Group Managing Director's Review

John Witt
Group Managing Director

The pandemic continued to impact many of our businesses for much of 2022, but the Group performed strongly and delivered near-record levels of underlying profit.

The performance of the Group's businesses reflects the immense effort our many colleagues across the Group have made to put customers first and to overcome the extensive professional and personal challenges they have continued to face as a result of the pandemic. This was especially the case in Hong Kong and on the Chinese mainland, where the impact of the pandemic and related restrictions continued for much longer than in other parts of the world. I would like to thank each of our colleagues for their unwavering dedication and hard work, often in very difficult circumstances.

We remain focussed on managing the short-term challenges our businesses are likely to face from global economic headwinds. We are at the same time building businesses and teams that will deliver sustainable strong growth over the medium- to long-term, and over the past year we have continued to simplify the Group's portfolio and set the Group up for its next stage of growth.

Innovation and adaptability have proven to be critical in the face of the rapidly changing business environment, and we have made substantial progress in modernising our core businesses and transforming the way we operate, to reflect that evolving environment. The pace of change continues to accelerate, however, and we are focussed on driving forward our strategic priorities with urgency in the coming year. These priorities and how we are progressing them are set out below.

Evolving our Group Portfolio

Evolving the Group's portfolio is a key element of ensuring that our business is sustainable and grows earnings over the long-term. We are focussed on deploying capital, both at a Group level and within our Group companies, towards strategic higher growth initiatives, while taking a sensible approach to divesting non-strategic and lower-yielding assets.

During the year, we continued to strengthen our position in the more promising markets of Asia and in industries where we can establish market-leading positions, to create long-term value and ensure sustainable growth. Our diversified presence in China and Southeast Asia, as well as our balanced portfolio across sectors, has helped us perform well even in difficult market conditions.

Our primary focus is on expanding our operations in areas that offer the greatest potential for future growth, such as the Chinese mainland and several ASEAN markets. We are seeking strong growth opportunities in emerging ASEAN markets like Indonesia and Vietnam, as well as developing our automotive, retail and property development interests in China.

We want to align ourselves with key trends in these markets, such as growing urbanisation and the developing middle class. We also recognise that there are continuing growth opportunities in our established markets such as Hong Kong and Singapore, which provide a stable foundation and strong cash flow.

Our capital allocation strategy prioritises organic investment in our portfolio to drive long-term growth and returns, while also aiming to increase dividends over time. We then focus on investing in new business opportunities, as well as carrying out share buybacks in our companies as appropriate. Our strategy is underpinned by a strong balance sheet. We are also increasingly focussed on ensuring that the investment opportunities we take align with our sustainability goals, and in this context we are developing a framework, which will be adopted Group-wide, to integrate sustainability into the capital allocation decision-making process.

The Group's prudent capital allocation approach underpinned the acquisition by the Company in April 2021 of the 15% minority stake in Jardine Strategic that it did not already own. This resulted in Jardine Matheson increasing its interests in Hongkong Land, DFI Retail, Mandarin Oriental, Jardine Cycle & Carriage and Astra, as well as simplifying the Group's ownership structure and governance framework. The acquisition was funded in part by debt facilities.

Following the completion of the acquisition, for the remainder of 2021 we prioritised debt reduction ahead of further, material new investments. In order to achieve this, we made two significant strategic disposals in the second half of 2021: the sale of the Zung Fu China business to our long-term partner in China, Zhongsheng; and the sale and leaseback of the Zung Fu Hong Kong properties. These transactions enabled the Company to reduce its net debt to US$1.3 billion by the end of 2021.

During 2022 and, as we enter 2023, we have continued to progress the simplification of the Group's portfolio and lay the foundations for the next stage of its growth. In January 2023, the Group entered into a conditional agreement to sell its 28.2% stake in the Hong Kong-listed Greatview Aseptic Packaging Company and, in March 2023, the Group expects to complete the sale of its Motors business in the United Kingdom.

The Group also continued to focus on making strategic investments, with Astra acquiring a 49.6% stake in Bank Jasa Jakarta in 2022, continuing its focus on providing compelling financial services to its customers, as well as a 7.4% stake in Medikaloka Hermina, one of the largest hospital groups in Indonesia, increasing its focus on healthcare services and adding to its existing investment in Halodoc, an online platform in Indonesia providing access to a range of medical services.

To support its strategy of diversifying into other minerals and renewable energy, Astra, through United Tractors, is entering the nickel mining and processing businesses through an agreement to acquire a 90% interest in Stargate Pasific Resources and Stargate Mineral Asia for US$272 million, which is expected to complete in 2023. It has also acquired a 31.5% interest in Arkora Hydro, a hydro-based energy power generation business.

In February 2023, Cycle & Carriage Singapore completed a sale and leaseback arrangement of its properties for around US$230 million.

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

Driving Innovation and Operational Excellence

The Group also continues to focus on delivering operational excellence in our existing and new businesses, and the past year has seen strong progress by our businesses in driving greater efficiency and productivity, despite the challenging market environment. Business improvement initiatives were progressed in the year in many of the Group's businesses, including Gammon, Jardine Restaurant Group, Zung Fu Hong Kong and HACTL, with a positive impact on results. DFI Retail's multi-year transformation plan continues to deliver real improvements in operating metrics across its banners. Mandarin Oriental has successfully unified its property management system across hotels, delivering standardisation and enabling efficiency benefits. The increased efficiencies which are being delivered across our businesses are essential to their ability to increase their agility and adaptability and address the challenges they face in order to deliver future growth.

As well as driving operational excellence, a key strategic priority is a focus on innovation. Our B2B businesses have continued enthusiastically to embrace digital ways of working to improve operations. Gammon has been an early embracer of building information modelling and has continued to grow its Virtual Design & Construction ('VDC') teams in Hong Kong and Shenzhen, which use digital prototyping to validate and optimise the design and construction process. JEC have developed their JEDI AI-powered digital platform, which utilises data-driven insights to provide building energy services in areas such as energy analytics and optimisation, fault detection and diagnostics and chiller optimisation, and deliver better experiences for end-users. Gammon's Digital G subsidiary provides digital technology to make the building process and management of the built environment safer, more efficient and less labour intensive.

We continue to seek new inorganic growth opportunities which facilitate our wider participation in the digital economy, emerging industries and new geographies. JEC has acquired the Hong Kong and Macau business of MGI Group Holdings Limited, a leading specialty healthcare engineering solutions provider, as part of JEC's strategic aim of building its skills and capabilities in the healthcare sector. Astra has continued to invest in digital businesses in Indonesia during the period. It acquired an interest in Paxel, a technology-based logistics startup, and also increased its investments in Sayurbox, an e-commerce grocery farm-to-table platform and Mapan, a digital community-based social financing platform.

As the Asian consumer appetite for digital continues to increase, our B2C businesses are focussed on embedding digital as a core component of how we anticipate and serve the needs of customers – developing omnichannel experiences, building data capabilities and investing in start-ups to augment our capabilities to react with speed and agility to the changing marketplace and evolving consumer behaviours and connect effectively with our customers.

DFI Retail's *yuu* coalition loyalty programme continues to exceed expectations and is the leading customer loyalty programme in Hong Kong, with more than four million members. The group has this year launched *yuu* Rewards in Singapore, with encouraging performance so far, and its *yuu-to-me* offering, launched in May 2022, provides customers with an integrated one-stop online shopping experience and home delivery service across leading Hong Kong brands.

Hongkong Land has developed the digital services it provides to customers in its Hong Kong retail portfolio by introducing a revamped LANDMARK app, which provides shoppers and loyalty members with a more personalised and intuitive user experience, while the group has also enhanced the functionality of its 'By The Bay' mobile app in Singapore with the addition of exclusive retail offerings, health and wellness workshops and a series of community and charitable events.

Mandarin Oriental launched its new website during the year, redesigned to ensure a mobile-first, personalised user experience whilst improving site performance and reliability. Since the new website went live in August, 60% of visits have come from mobile devices, a considerable uplift from the previous website, driving more direct digital bookings.

Our Southeast Asian businesses are also adopting innovative approaches to how they run their businesses. Astra, for example, is using Formula 1 technology in the mining industry to optimise fuel consumption. It is also using the Internet of Things ('IoT') and control centres to optimise manufacturing.

Our businesses are looking for ways in which they can innovate (through enhancements to existing businesses or new inorganic growth) which align with our sustainability priorities. Astra's investment through United Tractors in Arkora Hydro demonstrates its determination to take action to deliver on the commitments in its Just Energy Transition Statement published last June, by investing in renewable energy. This investment builds on Astra's existing presence in the hydroelectric power sector, where it already operates a mini-hydro power plant and is developing another.

Astra is also developing electricity generation facilities using innovative solar photovoltaic ('PV') technology, through its subsidiary PT Energia Prima Nusantara ('EPN'). In 2022, EPN secured commitments to install 16 MWp of rooftop solar PV, of which 4 MWp has been installed in a number of Astra group company facilities.

Vietnam's installed capacity for wind, solar and hydro power is forecast to double by 2030 and REE, JC&C's associate there, continues to make extensive investments in renewable energy. REE is Vietnam's largest investor in roof-top solar power and also has interests in wind farms and hydroelectric dams. As of December 2022, renewable energy sources (hydroelectric, solar and wind) accounted for 72% of REE's energy portfolio.

JC&C's automotive businesses in Southeast Asia are also focussed on innovative sustainable business solutions. As an example, Cycle & Carriage Singapore ('CCS') is growing its new electric van logistics business in Singapore, offering logistics solutions to retail giants such as IKEA, Guardian and Uniqlo. CCS also sells and leases the vehicles to large logistics businesses, including UPS and DHL.

Enhancing Leadership and Entrepreneurialism

We need to evolve and accelerate to stay ahead of the competition – and we have identified the embedding of an entrepreneurial culture as a key success factor in doing this. Entrepreneurship means being open to experimentation and having the confidence to put ideas forward and, importantly, to promote and defend them.

A key element of building an entrepreneurial culture is attracting, developing and retaining the right leadership talent, and this is a top priority for the Group and its companies. In the past year, the Group has made a number of significant senior appointments to bolster its leadership and drive future growth. We see it as essential to appoint the most competent, highly-qualified and experienced senior executives to drive business growth, and have appointed two new Jardine Matheson Limited Directors to lead our business development efforts across China and Southeast Asia. We have also strengthened the leadership of our core Group functions, by appointing a new Group General Counsel and Group Head of Human Resources.

We have continued to invest in developing our leaders and providing them with opportunities to advance their careers within different businesses across the Group, with a number of executive-level senior management moves taking place during the period.

We are focussed on providing our colleagues with the appropriate training and support to equip them with the skills needed to navigate the challenges and opportunities they face, both in the short- and the long-term. Our comprehensive Group-wide programme of online learning and academies has seen high levels of participation in the year.

We are also continuing our work to create a diverse and inclusive culture where everyone can succeed. We are working with our businesses to increase the diversity of the boards and senior management of our Group companies. A key element of this is the successful nurturing of colleagues at all levels, in order to develop diverse pools of talent from which our future senior leaders can be selected. We recognise that there is a great deal more to do in order to build greater diversity at all levels of the Group, but we made good progress last year in implementing our diversity and inclusion ('D&I') strategy to help progress our ambitions across the Group. We launched a series of initiatives, including a learning campaign on inclusive leadership; a comprehensive review to enhance Human Resources policies; and new processes which support D&I. We have also developed targets for increasing female representation in our workforce and leadership.

We also aim to create an owner mindset among our staff and are supporting this by enhancing our incentive structures over time to focus less on current profits and more on value creation over a longer time horizon.

Progressing Sustainability

In 2022, we continued to drive a more aligned, focussed approach to sustainability across all our Group companies, leveraging and building on the work many of them are already doing in this area to maximise the impact we have in our communities and on the environment. There is increasingly strong engagement between our businesses on sustainability issues, which will enable us to create real scale in what we do.

We continue to focus on actively sharing the positive actions our diverse businesses are taking in relation to sustainability, by reporting more effectively on Environmental, Social and Governance ('ESG') issues, and in 2022 we published our inaugural Sustainability Report. The report included data on a range of Group-wide metrics gathered from our businesses. We also published TCFD-aligned disclosures for the first time in the report.

We took a key step in progressing our climate action agenda in June 2022 with the publication by the Company, JC&C and Astra of a Just Energy Transition statement, which articulated our commitment to a low carbon economy in the geographies where we operate. Effective steps are already being taken to implement the key commitments in the statement: we saw investments in the year in renewable energy-focussed businesses in Indonesia and Vietnam and a diversification into non-coal mineral mining with the acquisition of interests in a nickel mining and processing business.

Our focus on climate action also saw our businesses setting science-based 2030 targets for decarbonisation and starting to develop decarbonisation pathways towards achieving those targets.

Our businesses are exploring opportunities to collaborate in relation to responsible consumption, especially in the areas of waste and circularity, and the Group is developing its social inclusion strategy, with a particular focus on the areas of education and mental health.

Creating emotional engagement among our colleagues and other stakeholders continues to be a key aspect of implementing an impactful and effective sustainability approach, and this was a focus of our sustainability efforts during the year, as we saw an acceleration in momentum across our businesses in organising volunteering activity, with a significant increase in volunteering hours and number of volunteers.

Summary of Performance

The Group saw improved performances from many of its businesses in 2022, compared to 2021, with particularly strong growth in Southeast Asia, led by Astra. The results delivered by the Group in 2022 once again demonstrate the continuing value of our diversified portfolio, which has enabled Jardines to produce a resilient performance, despite challenging conditions in a number of our sectors and markets.

The strong performance of the Group's businesses in Southeast Asia in the first half of 2022, together with the challenges faced by our businesses in Hong Kong and on the Chinese mainland throughout the year, led to 55% of the Group's profit for the period coming from Southeast Asia and 39% from China.

The Group's underlying net profit for the year increased by 5% to US$1,584 million and underlying earnings per share were US$5.49, an increase of 14%. The Group's underlying earnings per share in 2022 represent an increase of 30% over those of 2019, while its dividends per share of US$2.15 in 2022 represent an increase of 25% over the same period.

The key drivers of the Group's performance were strong performances by Astra and our other Southeast Asian businesses held by JC&C. Astra reported a 51% increase in underlying earnings, excluding the unrealised net fair value loss on investments in GoTo and Hermina, with improvements across most of its divisions, supported by Indonesia's economic recovery and higher commodity prices. JC&C's underlying profits increased by 39%, with strong performances by THACO and its Direct Motor Interests.

Mandarin Oriental saw a return to underlying profitability in the year, with a strong performance from its resort hotels and a good recovery by its owned hotels, although results were impacted by Hong Kong and Tokyo. There was also an improved contribution from the Group's unlisted Jardine

Pacific businesses, driven by Jardine Schindler and JEC, although most of the businesses focussed on Hong Kong were impacted by the continuation of pandemic restrictions there.

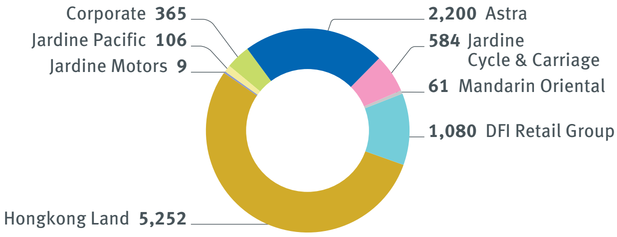
Hongkong Land's full year underlying profits were 20% lower than the prior year, as a result of a significantly lower profit contribution from the Development Properties business in the second half of the year. The lower profit contribution was primarily due to a smaller number of planned sales completions and the impact of pandemic-related restrictions on construction activities on the Chinese mainland. DFI Retail Group saw a decline year-on-year in underlying profit, with the pandemic continuing to impact the financial performance of the group's subsidiaries and associates. There were, however, encouraging signs of an improvement in performance in the second half. There was a slight decline in the performance of the Group's Motor interests.

Net non-trading items were negative, versus a positive position last year. The majority of the non-trading losses in 2022 were the Group's share of fair value losses of US$604 million arising from the revaluation of the Group's investment properties portfolio and non-current investments of US$309 million, together with the impairment of investment in associates of US$320 million. The net non-trading gain in 2021 mainly included the US$791 million gain on disposal of Zung Fu China business and the US$337 million gain on the sale and leaseback of Zung Fu Hong Kong's principal operating properties, partly offset by the Group's share of the unrealised loss of US$681 million in respect of the Group's investment properties portfolio. After taking account of the net non-trading losses, the Group recorded a net profit attributable to shareholders of US$354 million in 2022.

The Group's balance sheet remains strong with gearing of 13%, up from 11% at the end of 2021.

The Group's capital investment, including expenditure on properties for sale, was US$5.3 billion in 2022, and capital investment at its associates and joint ventures exceeded US$4.3 billion. The Group continues to invest for the long-term and ensure that its businesses have the resources to drive future growth.

Total capital investment of US$9.7 billion (US$ million)



Outlook

The encouraging recovery in performance across many of our businesses continued in 2022 and overall earnings returned to levels last seen in 2019. This reflected the broad diversification of the Group, even while many of our businesses in Hong Kong and the Chinese mainland were held back by the continued impact of the pandemic.

We are optimistic that the reopening of borders, as well as opportunities in Southeast Asia, will drive the Group's cyclical recovery during 2023 despite softening commodity prices, and we remain confident in our strategy for sustainable, long-term profit growth.

Jardine Pacific

- Good performance by most of the B2B businesses
- Consumer businesses continued to be impacted by pandemic restrictions
- Jardine Schindler and JEC saw improved performance

Jardine Pacific

Gammon
HACTL
Jardine Aviation Services
Jardine Engineering Corporation ('JEC')
Jardine Restaurant Group
Jardine Schindler
Zung Fu Hong Kong

	2022	2021	Change (%)
Gross revenue (including 100% of associates and joint ventures) (US$ billion)	**6.6**	5.7	17
Revenue (US$ billion)	**2.1**	1.5	36
Underlying profit attributable to shareholders (US$ million)	**182**	175	4

Jardine Pacific produced an underlying net profit of US$182 million, 4% higher than 2021. There was a good performance by most of the B2B businesses, while the group's consumer businesses continued to be impacted by continuing pandemic restrictions in Hong Kong. The business reported a net loss of US$123 million, after net non-trading losses of US$305 million.

Jardine Pacific businesses received total government subsidies of US$28 million in the current year, compared with US$9 million in 2021.

There was significant focus in the year across the group's businesses in driving operational improvements. The benefits are now starting to be seen in improved business performance and the group is well set for future growth.

Within Jardine Pacific's B2B businesses, Jardine Schindler's performance was higher than in 2021, with a stable contribution from the Existing Installation business. JEC delivered good profit growth. Its Hong Kong businesses continued to report solid performances, although its regional businesses continued to face challenging conditions. Strong levels of new work were secured, leading to a record order book at year-end.

Gammon's performance was in line with last year due to the timing of projects, and its order book remained strong.

In Transport Services, there was weaker performance in HACTL, mainly caused by lower volumes as export demand softened. Jardine Aviation reported a higher loss, due to lower flight volumes for much of the year. Volumes slowly recovered, however, as pandemic restrictions in Hong Kong eased towards the end of the year.

Looking at the group's consumer-facing businesses, Jardine Restaurants delivered overall results which were 29% lower than last year, mainly due to the impact of disruption from pandemic restrictions in Hong Kong, which resulted in a weaker performance in both Pizza Hut and KFC Hong Kong. Despite a lower contribution caused by increasing operating costs, Pizza Hut Taiwan continued to perform well. The business continued to benefit from ongoing 'process re-engineering' projects.

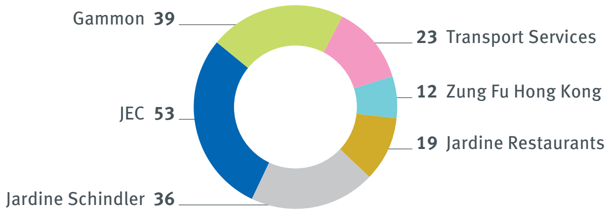
Zung Fu Hong Kong reported a lower profit year on year. After-sales activities were affected by the pandemic, while supply constraints impacted passenger car deliveries.

Jardine Pacific saw net non-trading losses of US$305 million in the year, compared to a net non-trading gain of US$389 million in 2021, as a result of the decrease in the fair value of the investment properties and the impairment of investments, and the absence of the gain on disposal of Hong Kong properties by Zung Fu which was reported in 2021.

Gross revenue (US$ billion)

Underlying profit attributable to shareholders (US$ million)

Underlying profit by business (excluding corporate & other interests) (US$ million)



Jardine Motors

- Underlying net profit 6% lower than the prior year
- Benefitted from its 21% interest in Zhongsheng due to higher contribution in 2022
- The Group no longer had the benefit of contributions from its Chinese mainland business following its disposal last year
- Despite constrained supply, the new car business performed well due to strong margins

	2022	2021	Change (%)
Revenue* (US$ billion)	**2.0**	5.0	(59)
Underlying profit attributable to shareholders* (US$ million)	**299**	318	(6)

*Excluding results of automotive interests held through Jardine Cycle & Carriage.

The Group's Motors business produced an underlying net profit of US$299 million in 2022, 6% lower than the prior year. The Group no longer had the benefit of contributions from its Chinese mainland business following its disposal to Zhongsheng in late 2021, although it benefitted from a higher contribution from its 21% interest in Zhongsheng in respect of the second half of 2021 and the first half of 2022, with a strong performance in its used car business.

Zhongsheng Group's presence

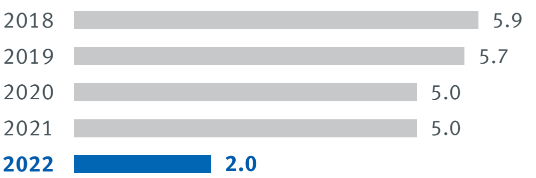
417 Dealerships

Covering **25** provinces and regions

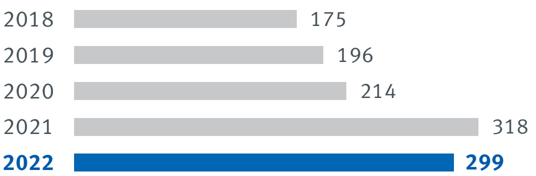
Over **110** cities across Chinese mainland

The Group's United Kingdom motor business delivered a slightly lower profit in 2022, with the business impacted by unfavourable exchange rates in the period. Despite constrained supply, the new car business performed well due to strong margins. Used cars also remained resilient, with lower volumes offset by improved margins.

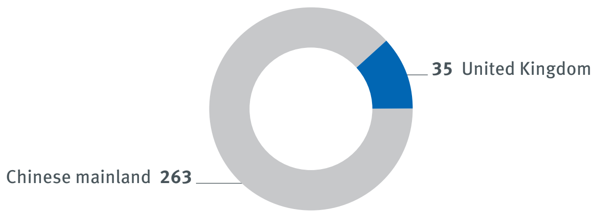
Revenue* (US$ billion)



Underlying profit attributable to shareholders* (US$ million)



Underlying profit by geographical location* (excluding corporate) (US$ million)



* Excluding results of automotive interests held through Jardine Cycle & Carriage.

Hongkong Land

- Underlying profit down 20% to US$776 million
- Lower residential development profits on the Chinese mainland
- Slight decline in results from Investment Properties; asset values stable
- Group financial position remains strong
- Final dividend maintained at US¢16.00 per share

	2022	2021	Change (%)
Underlying profit attributable to shareholders (US$ million)	**776**	966	(20)
Gross assets (US$ billion)	**39.1**	39.7	(1)
Net asset value per share (US$)	**14.95**	15.05	(1)

Hongkong Land's full-year underlying profits were 20% lower than the prior year, primarily due to a significantly lower profit contribution from the Development Properties business on the Chinese mainland in the second half of the year. The contribution from Investment Properties was resilient, however, with modest financial impacts in the retail portfolio from the pandemic measures introduced across the Chinese mainland in 2022. The impact of lower average office rents in Hong Kong was partially offset by a reduction in operating costs.

Profit attributable to shareholders was US$203 million, after including net non-cash losses of US$573 million resulting primarily from lower valuations of the group's investment properties. This compares to a loss of US$349 million in 2021, which included a US$1,315 million reduction in property valuations.

1.2 million sq. m.

Area of operational commercial investment portfolio under management (including 100% of joint ventures)

Investment Properties

In Hong Kong, office leasing demand remained subdued. Against this backdrop, the group's Central office portfolio remained resilient, outperforming the broader market due to its prime CBD location and premium offering. Physical vacancy remained below average Central market vacancy levels. Modestly negative rental reversions, however, resulted in a decrease in average office rents.

Retail market sentiment in Hong Kong was severely affected by the fifth wave of the pandemic in the first half of 2022. Retail trading benefitted in the second half of the year, however, as social distancing and travel restrictions were progressively relaxed. Total retail sales nevertheless remained well below pre-pandemic levels, as travel restrictions continued to prevent the return of tourists. Average retail rents in 2022 in the Central LANDMARK retail portfolio decreased, but vacancy on both a physical and committed basis was unchanged from the prior year.

In Singapore, contributions from the group's office portfolio increased, due to positive rental reversions underpinned by a healthy level of occupier demand, with average office rents increasing and vacancy in the Group's office portfolio remaining low.

In Shanghai, development activity continued at the group's 43%-owned prime 1.1 million sq. m. development on the West Bund. The multi-phase project remains on schedule, with modest impacts from the pandemic-related restrictions in Shanghai during part of the year. The West Bund development is a complex, predominantly commercial, mixed-use site of unprecedented scale. It is located in a prime waterside location in Shanghai with unrivalled access to the riverside. When completed, the project will comprise five neighbourhoods and 28 land parcels. The West Bund has established itself as an international creative industry cluster, supported by three pillars: culture and creative industries, high-tech businesses and the innovative finance sector. When completed, the development will comprise around 660,000 sq. m. of offices, 210,000 sq. m. of retail space, 170,000 sq. m. of luxury residences, 55,000 sq. m. of five-star hotels, 30,000 sq. m. of convention facilities and 10,000 sq. m. of sports facilities. It will incorporate an industry-leading approach to sustainability.

Development Properties

As anticipated, the profit contribution from the group's Development Properties business on the Chinese mainland decreased compared to the prior year, as a result of a significantly lower profit contribution in the second half of the year, due to fewer planned sales completions and the impact of pandemic-related restrictions on construction activities. There was also a decrease in the group's attributable interest in contracted sales in 2022, mainly due to weak market sentiment for residential properties and pandemic-related movement restrictions that hampered sales activities.

In Singapore, recognised profits in 2022 were lower than the prior year, which benefitted from the construction of the wholly-owned 1,404 unit Parc Esta project. The group's attributable interest in contracted sales rose, however, driven by the healthy pre-sales performance of two new residential projects launched during the year.

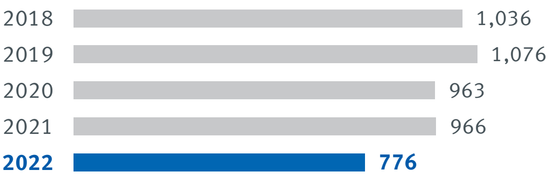
Hongkong Land

The group continues to be disciplined in evaluating and selecting Development Properties opportunities on the Chinese mainland, with a focus on Tier 1 and Tier 2 cities. During the year the group made two acquisitions – a primarily residential site in Xuhui District, Shanghai, adjacent to our mixed-used project in West Bund and an interest in a predominantly retail commercial site in Suzhou. This development reflects the group's strategy of developing luxury and premium lifestyle retail properties on the Chinese mainland. The group currently has four such properties in operation, and the site in Suzhou will be added to the pipeline of ten further such developments.

The group also increased its investments in two existing projects, acquiring the remaining 50% interest in the mixed-use project in WE City, Chengdu from KWG Property Holdings Limited and acquiring a 15% interest in Yue City, a mixed-use project in Nanjing, from Country Garden in January 2023.

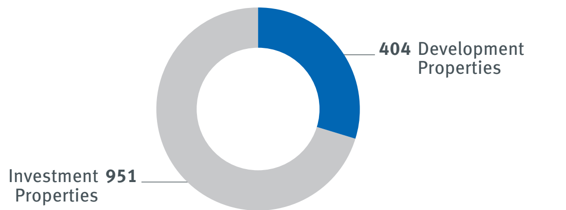
In Singapore, the group acquired a 49% interest in a residential site in the Jalan Tembusu area.

Underlying profit attributable to shareholders (US$ million)

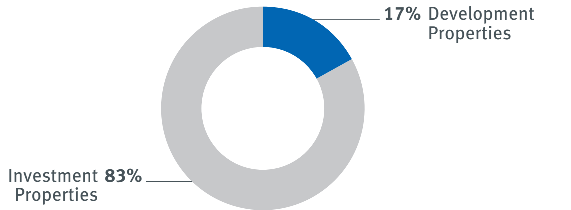


Net asset value per share (US$)

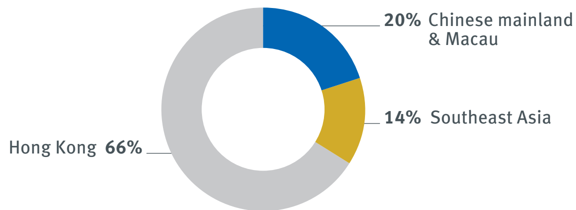
Underlying operating profit by activity (before corporate costs) (US$ million)



Gross assets by activity



Gross assets by location



DFI Retail Group

- Substantial sequential improvement in underlying profitability in second half
- Lower full year underlying profit due to continuing impact of pandemic, inflationary pressure, increased investment in digital
- Ongoing transformation programme continues to drive improvement
- Final dividend of US¢2.00 per share

	2022	2021	Change (%)
Revenue including 100% of associates & joint ventures (US$ billion)	**27.6**	27.9	(1)
Revenue (US$ billion)	**9.2**	9.2	–
Underlying profit attributable to shareholders (US$ million)	**29**	105	(72)

2022 was another very challenging year for DFI Retail. A combination of inflationary pressures and customer behavioural shifts driven by the pandemic significantly impacted first-half financial performance, reducing profit contributions from the Grocery Retail and Convenience divisions. The group's share of underlying losses from similarly affected associates also materially affected results.

DFI Retail Group

There was, however, a significant improvement in profitability in the second half of the year. The group needs to continue to adapt to changes in consumer preferences and, despite the external challenges, has increased investments in digital capacity and capability in the year. While these investments impacted profitability in the year, they are necessary to meet customers' evolving needs and to drive long-term shareholder value.

The group reported an overall underlying profit of US$29 million for the full year. The group's subsidiaries delivered underlying profit of US$64 million, while associates contributed an underlying loss of US$35 million. There was an encouraging improvement in second-half underlying profit to US$80 million, representing a US$132 million increase in profitability relative to the first half.

The group's net loss for the year was US$115 million, reflecting an impairment charge of US$171 million in respect of its investment in Robinsons Retail.

Food - Grocery Retail

Underlying operating profit for the Grocery Retail division was US$91 million for the year, lower than the prior year, primarily due to the absence of the panic buying seen last year, further compounded by rising cost of goods sold and increases in operating expenses. Despite the challenges faced throughout 2022, however, the group has been encouraged by stronger underlying performance, with Grocery Retail underlying profitability significantly above 2019 levels, supported by the group's transformation initiatives.

Food - Convenience

Convenience underlying operating profit was US$51 million for the year, broadly in line with the prior year. Encouragingly, profitability in the second half improved significantly, with the group reporting US$51 million profit compared to the breakeven result in the first half.

Health and Beauty

Underlying operating profit for the Health and Beauty division increased by 66% to US$94 million, driven by solid sales growth.

Home Furnishings

IKEA's sales for the year were impacted by COVID-19 related restrictions in the first half and supply chain constraints, which impacted stock availability. Operating profit was US$46 million, slightly ahead of the prior year, primarily due to strong cost control.

13
Asian countries and territories

Over
10,600
Outlets

11.7 million sq. m.
Gross trading area

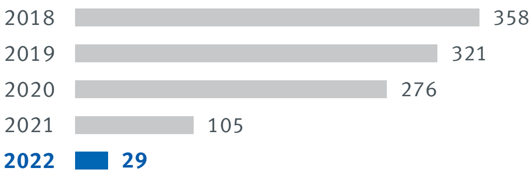
Associates

The performance of Maxim's for the full year was severely hampered by a very challenging first quarter as result of the fifth wave of COVID-19 in Hong Kong, which led to a large number of restrictions on movement and dining. The group's share of Maxim's underlying losses was US$26 million in the first half of the year. Encouragingly, Maxim's performance improved as the year progressed, due to solid mooncake sales performance and the easing of dining restrictions. The group's overall share of Maxim's underlying profits was US$38 million for the full year.

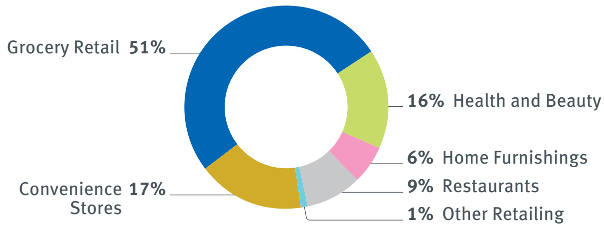
The group's share of Yonghui's underlying losses was US$80 million for the year, compared to a US$90 million share of underlying losses in the prior year. While Yonghui's like-for-like sales improved in the first half of the year, performance in the second half was impacted by government-imposed restrictions on the Chinese mainland, as well as the slowdown in the overall macroeconomic environment.

Robinsons Retail reported strong growth in 2022, as it benefitted from the reopening of the Philippines economy, together with an improved product mix and strong cost control. Robinsons Retail's underlying profit contribution to the group was US$24 million in 2022, over 60% higher than in 2021.

Underlying profit attributable to shareholders (US$ million)

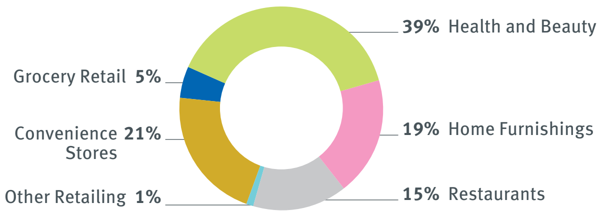


Sales mix by format#



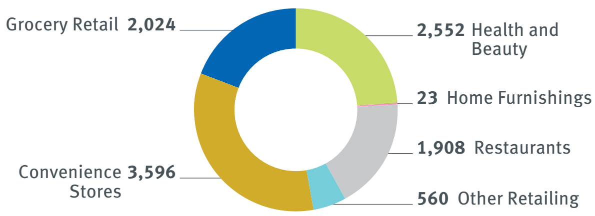
Including share of associates and joint ventures.

Profit mix by format†



† Based on operating profit before effect of adopting IFRS 16 and share of results of associates and joint ventures, and excluding selling, general and administrative expenses and non-trading items.

Retail outlet numbers by formatΩ



Ω Including 100% of associates and joint ventures.

Mandarin Oriental

- Combined revenue exceeds 2019 levels
- Group returns to underlying profit
- Strong performance from management business, particularly resort hotels
- Good recovery by owned hotels, although results impacted by Hong Kong and Tokyo
- Two new hotels and two new residences opened and seven new projects announced

	2022 US$m	2021 US$m	Change (%)
Combined total revenue of hotels owned and under management*	**1,568**	1,054	49
Revenue	**454**	317	43
Underlying profit/(loss) attributable to shareholders	**8**	(68)	n/a

* Combined revenue includes turnover of the group's subsidiary hotels in addition to 100% of revenue from associate, joint venture and managed hotel.

Mandarin Oriental continued its recovery in 2022 as travel restrictions lifted in most parts of the world and it ended the year strongly, with a return to underlying profitability. Owned hotels achieved improved occupancy at strong rates, and the management business continued to grow robustly, exceeding 2019 profitability. The group's management business recorded a strong performance, with robust growth in management fees, particularly from, resort destinations such as Bodrum, Turkey, Lake Como, Italy and Dubai, UAE. The group's management business reported an underlying profit of US$17 million in 2022, compared to US$5 million in 2021.

Most of the Group's owned or partially owned properties reported better earnings in 2022. The overall performance from owned hotels, however, continued to be adversely affected by lower contributions from the Hong Kong and Tokyo hotels, whose performance was heavily impacted by COVID-19 restrictions throughout the year. Results were notably better in London, Paris, Singapore, and Bangkok, driven by high rates and improved occupancy from the previous year.

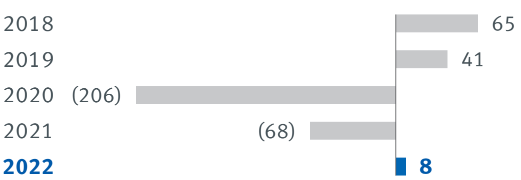
The group achieved an underlying profit of US$8 million for the full year, its first profit since 2019. Although profitability remained below pre-pandemic levels, this is a significant improvement compared with 2021, when the group recorded an underlying loss of US$68 million.

The group opened two new hotels in the year, in Shenzhen, China and Lucerne, Switzerland, and two standalone residences in Barcelona, Spain and Beverly Hills, USA. Five projects are scheduled to open in 2023.

In 2022, the group announced seven new management contracts, in Greece, Italy, Egypt, Kuwait, the Maldives, China and Vietnam. The group's robust development pipeline includes over 26 projects expected to be completed in the next five years.

The Causeway Bay site in Hong Kong, which is being redeveloped as a mixed-use commercial building, remains on track to complete in 2025.

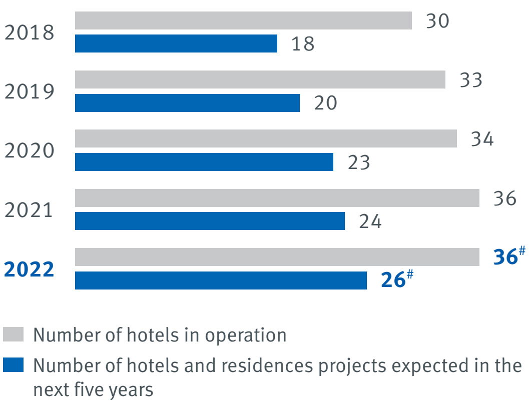
Underlying profit/(loss) attributable to shareholders (US$ million)



Net asset value per share* (US$)

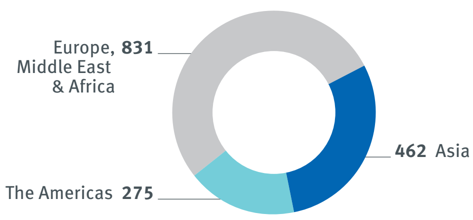
* With freehold and leasehold properties at valuation.

Hotel and residences portfolio



As of 2nd March 2023.

Combined total revenue of US$1,568 million of hotels under management by geographical area (US$ million)



Jardine Cycle & Carriage

- Record underlying profit of US$1,096 million, 39% higher than 2021
- Improved performances from both Astra and non-Astra interests
- Proposed final dividend of US¢83 per share, total dividend of US¢111 for the year, 39% higher than 2021

Jardine Cycle & Carriage

Astra

Truong Hai Group Corporation ('THACO')

Direct Motor Interests:

Cycle & Carriage Bintang

Cycle & Carriage Myanmar

Cycle & Carriage Singapore

Tunas Ridean

Other Strategic Interests:

Refrigeration Electrical Engineering Corporation ('REE')

Siam City Cement ('SCCC')

Vinamilk

	2022	2021	Change (%)
Revenue (US$ billion)	**21.8**	17.7	23
Underlying profit attributable to shareholders (US$ million)	**1,096**	786	39

JC&C's underlying profit was 39% higher than 2021 at US$1,096 million. After accounting for non-trading items, profit attributable to shareholders was US$740 million, 12% higher than the same period last year. Non-trading items in 2022 of US$356 million comprised unrealised fair value losses of US$238 million related to non-current investments, and an impairment loss of US$114 million in respect of the investment in SCCC, necessary due to a challenging operating environment.

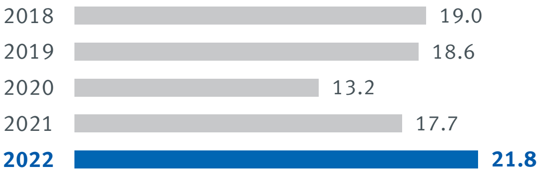
Astra's contribution to the group's underlying profit increased to a record US$913 million from US$655 million last year, with improved performances from most of its businesses, reflecting the recovery in the Indonesian economy and high commodity prices.

The underlying profit from JC&C's Direct Motor Interests increased to US$63 million from US$39 million last year, mainly due to improved contributions from Cycle & Carriage Singapore and Malaysia, and Tunas Ridean in Indonesia. Other Strategic Interests contributed an underlying profit of US$86 million, down 4% from the previous year.

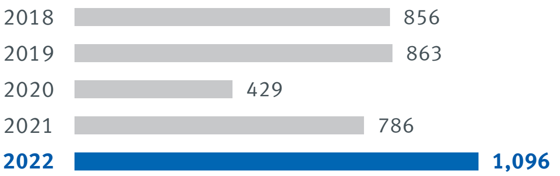
THACO

THACO contributed a profit of US$83 million, 34% up from the previous year. The profit from its automotive business continued to grow, supported by strong production levels and a temporary reduction in registration fees for locally-assembled vehicles that expired in May 2022. Its unit sales were higher and its market share increased. Margins benefitted from strong demand and an improved sales mix. The group continues to expand its investment in agriculture and, as a result, saw an increase in losses from this business as substantial pre-production losses were incurred.

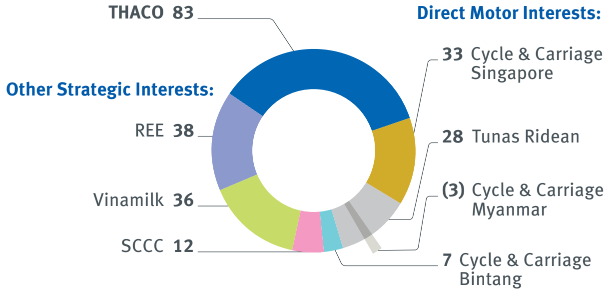
Revenue (US$ billion)



Underlying profit attributable to shareholders (US$ million)



Underlying profit of US$234 million (excluding Astra, DMI central overheads and corporate) by business (US$ million)



Jardine Cycle & Carriage

Direct Motor Interests

Direct Motor Interests saw an increase of 62% in underlying profit, with better results in Singapore, Malaysia and Indonesia. Cycle & Carriage Singapore's contribution was 13% higher, mainly due to increased profits from its premium and used car operations. New passenger car sales fell by 15% as sales volume, particularly in respect of its mass-market models, was adversely impacted by the tightened Certificate of Entitlement cycle. Market share, however, increased from 15% to 19%.

In Indonesia, Tunas Ridean's contribution was 71% higher than the previous year, with higher profits across its automotive, financial services and leasing businesses.

Cycle & Carriage Bintang in Malaysia saw an increased profit, mainly due to improved sales volumes and margins backed by a larger order book, arising from a temporary reduction in government sales tax.

During the year, JC&C further increased its interest in Cycle & Carriage Bintang from 89.0% to 96.9%, through on-market purchases, acceptances under its Voluntary General Offer and direct purchases from the minority shareholders. Cycle & Carriage Bintang was delisted from Bursa Malaysia in September 2022.

Other Strategic Interests

The profit from JC&C's Other Strategic Interests decreased by 4% compared with the previous year, with a significantly lower contribution from SCCC, as the business was adversely impacted by higher energy costs and inflationary pressure, as well as increased tax rates in Sri Lanka and the depreciation of the rupee, which offset improved cement volumes and prices in most of its markets.

REE's contribution was, however, 70% higher than the previous year, mainly due to an improved performance from its renewable energy investments as a result of favourable hydrology.

The group's investment in Vinamilk produced a slightly lower dividend income of US$37 million compared to US$39 million last year. Vinamilk reported a decrease in net profit, mainly due to higher raw material costs.

Astra

- Record earnings boosted by economic recovery and unprecedented high commodity prices
- Strong performance across most businesses
- Car and motorcycle sales grow by 17% and 2%, respectively
- Net earnings per share up 51% at Rp753 (excluding fair value adjustments on investments in GoTo and Hermina)
- An enhanced final dividend of Rp552 per share will be proposed on the basis of unprecedented high coal prices in 2022
- Group capex and investment for 2022 doubles to Rp26.4 trillion

	2022	2021	Change* (%)
Net revenue[#] (US$ billion)	**20.2**	16.3	29
Profit attributable to shareholders[#†] (US$ million)	**2,043**	1,408	51

* Based on the change in Indonesian rupiah, being the reporting currency of Astra.

Reported under Indonesian GAAP.

† Before net fair value loss on investments in GoTo and Hermina.

Astra delivered record earnings, with net profit under Indonesian accounting standards of Rp28.9 trillion, equivalent to US$1.9 billion, 43% higher than 2021. Excluding the net fair value loss on the group's investments in GoTo and Hermina, Astra's net profit of Rp30.5 trillion, or US$2.0 billion, was 51% higher than 2021.

A strong recovery in the Indonesian economy and higher commodity prices drove stronger performances from all of Astra's businesses and in particular its infrastructure and logistics, heavy equipment and mining and automotive divisions.

Astra

Automotive

Net income from Astra's automotive division increased by 33% to US$648 million, reflecting higher sales volume.

The wholesale car market increased by 18% in 2022. Astra's car sales for that period were 17% higher, with market share relatively stable at 55%. The wholesale motorcycle market increased by 3%, while Astra Honda Motor's sales increased by 2%, with sales growth limited by semiconductor supply issues, while market share remained relatively stable at 77%.

Astra Otoparts saw a 117% increase in profit compared to the previous year, mainly due to higher revenues from the original equipment manufacturer and replacement market segments.

Financial Services

Net income from the group's financial services division increased by 22% to US$404 million, due to higher contributions from its consumer finance businesses, which saw a 21% increase in new amounts financed. The net income contribution from the group's car-focussed finance companies increased due to larger loan portfolios, while the contribution from Astra's motorcycle-focussed finance company, Federal International Finance, was higher due to larger loan portfolios and lower loan loss provisions.

General insurance company Asuransi Astra Buana reported a 12% increase in net income to US$80 million, mainly caused by higher investment and underwriting income.

Heavy Equipment, Mining, Construction and Energy

Net income from the group's heavy equipment, mining, construction and energy division increased by 107% to US$850 million, mainly due to higher contributions from heavy equipment sales, mining contracting and coal mining, all of which benefitted from unprecedented coal prices.

United Tractors reported a 104% increase in net income to US$1,408 million. Komatsu heavy equipment sales rose significantly and revenue from its parts and service businesses was higher. Mining services contractor Pamapersada Nusantara recorded a higher overburden removal volume, while coal production was relatively stable. Agincourt Resources, 95%-owned by United Tractors, reported a decrease in gold sales.

General contractor Acset Indonusa, 82.2%-owned by United Tractors, reported a lower net loss of US$30 million. Net losses continued to be incurred mainly as a result of the continued slowdown of several ongoing projects.

55%
Market share for new motor cars

77%
Market share for new motorcycles

US$6.8bn
New consumer financing

US$662m
New heavy equipment financing

Agribusiness

Net income from Astra's agribusiness division decreased by 12% to US$92 million, largely due to lower crude palm oil sales volumes and production, which offset an increase in selling prices.

Infrastructure and Logistics

Astra's infrastructure and logistics division reported a significant increase in net income to US$35 million, primarily due to improved performance in its toll road businesses. The group's toll road concessions saw higher toll revenue during the period. Astra has 396 km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road. Serasi Autoraya's net income increased by 19%, mainly due to an increase in vehicles under contract, despite a lower used car earnings contribution.

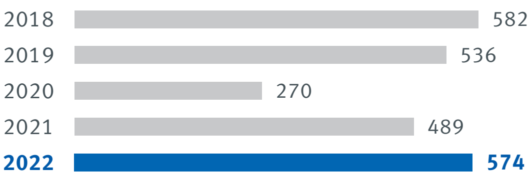
Information Technology

Net income from the group's information technology division was 12% higher at US$5 million.

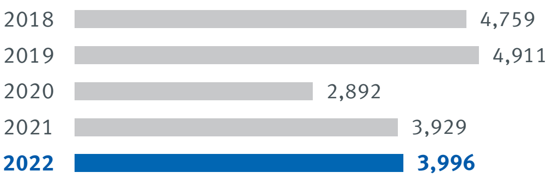
Property

The group's property division saw a 10% increase in net income to US$9 million, primarily due to a higher occupancy rate in Menara Astra and the handover of units in the Arumaya development starting at the end of 2022.

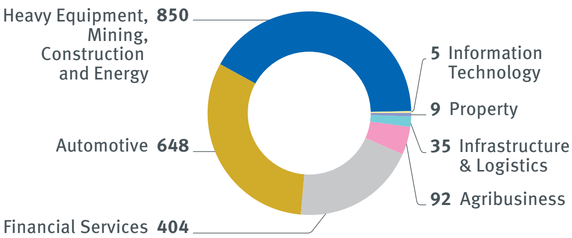
Motor vehicle sales including associates and joint ventures (thousand units)



Motorcycle sales including associates and joint ventures (thousand units)



Profit attributable to shareholders of US$2,043 million† by business (US$ million)



† Before net fair value loss on investments in GoTo and Hermina.