Independent Auditors’ Report

To the members of Jardine Matheson Holdings Limited

Report on the audit of the Group financial statements

Opinion

In our opinion, Jardine Matheson Holdings Limited’s Group (“the Group”) financial statements (the “financial statements”):

- give a true and fair view of the state of the Group’s affairs as at 31st December 2022 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 1981 (Bermuda).

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated Balance Sheet as at 31st December 2022; the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies (“the Principal Accounting Policies”).

Certain required disclosures have been presented in the Corporate Governance section, rather than in the Notes to the financial statements. These disclosures are cross-referenced from the financial statements and are identified as audited.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ 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 remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the Financial Reporting Council’s (“FRC’s”) Ethical Standard as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Materiality

- Overall Group materiality: US$561 million *(2021: US$290 million)*, based on 1.0% *(2021: 0.5%)* of the net assets of the Group.
- Specific Group materiality, applied to balances and transactions not related to investment properties: US$246 million *(2021: US$190 million)*, based on 5% of consolidated underlying profit before tax of the Group *(2021: based on 5% of a three-year average of consolidated underlying profit before tax of the Group)*.

Audit scope

- A full scope audit was performed on five entities – Jardine Cycle & Carriage Limited (which includes PT Astra International Tbk), Hongkong Land Holdings Limited, DFI Retail Group Holdings Limited, Mandarin Oriental International Limited ("MOIL") and Jardine Motors Group UK Ltd ("Motors UK").
- These entities, together with procedures performed on central functions and at the Group level, accounted for 94% of the Group's revenue, 91% of the Group's profit before tax, 91% of the Group's underlying profit before tax and 94% of net assets.

Key audit matters

- Valuation of investment properties;
- Carrying values of certain investments in associates and joint ventures; and
- Provisioning for consumer financing debtors.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors 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 evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties *Refer to note 44 (Critical Accounting Estimates and Judgements) and note 13 (Investment Properties) to the financial statements.* *The fair value of the Group's investment properties amounted to US$31,813 million at 31st December 2022, with a revaluation loss of US$930 million recognised as a non-trading item in the Consolidated Profit and Loss account for the year. The Group's property portfolio principally consists of commercial properties.* *The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location, prevailing market returns and the expected future rentals for that particular property.* *The valuations were carried out by third party valuers (the 'valuers'). Valuations are principally derived using the income capitalisation method. There is inherent estimation uncertainty and judgement in determining a property's valuation as the valuers make assumptions in key areas, in particular in respect of capitalisation rates and market rents.* *We focused on the valuation of investment properties due to the significant judgements and estimates involved in determining the valuations.*	We understood management's controls and processes for determining the valuation of investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. We assessed the valuers' qualifications and their expertise, considering whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised. Our work focused on the highest value properties in the portfolio, in particular the properties located in Central held by Hongkong Land, and MOIL's commercial property under development, in Hong Kong. We read the valuation reports covering the majority of the Group's investment property portfolio to consider whether the valuation methodology used was appropriate for each property and suitable for use in determining the carrying value. We performed testing, on a sample basis, of the input data used in the valuation process to satisfy ourselves of the accuracy of the property information supplied to the valuers by management, for example agreeing lease terms to tenancy agreements and other supporting documents. We understood and assessed the controls over data used in the valuation of the investment property portfolio and management's review of the valuations. The audit team, including our valuation experts, attended meetings with the valuers at which the valuations, key assumptions and climate change risk considerations were discussed. We compared the capitalisation rates used by the valuers with an estimated range of expected rates, determined via reference to published benchmarks and market information. We evaluated year-on-year movements in capital values with reference to publicly available information and rentals with reference to prevailing market rents. We evaluated whether the assumptions used were appropriate in light of the evidence provided by relevant transactions during the year. With the support of our internal valuation experts, we also questioned the external valuers as to the extent to which recent market transactions and expected rental values, which they made use of in deriving their valuations, took into account the impact of climate change and related ESG considerations. Overall, we concluded that the assumptions used in the valuations were appropriate.

Key audit matter	***How our audit addressed the key audit matter***
Carrying values of certain investments in associates and joint ventures *Refer to note 44 (Critical Accounting Estimates and Judgements) and note 15 (Associates and Joint Ventures) to the financial statements.* *As at 31st December 2022, investments in associates and joint ventures totalled US$17,856 million.* *We focused in particular on the Group's investments in Siam City Cement Public Company Limited ('SCCC') and Robinsons Retail Holdings Inc ('RRHI').* *Management undertook impairment assessments, as required by accounting standards, where indicators of impairment were identified. Based on management's assessments the recoverable amounts of both SCCC and RRHI, were lower than the carrying values of the investments. Impairment charges of US$114 million and US$171 million, respectively, were recognised as non-trading items in the Consolidated Profit and Loss account for the year.* *There is inherent estimation uncertainty and judgement in determining the recoverable amount of the carrying value of the investments. Assumptions are made by management in preparing their valuation models, particularly management's view on key internal inputs and external market conditions which impact future cash flows, the discount rates and long-term growth rates.* *We focused on the carrying value of investments in associates and joint ventures due to the significant judgements and estimates involved to determine whether the carrying values of the investments are supportable.*	We assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied. We have understood and reviewed management's impairment assessment process, including the identification of indicators of impairment and appropriateness of the valuation models used. In respect of RRHI and SCCC, due to the prolonged and current deficit in the share price valuation when compared against the Group's carrying value, we challenged management on the existence of impairment indicators. Management identified heightened risks of impairment and we performed the following procedures on management's subsequent impairment models. With the support of our valuation experts, we benchmarked and challenged key assumptions in management's valuation models used to determine the recoverable amounts against market data. This included whether assumptions of the projected cash flows of the businesses, long term growth rates and discount rates were appropriate. We tested the discounted cash flow models used in the assessments, checked the accuracy of the calculations, compared historical budgeted performance with actual results and agreed the financial information used with management approved budgets to assess the reasonableness of the cash flows used in the models. Our challenge focused particularly on the discount rates and long-term growth rates used. We compared the discount rates used with the range of typical discount rates used in similar businesses and considered whether management had incorporated all relevant macro-economic and country-specific factors, as well as those specific to those investments. For the growth rates we compared each rate used with the range of growth rates used by similar businesses, considering whether management had considered macro-economic and country-specific factors specific to the relevant businesses. We also tested management's historical estimation accuracy by comparing previous projected growth rates against the actual growth achieved. We evaluated the sensitivity analyses performed by management and performed our own 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. As the recoverable amounts determined by management were lower than the carrying amounts of the investments, we checked the calculation of the impairment charges recognised. Overall, we found the assumptions made by management to determine the discount rates, long-term growth rates and the cash flows used in the valuation models to be reasonable. We assessed the adequacy of the disclosures related to the carrying value of investments in associates and joint ventures in the context of IFRS disclosure requirements, including those relating to sensitivities, and agreed disclosures in the financial statements to the models tested and the assumptions applied in those models. We are satisfied that appropriate disclosure has been made.

Key audit matter	How our audit addressed the key audit matter
Provisioning for consumer financing debtors *Refer to note 41 (Principal Accounting Policies) and note 17 (Debtors) to the financial statements.* *As at 31st December 2022, net consumer financing debtors of the Group amounted to US$4,108 million, primarily relating to PT Astra Sedaya Finance ('ASF') and PT Federal International Finance ('FIF'), subsidiaries of the Group, which form part of PT Astra International Tbk.* *Assessing the provisions for impairment of consumer financing debtors requires management to make complex and significant judgements over both the timing of recognition and the estimation of any impairment required.* *Provisions for impairment are calculated on a collective basis using models driven by a number of observable inputs and management assumptions. Assumptions and parameters used in the calculations are based on historical data and current customer credit data, and include the delinquency status of the borrowers.* *The historical loss rates are then adjusted to reflect current and forward-looking information on macro-economic factors affecting the settlement of the amounts due from consumer financing debtors. There is an inherent degree of uncertainty in determining the expected future losses.* *We focused on the provisioning for consumer financing debtors due to the complex and subjective judgements involved in determining any impairment provisions required.*	We understood management's controls and processes for determining the provisions 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 judgement involved in determining the assumptions applied. We tested the design and operation of key controls over the credit reviews and approval processes that management has in place on the granting financing. In addition, for consumer financing debtors' data and impairment calculations, we performed the following to obtain sufficient audit evidence: • understood the identification of impairment events and how management identified all such events; • assessed the classification of financing debtors that were impaired; and • independently recalculated the provisions for impairment of financing debtors and compared it with management's calculation and understood any significant differences identified. We understood management's basis for determining whether a financing debtor is impaired and assessed whether that basis was justified through discussions with management, our understanding of the Group's lending portfolios and our broader industry knowledge. We assessed the models used and the assumptions applied by management, such as the basis on which the probability of default is calculated and estimated losses in the event of default, and how these compared with historical data adjusting for current market conditions and trends. We assessed whether historical experience considered by management was representative of current circumstances and of recent losses incurred in the portfolios. We re-performed provision calculations independently and understood any significant differences identified, if any. We tested, on a sample basis, the completeness and accuracy of the consumer financing debtors' data from underlying systems that are used in the calculations and models to determine the impairment provisions. In considering the appropriateness of provisions, we assessed whether consumer financing debtors in higher risk segments had been appropriately considered and captured in the impairment assessment by challenging management on their key areas of judgement, including the segmentation of the portfolio, the period of historical loss data used, identification of the most relevant macro-economic factors affecting the settlement of the amounts due, and estimated market value for collateral held, based on our understanding of the borrowers and current market conditions. We assessed whether management's assumptions were supported by available industry data, historical data and actual loss rate data. Overall, based on the procedures performed, we found that the provisions for impairment were supportable. We also assessed the adequacy of the disclosures related to provisions for consumer financing debtors in the context of IFRS disclosure requirements. We are satisfied that appropriate disclosure has been made.

How we tailored the audit scope
Jardine Matheson Holdings Limited is a holding company of a diversified group of businesses, some of which are separately listed.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which it operates.

The Group's accounting processes are based upon the finance function in each main business. Each business is responsible for its own accounting records and controls and which report to a group finance function for that business. Each of the Group's listed subsidiaries have, in addition to their own group finance functions, corporate governance structures and public reporting requirements. These businesses report financial information to the Group's finance function in Hong Kong to enable the preparation of the Group consolidated financial statements.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by members of the Group engagement team or by component auditors from member firms within the PwC Network operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement necessary for us to have in the audit work at those components to be able to conclude whether sufficient, appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole. The Group engagement team was involved in the significant reporting entities in scope for Group reporting during the audit cycle through a combination of meetings, visits and conference calls. The lead Group audit partner and other senior team members undertook two visits to Hong Kong and were involved throughout the year in regular conference calls and other forms of communication to direct and oversee the audit. The lead Group audit partner and other senior team members also visited both Indonesia and Singapore during the year to oversee and review the work of component teams in those locations, along with regular communication through conference calls and remote review of the work of component teams.

For five entities – Jardine Cycle & Carriage Limited (which includes PT Astra International Tbk), Hongkong Land Holdings Limited, DFI Retail Group Holdings Limited, Mandarin Oriental International Limited and Jardine Motors Group UK Ltd (Motors UK) – a full scope audit of the complete financial information was performed. The audit opinion of DFI Retail Group Holdings Limited contains a qualification on the comparability of the prior year results of Yonghui Superstores Co., Ltd, a significant associate of DFI Retail Group Holdings Limited. No such qualification is required to these financial statements given the significantly higher level of materiality. These entities, together with procedures performed on central functions and at the Group level (on the consolidation and other areas of significant judgement), accounted for 94% of the Group's revenue, 91% of the Group's profit before tax, 91% of the Group's underlying profit before tax and 94% of net assets. This gave us the evidence we needed for our opinion on the financial statements as a whole.

The impact of climate risk on our audit
In planning and executing our audit, we have considered the potential impact of climate change on the Group's business and its financial statements. We also considered the Group's governance framework and preliminary risk assessment process as outlined in the Task Force on Climate-related Financial Disclosures ("TCFD") section within this Annual Report.

The Group has set out its commitments to decarbonise its portfolio of assets becoming "net-zero" in major regional economies, including by 2050 in Hong Kong and Vietnam, and by 2060 in China and Indonesia. Further information is provided in the Group's TCFD section of this Annual Report. Whilst the Group is committed to net zero carbon emission by 2060, management continues to refine its plans to achieve this. The Group has started to quantify some of the impacts that may arise, in particular focusing on their property, supermarket, hotel and mining businesses.

Climate change could have a significant impact on the Group's financial business as the operations and strategy of the Group are adapted to address the potential financial and non-financial risks which could arise from both the physical and transitional risks. Management has evaluated these as disclosed in the TCFD section of this Annual Report.

We considered the following areas could potentially be materially impacted by climate risk and consequently we focused our audit work in these areas:

- Valuation of investment properties;
- Carrying value of coal mining assets;
- Carrying value of certain other tangible assets; and
- Carrying value of certain investments in associates and joint ventures.

To respond to the audit risks identified in these areas we tailored our audit approach to address these, in particular, we:

- Gained an understanding and evaluated whether the impact of both physical and transition risks arising due to climate risk had been appropriately included in the valuation models of investment properties or recoverable value assessments of the Group's other assets;
- Reviewed and challenged management and the external valuers (where applicable) on how climate related risks had been incorporated into the valuation models and recoverable value assessments; and
- Where climate risk relates to a key audit matter, our audit response is given in the key audit matters section of the report.

We also considered the consistency of the disclosures in relation to climate change (including the TCFD section) within the Annual Report with the financial statements and our knowledge obtained from our audit. This included reading and challenging the disclosures given in the narrative reporting within the other information to the impact disclosed within the financial statements.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters, for the year ended 31st December 2022.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Group materiality	US$561 million *(2021: US$290 million)*
How we determined it	1.0% of the net assets of the Group *(2021: 0.5% of the net assets of the Group)*.
Rationale for benchmark applied	Net assets is a primary measure used by the shareholders in assessing the performance of the Group, together with the consolidated profit before tax and consolidated underlying profit before tax, which we have used as the basis for our specific materiality as detailed below. We increased our benchmark from 0.5% to 1% in the year to align the measure with general auditing practice.

We set a specific materiality level of US$246 million *(2021: US$190 million)*, which was applied to balances and transactions not related to investment properties. This was based upon 5% of the Group's consolidated underlying profit before tax for the year ended 31st December 2022 *(2021: based upon 5% of the Group's consolidated three-year average underlying profit before tax, considering the Group's consolidated underlying profit before tax for the years ended 31st December 2019, 31st December 2020 and 31st December 2021)*. In arriving at this judgement, we had regard to the fact that underlying profit is an important financial indicator of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of overall materiality allocated across components was US$16 million to US$249 million. The range of specific materiality allocated across components was US$3 million to US$160 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% *(2021: 75%)* of specific materiality, amounting to US$184 million *(2021: US$142 million)* for the Group financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above US$12 million *(2021: US$9 million)*, other than classifications within the Consolidated Profit and Loss Account or Consolidated Balance Sheet, which were only reported above US$55 million *(2021: US$58 million)*. We also reported misstatements below this amount that in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern
Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the inherent risks to the Group's business models and analysed how those risks might affect the Group's financial resources or ability to continue operations over the going concern period;
- Assessing management's base case and severe but plausible downside scenario models supporting the Board's going concern assessment, evaluating the process by which the assessments have been drawn up, ensuring that the calculations in the model were mathematically accurate and that the overall methodology used was appropriate;
- Considering sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible, but not unrealistic, adverse effects that could arise from potential adverse trading conditions and impact the Group's liquidity position over the going concern period;
- Evaluating the committed financing facilities currently available to the Group and ensuring that the models appropriately included all contractual debt repayments and committed capital expenditures; and
- Agreeing the cash on hand and available facilities included in the going concern assessment as part of our year end audit work.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

As not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Responsibility Statement and the Corporate Governance section, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are 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 the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 1981 (Bermuda), the Listing Rules, tax regulations, employment regulations, health and safety regulation and equivalent local laws and regulations applicable to significant reporting component teams, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 1981 (Bermuda).

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the Group engagement team and/or component auditors included:

- Gaining an understanding of the legal and regulatory framework applicable to the Group and the industries in which its businesses operate, and considering the risk of any acts by the Group which may be contrary to applicable laws and regulations, including fraud;
- Discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Understanding the results of whistleblowing procedures and related investigations. We focused on known and suspected instances of non-compliance with laws and regulations that could give rise to a material misstatement in the Group and Company financial statements, including, but not limited to, the Companies Act 1981 (Bermuda), the Listing Rules, tax legislation, employment regulations, health and safety regulation and equivalent local laws and regulations applicable to significant reporting component teams;
- Review of reporting component auditors' work, including any matters reported by component auditors relating to non-compliance with laws and regulations or fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In particular, in relation to the valuation of investment properties, the impairment assessments related to the carrying value of certain investments in associates and joint ventures and provisions for consumer financing debtors (see related key audit matters above);
- We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals, and evaluated whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Section 90 of the Companies Act 1981 (Bermuda) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the Company, save where expressly agreed by our prior consent in writing.

Partner responsible for the audit
The engagement partner on the audit resulting in this independent auditors' report is John Waters.

Other matter
In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements will form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report will be prepared using the single electronic format specified in the ESEF RTS.

PricewaterhouseCoopers LLP
Chartered Accountants
London
2nd March 2023