9.2)	7.0	(13.0)	(0.8)	(12.3)	(28.3)
Credited/(charged) to profit and loss account (Note 7)	5.1	12.3	11.4	2.3	(7.1)	24.0
Charged to other comprehensive income (Note 7)	–	(7.6)	–	–	(2.7)	(10.3)
Balance at 31st December as restated	38.7	(277.9)	146.3	9.0	101.5	17.6

	Unremitted / Undistributed earnings	
	2023 US$m	2022 US$m
Company		
Balance at 1st January	**(6.2)**	(6.2)
Translation adjustments	**(0.2)**	–
Charged to profit and loss account	**(0.1)**	–
Balance at 31st December	**(6.5)**	(6.2)

27 Deferred Tax (continued)

Deferred tax balances predominantly comprise non-current items. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheets:

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Deferred tax assets	**455.5**	403.5	**–**	–
Deferred tax liabilities	**(468.1)**	(385.9)	**(6.5)**	(6.2)
Balance at 31st December	**(12.6)**	17.6	**(6.5)**	(6.2)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group did not recognise deferred income tax assets of US$78.3 million (2022: US$81.6 million) in respect of tax losses of US$354.2 million in 2023 (2022: US$369.7 million) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. These tax losses have expiry dates as follows:

	Group	
	2023 US$m	2022 US$m
Expiring in one year	**92.7**	74.0
Expiring in two years	**78.5**	85.4
Expiring in three years	**39.0**	76.4
Expiring in four years	**93.7**	43.5
Expiring beyond four years	**50.3**	90.4
	354.2	369.7

Deferred tax liabilities of US$644.5 million (2022: US$627.1 million) on temporary differences associated with investments in subsidiaries of US$6,205.8 million (2022: US$6,444.9 million) have not been recognised as there is no intention of remitting the retained earnings to the Company in the foreseeable future.

28 Pension Liabilities

The Group, through Astra, has defined benefit pension plans covering its employees in Indonesia and these plans are either funded or unfunded. The assets of the funded plans are held independently of the Group's assets in separate trustee administered funds. The pension liabilities are calculated annually by an independent actuary using the projected unit credit method.

The amounts recognised in the Group balance sheet are as follows:

	Group	
	2023 US$m	2022 US$m
Fair value of plan assets	**23.7**	30.9
Present value of funded obligations	**(23.5)**	(32.1)
	0.2	(1.2)
Present value of unfunded obligations	**(344.8)**	(335.1)
Impact of minimum funding requirement/asset ceiling	**(1.7)**	(1.6)
Net pension liabilities	**(346.3)**	(337.9)

28 Pension Liabilities (continued)

The movement in the net pension liabilities is as follows:

	Fair value of plan assets US$m	Present value of obligations US$m	Total US$m	Impact of minimum funding requirement/ asset ceiling US$m	Net amount US$m
2023					
Balance at 1st January	30.9	(367.2)	(336.3)	(1.6)	(337.9)
Translation adjustments	0.8	(7.4)	(6.6)	(0.1)	(6.7)
Additions arising from acquisition of subsidiaries (Note 37)	–	(1.4)	(1.4)	–	(1.4)
Current service cost	–	0.3	0.3	–	0.3
Interest income/(expense)	1.4	(23.9)	(22.5)	–	(22.5)
	1.4	(23.6)	(22.2)	–	(22.2)
Remeasurements					
– return on plan assets, excluding amounts included in interest expense	0.2	–	0.2	–	0.2
– change in demographic assumptions	–	(0.1)	(0.1)	–	(0.1)
– change in financial assumptions	–	0.4	0.4	–	0.4
– experience losses	–	(2.0)	(2.0)	–	(2.0)
	0.2	(1.7)	(1.5)	–	(1.5)
Contributions from employers	1.7	–	1.7	–	1.7
Contributions from plan participants	0.2	(0.2)	–	–	–
Benefit payments	(11.5)	33.2	21.7	–	21.7
Balance at 31st December	23.7	(368.3)	(344.6)	(1.7)	(346.3)

28 Pension Liabilities (continued)

The movement in the net pension liabilities is as follows: (continued)

	Fair value of plan assets US$m	Present value of obligations US$m	Total US$m	Impact of minimum funding requirement/ asset ceiling US$m	Net amount US$m
2022					
Balance at 1st January	39.6	(434.7)	(395.1)	(1.5)	(396.6)
Translation adjustments	(3.4)	37.8	34.4	0.2	34.6
Current service cost	–	2.5	2.5	–	2.5
Interest income/(expense)	2.7	(19.3)	(16.6)	–	(16.6)
Past service cost	–	2.7	2.7	–	2.7
	2.7	(14.1)	(11.4)	–	(11.4)
Remeasurements					
– return on plan assets, excluding amounts included in interest expense	0.3	–	0.3	–	0.3
– change in demographic assumptions	–	12.0	12.0	–	12.0
– change in financial assumptions	–	(8.7)	(8.7)	–	(8.7)
– experience gains	–	10.3	10.3	–	10.3
– change in asset ceiling, excluding amounts included in interest expense	–	–	–	(0.3)	(0.3)
	0.3	13.6	13.9	(0.3)	13.6
Contributions from employers	3.1	–	3.1	–	3.1
Contributions from plan participants	0.3	(0.3)	–	–	–
Benefit payments	(11.7)	30.5	18.8	–	18.8
Balance at 31st December	30.9	(367.2)	(336.3)	(1.6)	(337.9)

The weighted average duration of the defined benefit obligation at 31st December 2023 is 16 years (2022: 16 years).

Expected maturity analysis of undiscounted defined benefit pension obligations at 31st December is as follows:

	2023 US$m	2022 US$m
Less than a year	**28.2**	28.3
Between one and two years	**18.4**	15.8
Between two and five years	**108.0**	99.1
Between five and ten years	**215.2**	188.2
Between ten and fifteen years	**356.8**	311.1
Between fifteen and twenty years	**751.6**	588.7
Beyond twenty years	**2,843.9**	2,207.9
	4,322.1	3,439.1

28 Pension Liabilities (continued)

The principal actuarial assumptions used for accounting purposes at 31st December are as follows:

	2023 %	2022 %
Discount rate	**7**	7
Salary growth rate	**7**	7

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		(Increase)/Decrease on defined benefit obligation	
	Change in assumption	Increase in assumption US$m	Decrease in assumption US$m
Discount rate	1%	40.7	(49.7)
Salary growth rate	1%	(54.2)	44.8

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the pension liability recognised within the balance sheet.

The analysis of the fair value of plan assets at 31st December is as follows:

	2023 US$m	2022 US$m
Quoted investments		
Equity instruments – Asia Pacific	**5.8**	8.8
Debt instruments – Asia Pacific		
– government	**8.7**	11.1
– corporate bonds (investment grade)	**8.1**	8.4
Total investments	**22.6**	28.3
Cash and cash equivalents	**1.1**	2.6
	23.7	30.9

The Group ensures that the investment positions are managed within an asset-liability matching ("ALM") framework that is developed to achieve long-term returns that are in line with the obligations under the pension schemes. Within this ALM framework, the Group's objective is to match assets to the pension obligations by investing in a well-diversified portfolio that generates sufficient risk-adjusted returns that match the benefit payments. The Group also actively monitors the duration and the expected yield of the investments to ensure it matches the expected cash outflows arising from the pension obligations.

Investments across the plans are well-diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

The Group maintains an active and regular contribution schedule across all the plans. The contributions to all its plans in 2023 were US$1.7 million and the estimated amount of contributions expected to be paid to the plans in 2024 is US$1.2 million.

29 Share Capital Of The Company

	2023 US$m	2022 US$m
Issued and fully paid:		
Balance at 1st January and 31st December		
– 395,236,288 (2022: 395,236,288) ordinary shares	**1,381.0**	1,381.0

There is no par value for the ordinary shares. The Company did not hold any treasury shares as at 31st December 2023 and 2022.

30 Revenue Reserve

	Group		Company	
	2023 US$m	Restated 2022 US$m	2023 US$m	2022 US$m
Movements:				
Balance at 1st January as previously reported	**7,737.1**	7,374.3	**337.1**	474.1
Effect of adoption of IFRS 17 (Note 2.1)	**31.5**	31.5	**–**	–
Balance at 1st January as restated	**7,768.6**	7,405.8	**337.1**	474.1
Defined benefit pension plans				
– remeasurements	**–**	5.8	**–**	–
– deferred tax	**0.1**	(1.2)	**–**	–
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	**(1.7)**	3.7	**–**	–
Profit attributable to shareholders	**1,215.4**	739.8	**928.9**	220.0
Dividends paid by the Company (Note 8)	**(442.9)**	(357.0)	**(442.9)**	(357.0)
Change in shareholding	**(3.1)**	(28.2)	**–**	–
Other	**8.6**	(0.1)	**–**	–
Balance at 31st December	**8,545.0**	7,768.6	**823.1**	337.1

The Group's revenue reserve includes actuarial loss on defined benefit pension plans of US$48.6 million (2022: US$47.0 million).

31 Other Reserves

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Composition:				
Asset revaluation reserve	**410.1**	404.8	**–**	–
Translation reserve	**(2,312.2)**	(2,397.3)	**383.1**	334.3
Fair value reserve	**0.2**	5.8	**–**	–
Hedging reserve	**12.0**	5.1	**2.3**	–
Other reserve	**3.3**	3.3	**–**	–
	(1,886.6)	(1,978.3)	**385.4**	334.3
Movements:				
Asset revaluation reserve				
Balance at 1st January	**404.8**	404.7	**–**	–
Surplus on revaluation of assets	**–**	0.4	**–**	–
Share of associates' and joint ventures' asset revaluation surplus	**5.3**	–	**–**	–
Other	**–**	(0.3)	**–**	–
Balance at 31st December	**410.1**	404.8	**–**	–
Translation reserve				
Balance at 1st January	**(2,397.3)**	(1,774.6)	**334.3**	326.2
Translation difference	**85.1**	(622.7)	**48.8**	8.1
Balance at 31st December	**(2,312.2)**	(2,397.3)	**383.1**	334.3
Fair value reserve				
Balance at 1st January	**5.8**	16.5	**–**	–
Financial assets at FVOCI				
– fair value changes	**(5.6)**	(9.8)	**–**	–
– transfer to profit and loss	**–**	(0.9)	**–**	–
Balance at 31st December	**0.2**	5.8	**–**	–
Hedging reserve				
Balance at 1st January	**5.1**	(37.0)	**–**	–
Cash flow hedges				
– fair value changes	**6.8**	15.1	**2.3**	–
– deferred tax	**(1.0)**	(3.3)	**–**	–
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	**1.1**	30.3	**–**	–
Balance at 31st December	**12.0**	5.1	**2.3**	–
Other reserve				
Balance at 1st January and 31st December	**3.3**	3.3	**–**	–

32 Non-Controlling Interests

	Group	
	2023 US$m	Restated 2022 US$m
Balance at 1st January as previously reported	**9,309.7**	9,027.1
Effect of adoption of IFRS 17 (Note 2.1)	**31.4**	31.4
Balance at 1st January as restated	**9,341.1**	9,058.5
Asset revaluation surplus		
– surplus on revaluation of assets	**–**	0.5
Share of associates' and joint ventures' asset revaluation surplus	**7.9**	–
Financial assets at FVOCI		
– fair value changes	**(6.0)**	(10.6)
– transfer to profit and loss	**–**	(1.0)
	(6.0)	(11.6)
Cash flow hedges		
– fair value changes	**4.6**	19.6
– deferred tax	**(1.0)**	(4.3)
	3.6	15.3
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	**(0.5)**	67.3
Defined benefit pension plans		
– remeasurements	**(1.5)**	7.8
– deferred tax	**0.5**	(1.5)
	(1.0)	6.3
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	**(2.0)**	2.3
Translation difference	**145.5**	(718.2)
Profit for the year	**1,761.3**	1,716.1
Issue of shares to non-controlling interests	**156.4**	46.2
Dividends paid	**(1,682.7)**	(642.4)
Change in shareholding	**3.4**	(198.9)
Acquisition of subsidiaries (Note 37)	**39.4**	–
Other	**9.5**	(0.3)
Balance at 31st December	**9,775.9**	9,341.1

32 Non-Controlling Interests (continued)

Set out below is the summarised financial information for the Group's subsidiary, Astra, that has non-controlling interests that are material to the Group.

Summarised balance sheet at 31st December:

	2023 US$m	Restated 2022 US$m
Current		
Assets	**11,157.2**	11,639.1
Liabilities	**(7,935.2)**	(7,401.5)
Total current net assets	**3,222.0**	4,237.6
Non-current		
Assets	**17,610.0**	14,466.2
Liabilities	**(4,629.3)**	(3,248.9)
Total non-current net assets	**12,980.7**	11,217.3
Net assets	**16,202.7**	15,454.9
Non-controlling interests	**3,376.7**	3,272.4

Summarised statement of comprehensive income for the year ended 31st December:

	2023 US$m	Restated 2022 US$m
Revenue	**20,605.3**	19,976.8
Profit after tax	**2,833.6**	2,664.9
Other comprehensive income	**4.5**	118.4
Total comprehensive income	**2,838.1**	2,783.3
Total comprehensive income allocated to non-controlling interests	**689.2**	811.7
Dividends paid to non-controlling interests	**(815.5)**	(260.5)

Summarised cash flows for the year ended 31st December:

	2023 US$m	2022 US$m
Cash generated from operations	**2,959.3**	3,006.2
Net interest and other financing costs received/(paid)	**(69.3)**	20.1
Income taxes paid	**(853.9)**	(629.9)
Dividend from associates	**451.3**	413.5
Net cash flows from operating activities	**2,487.4**	2,809.9
Net cash flows from investing activities	**(2,842.3)**	(1,478.0)
Net cash flows from financing activities	**(933.2)**	(1,610.2)
Net change in cash and cash equivalents	**(1,288.1)**	(278.3)
Cash and cash equivalents at 1st January	**3,896.5**	4,481.6
Effect of exchange rate changes	**60.0**	(306.8)
Cash and cash equivalents at 31st December	**2,668.4**	3,896.5

The information above is the amount before inter-company eliminations.

33 Related Party Transactions

In addition to the related party information shown elsewhere in the financial statements, the following significant related party transactions took place during the financial year:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
(a) With associates and joint ventures:				
Purchase of goods and services	**(6,441.3)**	(6,087.8)	**–**	–
Sale of goods and services	**2,296.8**	1,880.0	**–**	–
Commission and incentives earned	**10.2**	6.2	**–**	–
Bank deposits and balances	**19.5**	–	**–**	–
Dividend income	**–**	–	**50.4**	57.5
Interest received	**18.0**	18.5	**–**	–
(b) With related companies and associates of ultimate holding company:				
Management fees paid	**(6.6)**	(4.3)	**(6.9)**	(5.4)
Purchase of goods and services	**(1.7)**	(2.6)	**(0.4)**	(0.2)
Sale of goods and services	**1.5**	2.2	**1.1**	1.0
(c) Remuneration of directors of the Company and key management personnel of the Group:				
Salaries and other short-term employee benefits	**(12.0)**	(10.5)	**(8.6)**	(8.3)

34 Commitments

(a) Capital commitments

Capital expenditure authorised for at the balance sheet date, but not recognised in the financial statements is as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Authorised and contracted	**163.6**	178.8	**–**	–
Authorised but not contracted	**576.4**	294.6	**–**	–
	740.0	473.4	**–**	–

(b) Operating lease commitments

The Group leases various property, plant and machinery under non-cancellable operating lease agreements. The leases have varying terms and renewal rights.

The future aggregate minimum lease payments and receivables under non-cancellable operating leases contracted for at the reporting date, but not recognised as liabilities or receivables, are as follows:

	Group		Company	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Lease rentals payable for short-term and low-value leases:				
– within one year	**1.3**	2.4	**0.2**	0.1
– between one and two years	**0.5**	0.4	**–**	–
– between three and four years	**–**	0.2	**–**	–
– between four and five years	**–**	0.1	**–**	–
	1.8	3.1	**0.2**	0.1
Lease rentals receivable:				
– within one year	**90.3**	90.5	**–**	–
– between one and two years	**43.2**	46.4	**–**	–
– between two and three years	**20.2**	16.8	**–**	–
– between three and four years	**9.0**	7.5	**–**	–
– between four and five years	**5.4**	3.6	**–**	–
– beyond five years	**4.3**	1.8	**–**	–
	172.4	166.6	**–**	–

35 Derivative Financial Instruments

At 31st December, the fair values of the Group's derivative financial instruments were:

	Group	
	Assets US$m	Liabilities US$m
2023		
Designated as cash flow hedges		
– cross-currency swap contracts	**48.2**	**4.2**
– interest rate swap contracts	**2.6**	**–**
	50.8	**4.2**
Not qualifying as hedges		
– forward foreign exchange contracts	**0.7**	**0.1**
2022		
Designated as cash flow hedges		
– cross-currency swap contracts	118.9	2.0
– interest rate swap contracts	0.9	–
	119.8	2.0
Not qualifying as hedges		
– forward foreign exchange contracts	0.2	0.4

(a) Forward foreign exchange contracts

The contract amounts of the outstanding forward foreign exchange contracts at 31st December 2023 were US$113.5 million (2022: US$104.0 million).

(b) Interest rate swap contracts

The notional principal amounts of the outstanding interest rate swap contracts at 31st December 2023 were US$410.3 million (2022: US$20.4 million). At 31st December 2023, the fixed interest rates range from 1.17% to 4.74% per annum (2022: 1.17% to 1.97% per annum).

(c) Cross-currency swap contracts

The contract amounts of the outstanding cross-currency swap contracts at 31st December 2023 were US$1,103.5 million (2022: US$1,443.2 million).

(d) Commodity options

There were no outstanding commodity options at 31st December 2023 (2022: US$37.8 million).

(e) Commodity zero collar

There were no outstanding commodity zero collar at 31st December 2023 (2022: US$9.8 million).

At 31st December 2023, the fair values of the Company's interest rate swap contracts, designated as cash flow hedge, were US$2.3 million (2022: Nil). The notional principal amounts of the outstanding interest rate swap contracts at 31st December 2023 were US$400.0 million (2022: Nil). At 31st December 2023, the fixed interest rates range from 3.85% to 4.74% per annum (2022: Nil).

36 Cash Flows From Operating Activities

	Group	
	2023 US$m	2022 US$m
Profit before tax	**3,714.5**	3,227.2
Adjustments for:		
Financing income	**(149.0)**	(120.0)
Financing charges	**271.5**	178.2
Share of associates' and joint ventures' results after tax	**(732.8)**	(575.4)
Amortisation/depreciation of:		
– intangible assets	**97.5**	141.8
– right-of-use assets	**154.5**	141.1
– property, plant and equipment	**754.9**	694.4
– bearer plants	**30.1**	28.2
Impairment/(write-back of impairment) of:		
– intangible assets	**34.1**	1.1
– property, plant and equipment	**(1.1)**	45.6
– debtors	**123.8**	181.3
Fair value (gain)/loss on:		
– investment properties	**2.7**	2.8
– investments	**29.5**	269.6
– agricultural produce	**(1.6)**	11.4
– derivative not qualifying as hedge	**0.1**	(0.1)
(Profit)/loss on disposal of:		
– intangible assets	**0.5**	0.9
– right-of-use assets	**(0.6)**	(0.1)
– property, plant and equipment	**(77.1)**	(12.0)
– investments	**(0.6)**	(1.7)
Loss on disposal/write-down of receivables from collateral vehicles	**54.8**	37.3
Bargain purchase on acquisition of subsidiaries	**(2.2)**	–
Amortisation of borrowing costs for financial services companies	**8.5**	9.1
Write-down of stocks	**12.9**	10.0
(Gain)/loss on modifications to lease term	**0.8**	(1.1)
Changes in provisions	**44.4**	42.7
Foreign exchange (gain)/loss	**(12.3)**	46.4
	643.3	1,131.5
Operating profit before working capital changes	**4,357.8**	4,358.7
Changes in working capital		
Properties for sale	**(147.6)**	(55.0)
Stocks	**(595.7)**	(887.5)
Concession rights	**(31.2)**	(25.5)
Financing debtors	**(517.4)**	(591.3)
Debtors	**(157.3)**	(937.5)
Creditors and provisions	**140.6**	1,192.5
Pensions	**(1.3)**	(10.6)
	(1,309.9)	(1,314.9)
Cash flows from operating activities	**3,047.9**	3,043.8

37 Notes To Consolidated Statement Of Cash Flows

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:

	Group	
	2023 US$m	2022 US$m
Cash and bank balances (Note 22)	**2,782.5**	4,018.1

(a) Purchase of shares in subsidiaries

The acquisitions in 2023 comprised net cash outflow of US$62.7 million for a 100% interest in PT Tokobagus, a company operating the leading online used car platform in Indonesia under the OLX brand, US$76.6 million for a 96.9% interest in PT Jaya Mandarin Agung, owner of the Mandarin Oriental Hotel Jakarta, as well as US$284.6 million, for a 70% interest each in PT Stargate Mineral Asia and PT Stargate Pasific Resources and a 67% interest in PT Anugerah Surya Pacific Resources, companies which operate nickel mining and smeltering businesses ("Stargate acquisitions").

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.

	2023 Fair value US$m
Intangible assets (Note 10)	**38.1**
Right-of-use assets (Note 11)	**83.3**
Property, plant and equipment (Note 12)	**486.2**
Stocks	**3.6**
Debtors	**15.7**
Bank balances and other liquid funds	**71.7**
Deferred tax liabilities (Note 27)	**(111.3)**
Current tax liabilities	**(36.7)**
Pension liabilities (Note 28)	**(1.4)**
Creditors	**(84.3)**
Provision (Note 24)	**(1.1)**
Net assets	**463.8**
Adjustment for non-controlling interests	**(39.4)**
Goodwill	**44.9**
Bargain purchase on acquisition credited to profit and loss account	**(2.2)**
Total consideration	**467.1**
Loan repaid at date of acquisition	**31.7**
Deferred consideration	**(3.2)**
Cash paid for business combination	**495.6**
Cash and cash equivalents of subsidiaries acquired	**(71.7)**
Net cash flow from business combination	**423.9**

The fair value of the identifiable assets and liabilities acquired are mainly arising from the Stargate acquisition.

Revenue and profit after tax since acquisition in respect of new subsidiaries acquired in 2023 amounted to US$14.9 million and US$0.2 million, respectively. Had the acquisitions occurred on 1st January 2023, the consolidated revenue and consolidated profit after tax for the year ended 31st December 2023 would have been US$22,262.7 million and US$2,971.9 million, respectively.

There were no new subsidiaries acquired in 2022.

37 Notes To Consolidated Statement Of Cash Flows (continued)

(b) Purchase of shares in associates and joint ventures

Purchase of shares in associates and joint ventures in 2023 mainly included US$616.3 million for Astra's investment in Nickel Industries Limited, US$98.6 million for Astra's investment in PT Polinasi Iddea Investama, US$52.8 million for Astra's investment in PT Supreme Energy Sriwijaya, US$25.3 million for Astra's investment in PT Equinix Indonesia JKT and US$14.2 million for additional purchase of shares in Refrigeration Electrical Engineering Corporation.

Purchase of shares in associates and joint ventures in 2022 mainly included US$259.8 million for Astra's investment in Bank Jasa Jakarta, US$43.8 million for Astra's investment in PT Jasamarga Pandaan Malang, a toll road operator in Indonesia, US$40.9 million for Astra's investment in PT Mobilitas Digital, US$17.7 million for Astra's investment in PT Arkora Hydropower Plant and US$33.7 million for additional purchase of shares in Refrigeration Electrical Engineering Corporation.

(c) Changes in controlling interests of subsidiaries

Change in controlling interests of subsidiaries in 2023 mainly included an outflow of US$3.3 million for Astra's acquisition of additional interest in PT Acset Indonusa Tbk.

Change in controlling interests of subsidiaries in 2022 mainly included an outflow of US$213.9 million for PT United Tractors Tbk shares buyback, US$2.4 million for Astra's acquisition of additional interest in PT Marga Mandalasakti, US$4.7 million and US$3.7 million for acquisition of additional interests in Cycle & Carriage Bintang Berhad and Republic Auto Pte Ltd, respectively.

(d) Sale and leaseback of assets held by Cycle & Carriage Industries Pte Ltd ("CCI")

CCI entered into a sale and leaseback agreement with third parties in respect of its properties in Singapore. The properties mainly comprise leasehold land and buildings used as showrooms, service centres, workshops, and warehouses. The leaseback duration would be 10 to 15 years with options to renew for two of the properties. The sale and leaseback agreement allowed the Group to unlock the value of its real estate assets held through CCI, of which the majority of the net proceeds amounting to US$225.0 million was re-deployed to reduce the Company's debt. Profit arising from the sale and leaseback transaction, net of deferred tax impact, amounted to US$81.1 million.

(e) Cash outflows for leases

	Group	
	2023 US$m	2022 US$m
Lease rentals paid	**(226.5)**	(169.1)
Additions to right-of-use assets	**(31.2)**	(24.0)
	(257.7)	(193.1)
The above cash outflows are included in:		
– operating activities	**(116.7)**	(82.5)
– investing activities	**(31.2)**	(24.0)
– financing activities	**(109.8)**	(86.6)
	(257.7)	(193.1)

38 Segment Information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board for the purpose of resource allocation and performance assessment. The Board considers Astra as one operating segment because it represents a single direct investment made by the Company. Decisions for resource allocation and performance assessment of Astra are made by the Board of the Company while resource allocation and performance assessment of the various Astra businesses are made by the board of Astra, taking into consideration the opinions of the Board of the Company. THACO is identified as another reporting segment based on the scale of its businesses, and the Board considered the information useful to the readers of the financial statements. Direct Motor Interests are aggregated into one reportable segment based on the similar automotive nature of their products and services, while Other Strategic Interests, comprising the Group's strategic investment portfolio, are aggregated into another reportable segment based on their exposure to market-leading companies in key regional economies. Set out below is an analysis of the segment information.

	Underlying business performance						
	Astra US$m	THACO US$m	Direct Motor Interests US$m	Other Strategic Interests US$m	Corporate costs US$m	Non-trading items US$m	Group US$m
2023							
Revenue	20,605.3	–	1,629.2	–	–	–	22,234.5
Net operating costs	(17,609.6)	–	(1,573.6)	35.5	2.4	15.0	(19,130.3)
Operating profit	2,995.7	–	55.6	35.5	2.4	15.0	3,104.2
Financing income	140.9	–	1.7	–	6.4	–	149.0
Financing charges	(204.5)	–	(13.5)	–	(53.5)	–	(271.5)
Net financing charges	(63.6)	–	(11.8)	–	(47.1)	–	(122.5)
Share of associates' and joint ventures' results after tax	609.2	35.8	35.6	50.2	–	2.0	732.8
Profit before tax	3,541.3	35.8	79.4	85.7	(44.7)	17.0	3,714.5
Tax	(741.3)	–	(9.7)	(1.9)	(1.8)	16.9	(737.8)
Profit after tax	2,800.0	35.8	69.7	83.8	(46.5)	33.9	2,976.7
Non-controlling interests	(1,780.7)	–	(2.0)	–	–	21.4	(1,761.3)
Profit attributable to shareholders	1,019.3	35.8	67.7	83.8	(46.5)	55.3	1,215.4
Net cash/(debt) (excluding net debt of financial services companies)	124.2	–	(14.4)	–	(1,254.9)		(1,145.1)
Total equity	16,309.6	673.3	414.4	692.4	(274.4)		17,815.3

38 Segment Information (continued)

	Underlying business performance						
	Astra US$m	THACO US$m	Direct Motor Interests US$m	Other Strategic Interests US$m	Corporate costs US$m	Non-trading items US$m	Group US$m
2022 Restated							
Revenue	19,976.8	–	1,588.7	–	–	–	21,565.5
Net operating costs	(17,060.9)	–	(1,534.5)	36.5	(12.8)	(283.8)	(18,855.5)
Operating profit	2,915.9	–	54.2	36.5	(12.8)	(283.8)	2,710.0
Financing income	118.7	–	0.7	–	0.6	–	120.0
Financing charges	(141.2)	–	(2.4)	–	(34.6)	–	(178.2)
Net financing charges	(22.5)	–	(1.7)	–	(34.0)	–	(58.2)
Share of associates' and joint ventures' results after tax	529.5	82.8	25.1	50.8	–	(112.8)	575.4
Profit before tax	3,422.9	82.8	77.6	87.3	(46.8)	(396.6)	3,227.2
Tax	(752.4)	–	(13.8)	(1.5)	(1.4)	(2.2)	(771.3)
Profit after tax	2,670.5	82.8	63.8	85.8	(48.2)	(398.8)	2,455.9
Non-controlling interests	(1,757.6)	–	(0.9)	–	–	42.4	(1,716.1)
Profit attributable to shareholders	912.9	82.8	62.9	85.8	(48.2)	(356.4)	739.8
Net cash/(debt) (excluding net debt of financial services companies)	2,348.7	–	(3.4)	–	(1,452.5)		892.8
Total equity	15,559.7	678.8	308.4	658.6	(693.1)		16,512.4

Segment assets and liabilities are not disclosed as these are not regularly provided to the Board of the Company.

Set out below are analyses of the Group's revenue and non-current assets, by geographical areas:

	Indonesia US$m	Other US$m	Total US$m
2023			
Revenue	**20,605.3**	**1,629.2**	**22,234.5**
Non-current assets	**12,564.1**	**1,554.5**	**14,118.6**
2022 Restated			
Revenue	19,976.8	1,588.7	21,565.5
Non-current assets	10,059.6	1,495.2	11,554.8

Non-current assets excluded financial instruments and deferred tax assets. Indonesia is disclosed separately as a geographical area as most of the customers are based in Indonesia.

39 Immediate And Ultimate Holding Companies

The Company's immediate holding company is Jardine Strategic Singapore Pte Ltd, incorporated in Singapore and its ultimate holding company is Jardine Matheson Holdings Limited, incorporated in Bermuda.

40 Reclassification Of Accounts

Certain comparative amounts have been reclassified for consistency with the presentation of the 2023 consolidated financial statements.

41 Principal Subsidiaries, Associates And Joint Ventures

The details of principal subsidiaries are as follows:

Name of company	Principal activities	Country of incorporation/ place of business	Group's effective interest in equity 2023 %	2022 %
Singapore				
• Cycle & Carriage Industries Pte Ltd	Retail of vehicles and provision of after-sales services	Singapore	**100.0**	100.0
• Cycle & Carriage Automotive Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	**100.0**	100.0
• Cycle & Carriage Kia Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	**100.0**	100.0
• Cycle & Carriage France Pte Ltd	Distribution and retail of vehicles and provision of after-sales services	Singapore	**100.0**	100.0
• Cycle & Carriage Leasing Pte Ltd	Renting and leasing of private cars without operator	Singapore	**100.0**	100.0
• Cycle & Carriage Ventures Pte Ltd	Investment holding	Singapore	**100.0**	–
• Cycle & Carriage Engineering Pte Ltd	Retail of motor vehicles	Singapore	**100.0**	–
• Diplomat Parts Pte Ltd	Investment holding and sale of vehicle parts	Singapore	**100.0**	100.0
• Republic Auto Pte Ltd	Retail of vehicles and provision of after-sales services	Singapore	**60.0**	100.0
• Platinum Victory Pte Ltd	Investment holding	Singapore	**100.0**	100.0
Malaysia				
♦ Cycle & Carriage Bintang Berhad	Retail of vehicles and provision of after-sales services	Malaysia	**97.0**	96.9
♦ Cycle & Carriage Malaysia Holdings Sdn. Bhd.	Investment holding	Malaysia	**100.0**	–

41 Principal Subsidiaries, Associates And Joint Ventures (continued)

The details of principal subsidiaries are as follows: (continued)

Name of company	Principal activities	Country of incorporation/ place of business	Group's effective interest in equity 2023 %	2022 %
Indonesia				
♦ PT Astra International Tbk (Quoted on the Indonesia Stock Exchange)	Investment holding and retail of vehicles and motorcycles	Indonesia	**50.1**	50.1
♦ PT United Tractors Tbk (Quoted on the Indonesia Stock Exchange)#	Distribution of heavy equipment	Indonesia	**30.6**	30.6
♦ PT Pamapersada Nusantara<	Coal mining contractor	Indonesia	**30.6**	30.6
♦ PT Acset Indonusa Tbk (Quoted on the Indonesia Stock Exchange)<	Construction services	Indonesia	**26.9**	25.2
♦ PT Astra Otoparts Tbk (Quoted on the Indonesia Stock Exchange)#	Manufacturing and distribution of automotive components	Indonesia	**40.1**	40.1
♦ PT Astra Agro Lestari Tbk (Quoted on the Indonesia Stock Exchange)#	Operation of oil palm plantations	Indonesia	**39.9**	39.9
♦ PT Federal International Finance#	Consumer finance for motorcycles	Indonesia	**50.1**	50.1
♦ PT Astra Sedaya Finance#	Consumer finance for vehicles	Indonesia	**50.1**	50.1
♦ PT Astra Graphia Tbk (Quoted on the Indonesia Stock Exchange)#	Provision of document, information and communication technology solutions	Indonesia	**38.5**	38.5

The details of principal associates and joint ventures are as follows:

Name of company	Principal activities	Country of incorporation/ place of business	Group's effective interest in equity 2023 %	2022 %
Australia				
∞ Nickel Industries Limited (Quoted on the Australian Securities Exchange)	Nickel ore mining and nickel pig iron and nickel matte production	Australia	**6.1**	–
Indonesia				
♦ PT Toyota-Astra Motor	Distribution of Toyota vehicles	Indonesia	**25.1**	25.1
♦ PT Astra Daihatsu Motor	Manufacturing, assembly and distribution of Daihatsu vehicles	Indonesia	**16.0**	16.0
♦ PT Astra Honda Motor	Manufacturing, assembly, and distribution of Honda motorcycles	Indonesia	**25.1**	25.1

41 Principal Subsidiaries, Associates And Joint Ventures (continued)

The details of principal associates and joint ventures are as follows: (continued)

Name of company	Principal activities	Country of incorporation/ place of business	Group's effective interest in equity 2023 %	2022 %
Indonesia (continued)				
♦ PT Tunas Ridean	Retail of vehicles and motorcycles, leasing of vehicles and provision of consumer finance services	Indonesia	**49.9**	49.9
Singapore				
• Carro Care Pte Ltd	Repair and maintenance of motor vehicles	Singapore	**49.0**	–
Vietnam				
@ Truong Hai Group Corporation	Assembly, distribution and retail of vehicles, logistics, property development and agriculture	Vietnam	**26.6**	26.6
@ Refrigeration Electrical Engineering Corporation (Quoted on the Ho Chi Minh Stock Exchange)	Mechanical and electrical engineering, real estate, and strategic investments in infrastructure	Vietnam	**34.9**	33.6
Myanmar				
√ Cycle & Carriage Automobile Myanmar Company Limited*	Provision of after-sales services	Myanmar	**60.0**	60.0
√ Cycle & Carriage Automobile Alliance Company Limited*	Retail of vehicles and provision of after-sales services	Myanmar	**60.0**	60.0
Thailand				
^ Siam City Cement Public Company Limited (Quoted on the Stock Exchange of Thailand)	Manufacturing of cement, concrete and other building materials	Thailand	**25.5**	25.5

• Audited by PricewaterhouseCoopers LLP, Singapore.
♦ Audited by KAP Tanudiredja, Wibisana, Rintis & Rekan in Indonesia and PricewaterhouseCoopers, Malaysia, firms within the worldwide network PricewaterhouseCoopers firms and entities.
@ Audited by EY Vietnam, a member of the worldwide EY organisation.
√ Audited by Win Thin & Associates in Myanmar.
^ Audited by EY Thailand, a member of the worldwide EY organisation.
∞ Audited by KPMG Australia, a member firm of the KPMG global organisation.
Direct interest more than 50% held by a subsidiary of the Group.
< Indirect subsidiary through PT United Tractors Tbk with direct ownership more than 50%.
* Not consolidated as the entity is not controlled by the Group and is deemed to be a joint venture as the Group shares control of the entity.

THREE-YEAR SUMMARY

	2023 US$m	Restated 2022 US$m	2021 US$m	2023 S$m	Restated 2022 S$m	2021 S$m
Profit and Loss						
Revenue	**22,234.5**	21,565.5	17,688.0	**29,818.9**	29,750.9	23,760.7
Underlying profit attributable to shareholders	**1,160.1**	1,096.2	785.9	**1,555.8**	1,512.3	1,055.7
Non-trading items	**55.3**	(356.4)	(125.3)	**74.2**	(491.7)	(168.3)
Profit attributable to shareholders	**1,215.4**	739.8	660.6	**1,630.0**	1,020.6	887.4
Underlying earnings per share (US¢/S¢)	**294**	277	199	**394**	383	268
Earnings per share (US¢/S¢)	**308**	187	167	**412**	258	225
Dividend per share (US¢/S¢)	**118**	111	80	**158**	153	107
Balance Sheet						
Total assets	**32,393.6**	29,232.9	29,053.7	**42,711.0**	39,303.6	39,271.9
Total liabilities	**(14,578.3)**	(12,720.5)	(12,658.4)	**(19,221.5)**	(17,102.7)	(17,110.4)
Total equity	**17,815.3**	16,512.4	16,395.3	**23,489.5**	22,200.9	22,161.5
Shareholders' funds	**8,039.4**	7,171.3	7,368.2	**10,599.9**	9,641.8	9,959.6
Net cash/(debt) (excluding net debt of financial services companies)	**(1,145.1)**	892.8	770.3	**(1,509.8)**	1,200.4	1,041.2
Net asset value per share (US$/S$)	**20.34**	18.15	18.64	**26.82**	24.40	25.20
Net tangible asset per share (US$/S$)	**18.48**	16.34	16.57	**24.36**	21.97	22.39
Cash Flow						
Cash flows from operating activities	**2,471.2**	2,850.5	3,028.3	**3,314.1**	3,932.4	4,068.0
Cash flows from investing activities	**(3,038.9)**	(1,524.1)	(688.5)	**(4,075.5)**	(2,102.6)	(924.9)
Net cash flows before financing activities	**(567.7)**	1,326.4	2,339.8	**(761.4)**	1,829.8	3,143.1
Cash flow per share from operating activities (US$/S$)	**6.25**	7.21	7.66	**8.39**	9.95	10.29
Key Ratios						
Gearing including financial services companies	**25%**	12%	12%	**25%**	12%	12%
Gearing excluding financial services companies	**6%**	nm	nm	**6%**	nm	nm
Dividend cover (times)	**2.5**	2.5	2.5	**2.5**	2.5	2.5
Dividend payout	**40%**	40%	40%	**40%**	40%	40%
Return on shareholders' funds	**15%**	15%	11%	**15%**	15%	11%
Return on total equity	**17%**	17%	12%	**17%**	17%	12%

nm: not measurable

Notes:

1. The exchange rate of US$1=S$1.3185 (2022: US$1=S$1.3445, 2021: US$1=S$1.3517) was used for translating assets and liabilities at the balance sheet date and US$1=S$1.3411 (2022: US$1=S$1.3796, 2021: US$1=S$1.3433) was used for translating the results for the year.
2. Net tangible assets as at 31st December 2023 were US$7,302.0 million (2022: US$6,458.2 million, 2021: US$6,547.6 million) and were computed after deducting intangibles from shareholders' funds.
3. Gearing is computed based on net borrowings divided by total equity.
4. Dividend cover is based on underlying profit attributable to shareholders divided by dividend declared and dividend proposed for the financial year.
5. Dividend payout is based on dividend declared and dividend proposed for the financial year divided by underlying profit attributable to shareholders.
6. Return on shareholders' funds is computed based on underlying profit attributable to shareholders, divided by average shareholders' funds.
7. Return on total equity is computed based on underlying profit after tax, divided by average total equity.

INVESTMENT PROPERTIES

Address	Title	Land Area sq ft	Description
Indonesia			
Jalan Jendral Sudirman Kav. 5, Jakarta	Leasehold (expiring in October 2033)	85,356	Commercial property
Jalan Gaya Motor II No. 3 Jakarta	Leasehold (expiring in December 2032)	237,446	Vehicle storage yard
Kawasan Industri Suryacipta (SCI), Karawang, JawaBarat No. I42AB	Leasehold (expiring in November 2028)	1,323,757	Vacant land held for future development

SHAREHOLDING STATISTICS

As at 1st March 2024

Share Capital

Issued and fully paid-up capital	:	S$2,109,793,690.61 comprising 395,236,288 shares
Class of shares	:	Ordinary shares, each with equal voting rights
Treasury shares	:	Nil

Twenty Largest Shareholders

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital
1	JARDINE STRATEGIC SINGAPORE PTE LTD	308,692,684	78.10
2	CITIBANK NOMINEES SINGAPORE PTE LTD	24,933,075	6.31
3	RAFFLES NOMINEES (PTE.) LIMITED	12,043,399	3.05
4	HSBC (SINGAPORE) NOMINEES PTE LTD	10,502,660	2.66
5	DBSN SERVICES PTE. LTD.	10,227,694	2.59
6	DBS NOMINEES (PRIVATE) LIMITED	3,285,024	0.83
7	UOB KAY HIAN PRIVATE LIMITED	759,787	0.19
8	BPSS NOMINEES SINGAPORE (PTE.) LTD.	717,206	0.18
9	HONG LEONG FINANCE NOMINEES PTE LTD	668,333	0.17
10	CHUA SWEE ENG	662,900	0.17
11	FIRST CUSCADEN PRIVATE LIMITED	620,786	0.16
12	EST OF CHUA BOON YEW, DEC’D	605,222	0.15
13	PHILLIP SECURITIES PTE LTD	574,752	0.15
14	SONG MEI CHEAH ANGELA	540,000	0.14
15	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	515,631	0.13
16	KEW ESTATE LIMITED	500,000	0.13
17	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	313,732	0.08
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	306,561	0.08
19	DB NOMINEES (SINGAPORE) PTE LTD	296,125	0.07
20	OCBC SECURITIES PRIVATE LIMITED	275,422	0.07
	TOTAL	**377,040,993**	**95.41**

As at 1st March 2024, approximately 21.90% of the Company’s ordinary shares (excluding treasury shares) listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) were held in the hands of the public. Rule 723 of the Listing Manual of the SGX-ST has accordingly been complied with.

There were no subsidiary holdings (as defined in the Listing Manual of the SGX-ST) as at 1st March 2024.

Substantial Shareholders

	No. of Shares	%
Jardine Matheson Holdings Limited	308,692,684	78.10

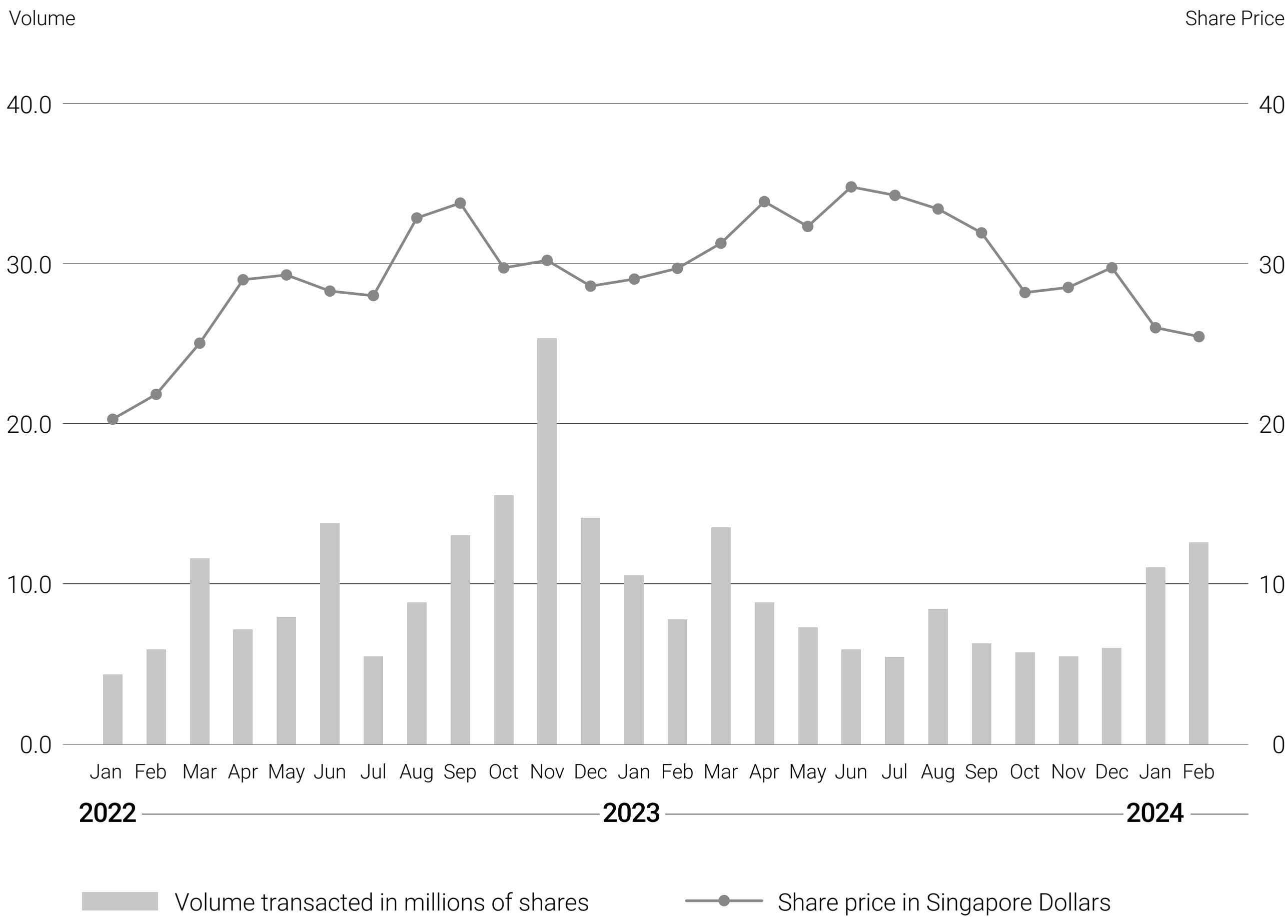
Notes:

Jardine Matheson Holdings Limited ("**JMHL**") is interested in 308,692,684 shares through its wholly-owned subsidiary, JMH Investments Limited ("**JMHI**"). JMHI is in turn interested in the said shares through its wholly-owned subsidiary, Jardine Strategic Limited ("**JSL**"). JSL is in turn interested in the said shares through its wholly-owned subsidiary, JSH Asian Holdings Limited ("**JAHL**"). JAHL is in turn interested in the said shares through its wholly-owned subsidiary, Jardine Strategic Singapore Pte Ltd.

Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
1 – 99	482	7.27	11,253	0.00
100 – 1,000	3,570	53.83	1,872,541	0.47
1,001 – 10,000	2,281	34.39	7,182,721	1.82
10,001 – 1,000,000	293	4.42	16,485,237	4.17
1,000,001 and above	6	0.09	369,684,536	93.54
TOTAL	6,632	100.00	395,236,288	100.00

SHARE PRICE AND VOLUME



	2023	Restated 2022
Underlying earnings per share (US¢)	**294**	277
Earnings per share (US¢)	**308**	187
Dividend per share (US¢)	**118**	111
Net asset value per share (US$)	**20.34**	18.15

Additional Information on Directors Seeking Re-Election
(pursuant to Rule 720(6) of the SGX-ST Listing Manual)

Mrs Lim Hwee Hua, Dr Marty Natalegawa and Mr Steven Phan are retiring by rotation at the 55th Annual General Meeting under article 94 of JC&C's Constitution. Mr Mikkel Larsen, being a newly appointed director, is retiring at the 55th Annual General Meeting as required under article 100 of JC&C's Constitution. Mr Steven Phan and Mr Mikkel Larsen are seeking re-election as Directors at the 55th Annual General Meeting. Mrs Lim Hwee Hua and Dr Marty Natalegawa will be retiring from the Board and are not seeking re-election.

The additional information on Mr Steven Phan and Mr Mikkel Larsen as set out in this section should be read together with their respective profiles on pages 24 to 27, and their shareholding interest in JC&C and its subsidiaries on pages 66 to 67. Their profiles contain the following information:

- Date of appointment and last re-appointment
- Age
- Whether appointment is executive, and if so, the area of responsibility
- Job Title (e.g. Lead Independent Director, Audit Committee Chairman, Audit Committee Member, etc.)
- Professional qualifications
- Working experience and occupation(s) during the past 10 years
- Other Principal Commitments including directorships ("Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018)

	Mr Steven Phan Non-Executive and Independent Director	**Mr Mikkel Larsen** Non-Executive and Independent Director
Country of principal residence	Singapore	Singapore
The Board's comments on this re-appointment	Mr Phan is well-versed in financial and risk matters and is an experienced independent director and audit committee chairman. The Company continues to benefit from his expertise.	Mr Larsen, being a newly appointed director, is required to stand for re-election under article 100 of the Company's Constitution.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual has been submitted to the Company	Yes	Yes
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

	Mr Steven Phan Non-Executive and Independent Director	**Mr Mikkel Larsen** Non-Executive and Independent Director
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

	Mr Steven Phan Non-Executive and Independent Director	Mr Mikkel Larsen Non-Executive and Independent Director
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Yes *	No

* Mr Phan was Ernst & Young's audit partner of Informatics Group in 2004. He had noted some accounting irregularities in the course of the audit, following which there was an investigation. Upon conclusion of the investigation, Mr Phan was not reprimanded nor censured, but did receive a letter of advice from the Public Accountants Oversight Committee of the Accounting and Corporate Regulatory Authority (ACRA). Two senior management of Informatics Group were eventually prosecuted and Mr Phan was called as a witness for the prosecutor during the trial.

Note: information as at 15th March 2024

Jardine Cycle & Carriage

Company registration no. 196900092R
WWW.JCCLGROUP.COM