Our Presence

We operate principally in China and South East Asia. We maintain a sustainable balance of both growth and developed markets. We have deep roots across the region and have been partnering with founders and management for over 190 years to build and grow successful companies. Our subsidiaries and affiliates benefit from the support of the Group's extensive knowledge of the region and long-standing relationships.

Our Operations

Across the Group, our over 443,000 employees work in a wide range of businesses in major sectors including motor vehicles and related operations, property investment and development, food retailing, health and beauty, home furnishings, engineering and construction, transport services, restaurants, luxury hotels, financial services, heavy equipment, mining, and agribusiness.

We support our Group companies by sharing the Group's expertise and experience, as well as providing them with financial and other resources, to create value and achieve sustainable growth over the long term.

Our Approach

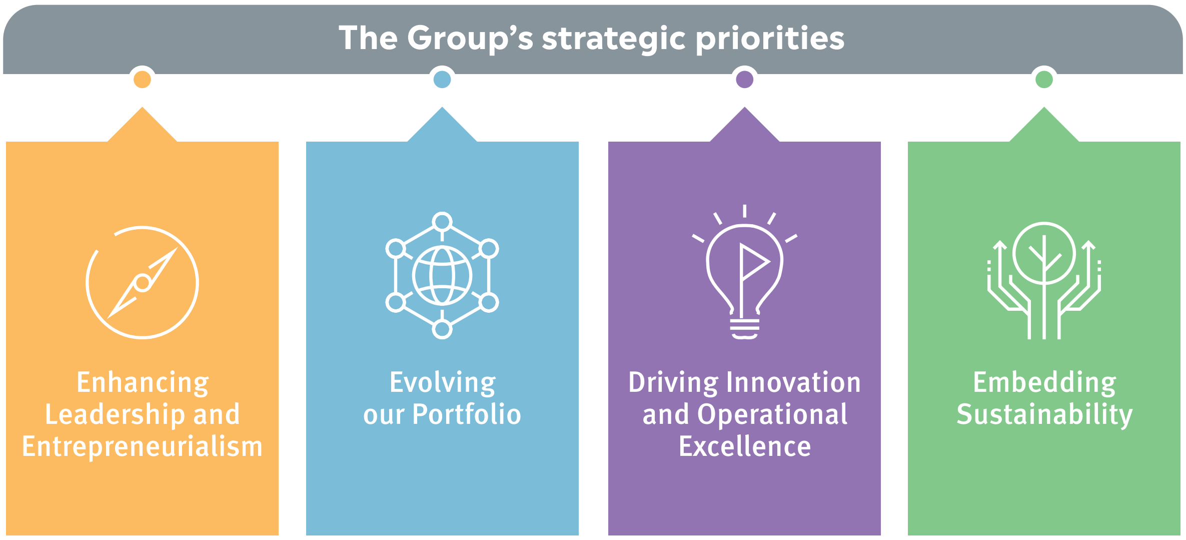
Our values of integrity, steadfastness, collaboration, and an entrepreneurial spirit underpin how our businesses operate, as they provide products, services, and experiences that impact millions of lives every day.

The Group works closely with our businesses to deliver on four strategic priorities: Enhancing Leadership and Entrepreneurialism, Evolving our Portfolio, Driving Innovation and Operational Excellence, and Embedding Sustainability.

These values and priorities guide us in creating long-term, sustainable value for our businesses and the communities in which we operate in.

Strategic Priorities

The Group works with our businesses to deliver on our strategic priorities of:



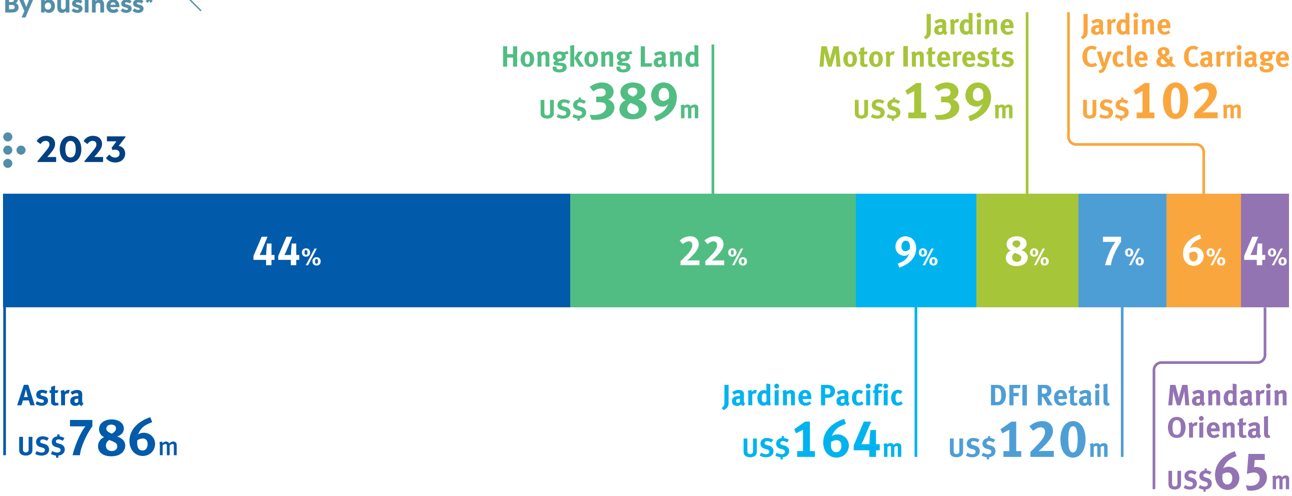
Highlights

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

Diversified portfolio of quality businesses

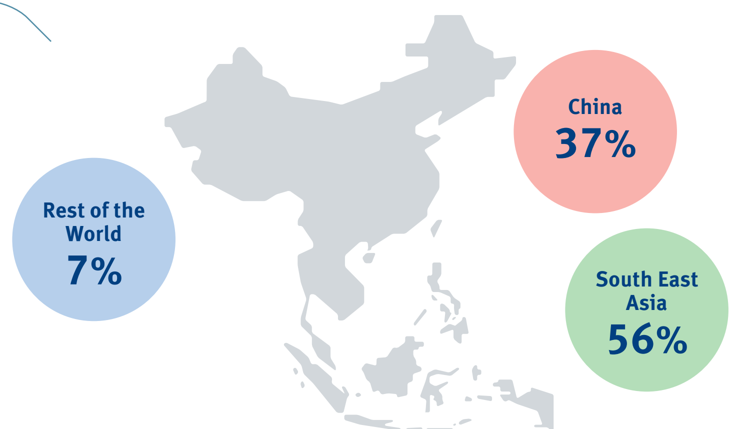
Underlying profit attributable to shareholders of US$1,661 million
(2022: US$1,584 million)

By business*



Leveraging the growing prosperity of Asia

By geographical area*



° CER means Constant Exchange Rates

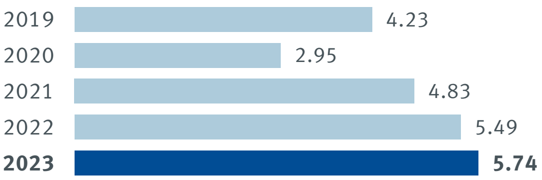
* Based on underlying profit attributable to shareholders before corporate and other interests, which amounted to US$1,765 million in 2023 *(2022: US$1,740 million)*.

2023 financial highlights

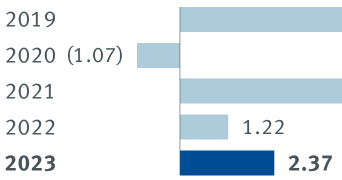
Revenue (US$ billion) **US$36.0bn**

DPS (US$) **US$2.25**

Underlying EPS[Ω] (US$) **US$5.74**

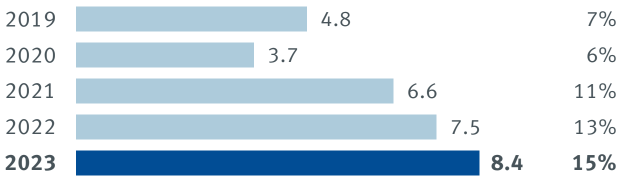


Reported EPS (US$) **US$2.37**



Cash flows from operating activities (US$ billion) **US$4.6bn**

Net debt & gearing %[#] (US$ billion) **US$8.4bn & 15%**



Results

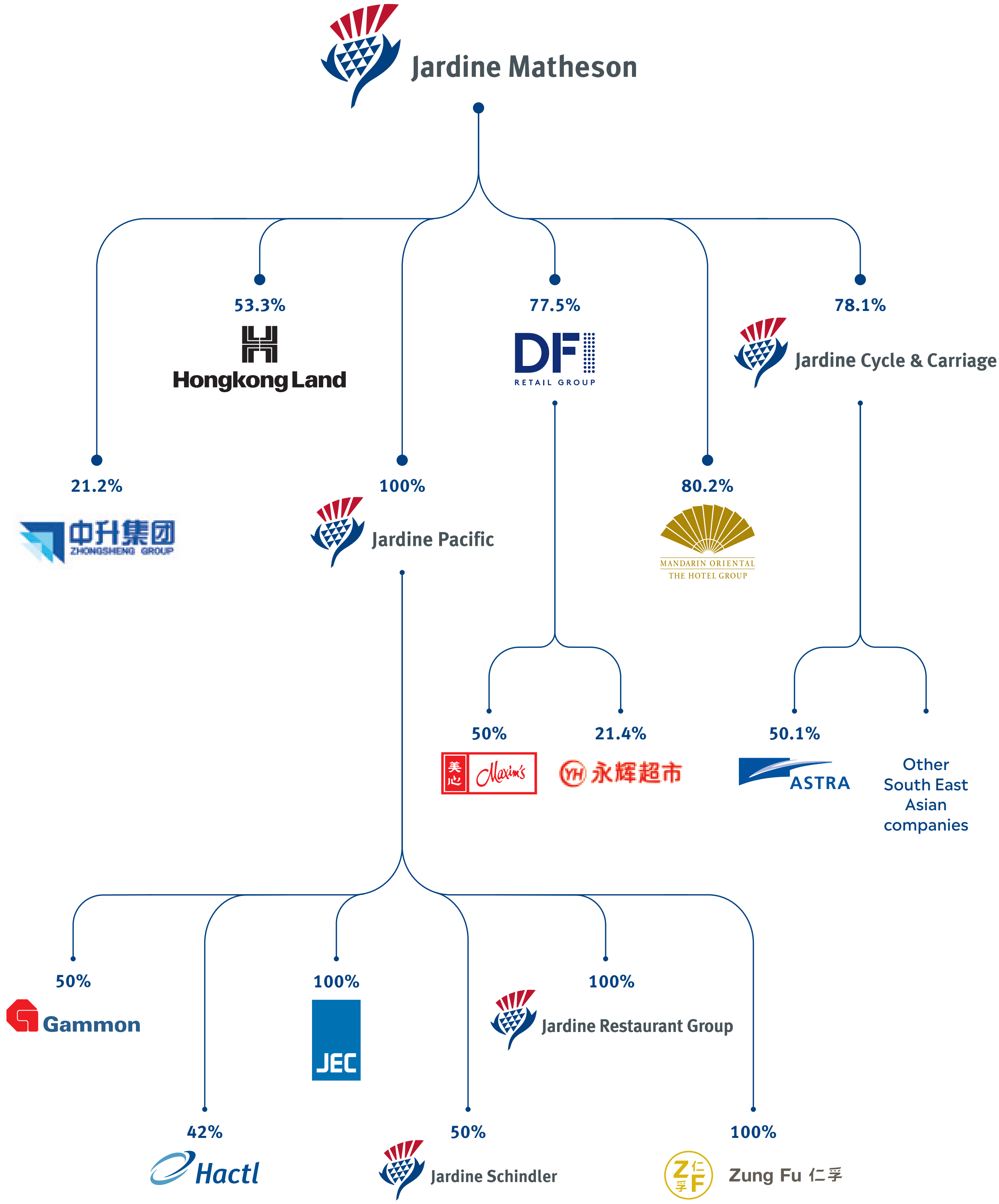
	2023 US$m	2022 US$m	Change %
Revenue	**36,049**	37,496	(4)
Underlying profit before tax[Ω]	**5,034**	4,930	2
Underlying profit attributable to shareholders[Ω]	**1,661**	1,584	5
Profit attributable to shareholders	**686**	354	94
Shareholders' funds	**29,010**	28,850	1
Capital investments	**4,668**	3,507	33
	US$	US$	%
Underlying earnings per share[Ω]	**5.74**	5.49	5
Earnings per share	**2.37**	1.22	94
Net asset (book) value per share	**100.31**	99.55	1
Dividends per share	**2.25**	2.15	5

People employed	**285,000**	

[Ω] The Group uses 'underlying profit' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 40 to the financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

[#] Excluding net borrowings of financial services companies.

Group Structure



Percentages show effective ownership as at 7th March 2024.

Our Present

We are focussed in Asia. Our market-leading businesses operate in multiple sectors across key markets of China and South East Asia – principally Indonesia, Singapore and Vietnam.

Sectors

- Automotive
- Engineering, Heavy Equipment, Mining, Construction & Energy
- Financial Services
- Hotels
- Property
- Retail & Restaurants
- Other sectors

190+
Years

30+
Countries and regions

443,000
Total people employed*

*Includes major associates and joint ventures

Group Businesses at a Glance

Jardine Matheson

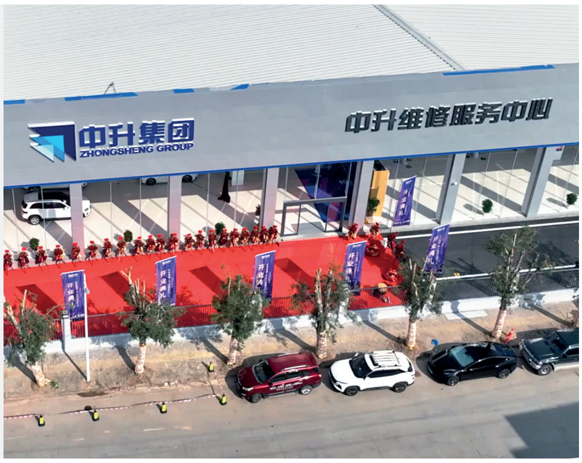
The listed holding company of the Group which oversees a portfolio of market-leading businesses and supports their long-term sustainable growth.

Jardine Pacific

Jardine Pacific's diverse portfolio comprises industry leaders in the areas of engineering and construction, transport services, automotive and restaurants. Its companies seek to deliver excellent performance and best in class service to their customers and to create value for their business partners and shareholders. (100%)*

Motors

Jardine Matheson has a wide range of automotive businesses, with an extensive footprint in China and South East Asia. The Group has a long-standing strategic partnership with, and holds a 21.2% interest in, Zhongsheng Group, a leading automotive distribution group on the Chinese mainland. The Group's automotive businesses also comprise Zung Fu Motors Group in Hong Kong and Macau (managed by Jardine Pacific); Cycle & Carriage in Singapore, Malaysia and Myanmar, as well as Tunas Ridean in Indonesia (managed by JC&C). The sale of Jardine Motors Group in the United Kingdom was completed in 2023.



Hongkong Land

Hongkong Land is a major listed property investment, management and development group. The group owns and manages more than 850,000 sq. m. of prime office and luxury retail assets in key Asian cities, principally Hong Kong, Singapore, Beijing and Jakarta. Its properties hold industry-leading green building certifications and attract the world's foremost companies and luxury brands. The group also has a number of high quality residential, commercial and mixed-use projects under development in cities across China and South East Asia, including a 43% interest in a 1.1 million sq. m. mixed-use project in West Bund, Shanghai. (53.3%)*

*Figures in brackets show effective ownership at 7th March 2024.

DFI RETAIL GROUP

DFI Retail is a leading listed Pan-Asian retailer. The group operates under a number of well-known brands across six divisions: food, health and beauty, 7-Eleven, IKEA, restaurants and other retailing. It aims to provide quality and value to Asian consumers by offering leading brands, a compelling retail experience and great service, all delivered through a strong store network supported by efficient supply chains. (77.5%)*

MANDARIN ORIENTAL
THE HOTEL GROUP

Mandarin Oriental is an international hotel investment and management group with luxury hotels, resorts and residences in sought-after destinations around the world. The group operates 38 hotels, nine residences and 23 exclusive homes in 25 countries and territories, and has a strong pipeline of hotels and residences under development. As an innovative industry leader, the group is committed to exceeding its guests' expectations through exceptional levels of hospitality. (80.2%)*

Jardine Cycle & Carriage

Jardine Cycle & Carriage ('JC&C') is the investment holding company of the Jardine Matheson Group in South East Asia, listed in Singapore. JC&C seeks to grow with South East Asia by investing in market-leading businesses based on the themes of urbanisation and the emerging consumer class. These include Astra in Indonesia; THACO, Refrigeration Electrical Engineering Corporation and Vinamilk in Vietnam; and Thailand-headquartered Siam City Cement. Other investments include automotive businesses under the Cycle & Carriage banner (in Singapore, Malaysia and Myanmar) and Tunas Ridean in Indonesia. (78.1%)*

ASTRA

Astra is a diversified business group operating in Indonesia with seven core businesses: Automotive; Financial Services; Heavy Equipment, Mining, Construction & Energy; Agribusiness; Infrastructure and Logistics; Information Technology; and Property. With more than 280 subsidiaries, associates and joint ventures, and also more than 200,000 employees, it is one of the largest companies in Indonesia by market capitalisation. Astra is also renowned for its 'Catur Dharma' corporate philosophy that underpins its extensive community programmes. In 2022, Astra launched its Astra 2030 Sustainability Aspirations which combine its focus on communities, climate and the planet. These Aspirations will guide Astra's transition journey to become a more sustainable business by 2030 and beyond. Jardine Cycle & Carriage has a 50.1% interest in Astra.

*Figures in brackets show effective ownership at 7th March 2024.

Creating Value

Jardine Matheson is a diversified group with a strong focus on our core geographies of China and South East Asia. We have built a solid foundation of experience and expertise in the Asia region over more than 190 years, actively supporting our businesses and communities as they grow sustainably for the long term.

We create value by identifying opportunities through our longstanding networks and partnerships, and actively allocating capital - all while maintaining a robust balance sheet and stable dividend growth.

Enhancing Leadership and Entrepreneurialism

Our people are our greatest strength. We are committed to developing leaders with an entrepreneurial mindset, fostering a culture of innovation and balanced risk-taking. Through continuous learning and development, we provide opportunities for growth. Our commitment to inclusivity ensures that diverse perspectives are valued, creating an environment where our people can thrive and contribute their best.




CEO appointments

Having the right leadership in place – which includes a balance of drawing on our strong internal leadership bench as well as strategically sourcing outside talent – is critical to achieving our ambitions. We have recently made a number of important senior leadership appointments: Scott Price became Group Chief Executive at DFI Retail, Laurent Kleitman came in as Group Chief Executive at Mandarin Oriental, Michael Smith has joined as Chief Executive of Hongkong Land, and Elton Chan has been appointed Chief Executive of Jardine Pacific.

LearnFest 2023

The annual Jardines learning festival, LearnFest, took place in June 2023. This week-long event saw the active participation of over 50,000 colleagues from 15 companies across 30 countries. Sessions were conducted both online and in person, providing a diverse and engaging learning experience for all attendees.

Inclusion, Equity & Diversity ('IE&D')

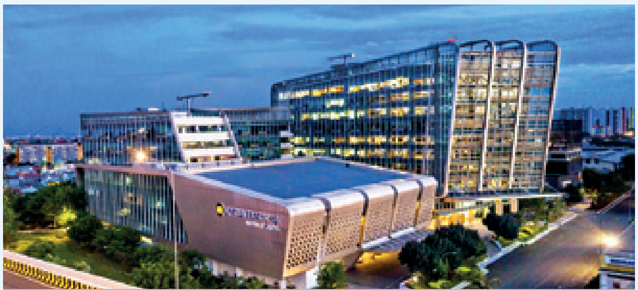
Jardines has set five-year targets for IE&D, with each Group company establishing their own specific objectives. For executives and senior leadership, we aim to either achieve 50% female representation, improve representation by 50%, or maintain a representation of 50%. In addition, the Group is currently reviewing relevant policies and is fully committed to making necessary amendments to foster an inclusive workplace environment.

We focus on having the right leaders in place across our businesses and work closely with them on performance management to deliver on our key strategic priorities. We continuously raise the bar, setting high standards of governance and management for ourselves and our businesses.

In this section, we look at the progress Jardines has made in 2023 across our strategic priorities of: **Enhancing Leadership and Entrepreneurialism, Evolving our Portfolio, Driving Innovation and Operational Excellence, and Embedding Sustainability.**

Evolving our Portfolio

We are evolving our portfolio to remain relevant to the needs of Asian consumers. With a longstanding focus on the growing middle class and urbanisation, we have consistently positioned ourselves to capture the opportunities arising from these trends. We are strengthening our existing core businesses to ensure their continued competitiveness, including by increasing organic capex to fuel further growth and enable us to meet the demands of the dynamic markets in which we operate. We are also expanding our footprint into new high-growth industries which align with emerging consumer preferences.



Astra invests in nickel mining and processing

United Tractors, a subsidiary of Astra, has acquired 90% effective share ownership of PT Stargate Pasific Resources and PT Stargate Mineral Asia, and a 19.99% interest in Nickel Industries Limited, as part of its continued diversification away from coal mining.

JC&C strengthens strategic partnership with THACO

JC&C subscribed for US$350 million of convertible bonds in THACO's recent private placement, providing JC&C with a secure path to increasing its shareholding in one of Vietnam's most dynamic unlisted companies.

Increasing investments in electric vehicles

The EV market in Asia is rapidly expanding, and our automotive businesses are seizing the opportunity to increase their market share in this growing segment. JC&C has formed a strategic partnership with Carro, a prominent technology-driven used car platform, while Cycle & Carriage Singapore has established a partnership with Great Wall Motor to become the distributor of its EVs in Singapore. Zung Fu has also been appointed as the distributor of *smart*'s new generation electric models in Hong Kong.

Disciplined capital recycling

In 2023, we sold our 28.22%-stake in Greatview Aseptic Packaging Company to Shandong Xinjufeng Technology Packaging, and the Group's UK Motors business to Lithia & Driveway, both as part of our ongoing focus on generating long-term value in our core growth markets in Asia. The sale of our 50%-stake in Jardine Aviation Services ('JASG') was completed in March 2024. This transaction will provide expanded development opportunities for employees and strengthens JASG's position in the global aviation sector.

Driving Innovation and Operational Excellence

Operating in highly dynamic markets means we must continuously adapt to remain competitive. Recognising the importance of digital transformation, our businesses have accelerated their adoption of digital ways of working to enhance operational efficiency and effectiveness, including through the use of AI in our day-to-day operations. We increased our investments in digital businesses and explored opportunities in digital adjacencies. Embracing new technologies has also allowed our businesses to create more touchpoints for consumers, providing enhanced experiences and fostering stronger connections.

Astra expands digital infrastructure

Astra set up a JV with Equinix to develop Indonesia's data centre infrastructure and support the digital needs of businesses. Astra also completed the acquisition of online classifieds firm OLX Indonesia, as part of strengthening its used-car ecosystem.

Enhancing our digital touchpoints

Our businesses are reaching customers in new and different ways. Astra launched *bank saqu*, a digital banking initiative dedicated to empowering 'solopreneurs' in Indonesia and attracted 100,000 new customers in less than a month after launch. In Hong Kong, leading lifestyle and virtual bank, *livi bank*, started banking services for Hong Kong SMEs.

Jardine Service Centre

Jardine Service Centre ('JSC') is an in-house shared service centre providing back-office support to the global business units of Jardines, through the administration of transactional and rule-based activities. The opening of JSC supports Jardines' ongoing commitment towards operational excellence and innovation.

Embracing Generative AI

In June 2023, Hack.Asia, Jardines' innovation hackathon, received an impressive 200+ Gen AI submissions across 12 business units. Building on this enthusiastic response, Jardines has successfully developed six proofs of concept across eight business units. We remain dedicated to supporting and nurturing innovation within our organisation.

Embedding Sustainability

We strongly believe that embedding sustainability is good business, and makes us and our communities stronger for the future. Our businesses have been at the forefront of climate action, making bold carbon reduction commitments and setting out detailed plans for reducing our carbon footprint. We recognise the collective impact that we can have and are actively sharing our learnings and best practices across the Group – fostering collaboration and accelerating progress towards a sustainable future. As a Group, we are committed to supporting our businesses and communities as they navigate a Just Transition towards a net-zero future. For more details, refer to the Sustainability section of the Annual Report.

SBTi commitments

Decarbonisation is a key focus of Jardines' sustainability strategy, and we have developed a framework to guide efforts towards transitioning to net-zero by 2050, with an initial nearer term focus on setting science-based Scope 1 and 2 carbon reduction targets for 2030. Hongkong Land, DFI Retail, Gammon and HACTL have achieved SBTi validation for their Scope 1 – 3 targets, and a number of our other businesses will be seeking validation in the coming year.

Biodiversity management

Jardines is committed to balancing business growth with social well-being and environmental sustainability. We aim to adopt industry-leading practices for biodiversity management, while building up expertise to understand our impact. We also continue to manage a range of specific environmental and biodiversity-related issues in our businesses. Further information on our approach to biodiversity will be provided in the Group's forthcoming Sustainability Report, which is expected to be published in May 2024.

MINDSET's long-term partnership with Mind HK

MINDSET has partnered Mind HK as a strategic partner since 2019, aiming to improve mental health access in Hong Kong. In 2023, we launched the iACT® Youth Wellbeing Practitioners programme in collaboration with Mind HK. This programme trains young individuals to provide low-intensity interventions for Hong Kong's youth with mild to moderate mental health issues, addressing the need for affordable services.

Improving access to education in Cambodia

The Acleda-Jardine Educational Foundation was set up in 2017 with funds from the sale of Jardines' interest in ACLEDA Bank in 2015. In 2023, three primary schools were completed, with over 360 children enrolled for classes. Since its establishment, 11 schools have been built.

Chairman's Statement

Ben Keswick, Executive Chairman

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

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

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

2023 Overview

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

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

Governance

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

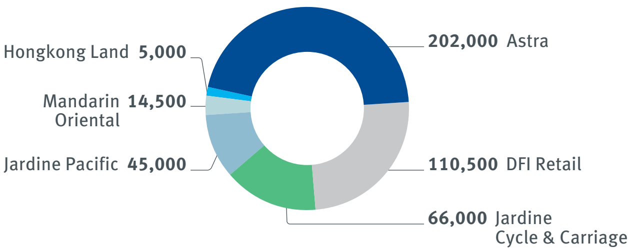
At the Company, Janine Feng and Keyu Jin joined the Company's Board on 5th May 2023 and 31st January 2024 respectively, as independent non-executive directors. From 1st April 2024, the Board will comprise 50% independent non-executive directors.

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

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

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

443,000 employees by business*



*Includes major associates and joint ventures.

Sustainability

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

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

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

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

Conclusion

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

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

Group Managing Director's Review

John Witt, Group Managing Director

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

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

Enhancing Leadership and Entrepreneurialism

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

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

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

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

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

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

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

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

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

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

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

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

Evolving the Group Portfolio

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Driving Innovation and Operational Excellence

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

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

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

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

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

Progressing Sustainability

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

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

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

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

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

Summary of Performance

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

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

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

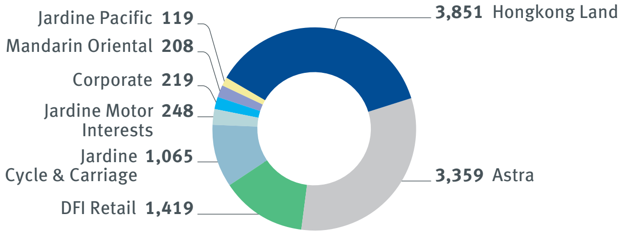
Cashflow remained strong both at Group and parent company level. The Group's cash flows from operating activities for the year was US$4.6 billion and free cashflow at parent company[1] was US$778 million, amply covering the Company's external dividend payments by 1.7x. The Group's balance sheet remains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

The Group continued to focus during 2023 on making organic and strategic investments to sustain the businesses and drive future growth. The Group's organic capital expenditure in 2023, including expenditure on properties for sale, was US$3.4 billion *(2022: US$3.8 billion)*, and strategic investments added a further US$1.8 billion *(2022: US$1.5 billion)* to capital expenditure in 2023. Additional capital investment within the Group's associates and joint ventures was over US$5.2 billion *(2022: US$4.3 billion)*. The Group continues to invest for the long-term and ensure that its businesses have the resources to drive future growth.

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

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

Total capital investment of US$10.5 billion
(US$ million)



Outlook

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

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

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

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

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

JARDINE PACIFIC

- Underlying net profit of US$164 million, 10% lower than 2022
- Good performances by most businesses
- Consumer businesses impacted by weaker consumer sentiment in Hong Kong
- Jardine Schindler, Gammon and Transport Services saw improved performance

	2023	2022	Change (%)
Gross revenue (including 100% of associates and joint ventures) (US$ billion)	**7.3**	6.6	10
Revenue (US$ billion)	**2.1**	2.1	3
Underlying profit attributable to shareholders (US$ million)	**164**	182	(10)

Jardine Pacific

- Gammon
- HACTL
- Jardine Engineering Corporation ('JEC')
- Jardine Restaurants
- Jardine Schindler
- Zung Fu Hong Kong

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

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

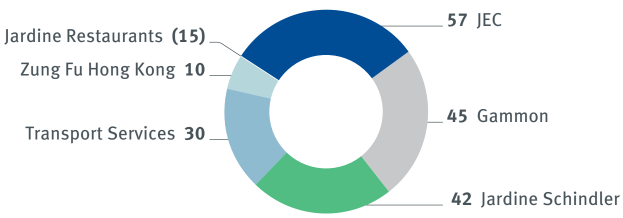
Within Jardine Pacific's B2B businesses, Jardine Schindler produced a good performance with higher sales, although gross margins were impacted by mix. A stable contribution from the Existing Installation business helped offset the challenging New Installation market. JEC performed satisfactorily and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

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

Gross revenue (US$ billion)

Underlying profit attributable to shareholders (US$ million)

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



Jardine Pacific

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

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

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

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

JARDINE MOTOR INTERESTS

- Contribution from Zhongsheng substantially lower due to challenging market environment and accounting change to better reflect current progress
- The sale of the Group's UK Motors business completed in 2023

Zhongsheng Group's presence

410+ Dealerships	110+ Cities across the Chinese mainland	c.25 Collision centres

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

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

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

In March 2023, the sale of the Group's motors business in the United Kingdom was completed.

HONGKONG LAND

- Underlying profit down 5% to US$734 million
- Improved results from Investment Properties
- Lower development profits on the Chinese mainland
- Group financial position remains strong
- Dividend maintained, final dividend at US¢16 per share

	2023	2022	Change (%)
Underlying profit attributable to shareholders (US$ million)	**734**	776	(5)
Gross assets (US$ billion)	**37.4**	39.1	(4)
Net asset value per share (US$)	**14.49**	14.95	(3)

Figures above are 100% Hongkong Land basis

1.2 million sq. m.
Area of operational commercial investment portfolio under management
(including 100% of joint ventures)

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

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

Investment Properties

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

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

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

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

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

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

Development Properties

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

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

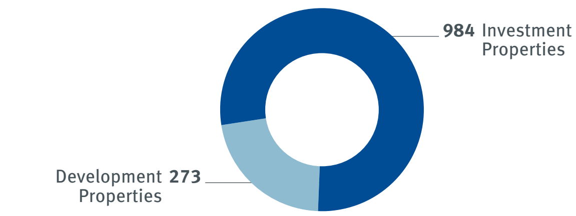
In Singapore, Development Properties profits recognised were largely in line with the prior year. The group's attributable interest in contracted sales was US$587 million, compared with US$615 million in the prior year. During the year, the group launched sales for 638-unit Tembusu Grand – in which 59%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

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

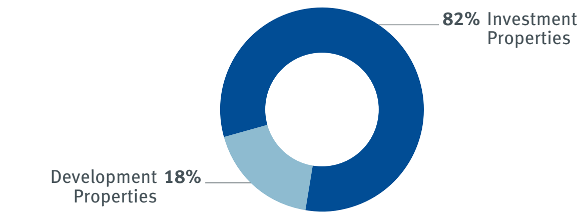
Underlying profit attributable to shareholders (US$ million)

Net asset value per share (US$)

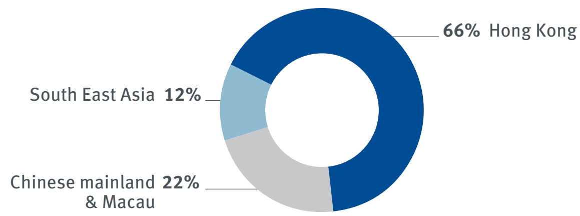
Underlying operating profit by activity (before corporate costs) (US$ million)



Gross assets by activity



Gross assets by location



DFI RETAIL GROUP

- Substantial improvement in underlying profit
- Subsidiaries' performance driven by recovery in Health and Beauty and Convenience
- Associates' performance supported by Maxim's recovery
- Final dividend of US¢5.00 per share

	2023	2022	Change (%)
Revenue including 100% of associates & joint ventures (US$ billion)	**26.5**	27.6	(4)
Revenue (US$ billion)	**9.2**	9.2	–
Underlying profit attributable to shareholders (US$ million)	**155**	29	437

Figures above are 100% DFI Retail basis

13
Asian countries and territories

Some
11,000
Outlets

10.9
million sq. m.
Gross trading area

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

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

Food

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

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

Convenience

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

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

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

Health and Beauty

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

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

Home Furnishings

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

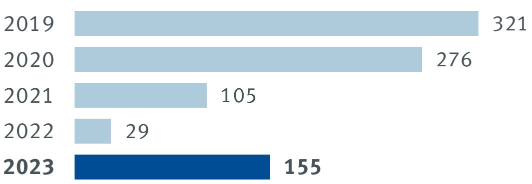
Associates

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

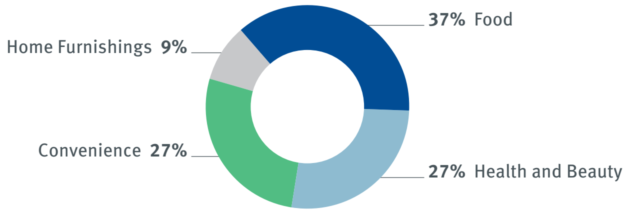
The group's share of Yonghui's underlying losses was US$36 million for the year, compared to a US$80 million share of underlying losses in the prior year. The reduction in losses was underpinned by an improvement in gross margin and cost optimisation. Yonghui's sales performance in the year continued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

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

Underlying profit attributable to shareholders
(US$ million)

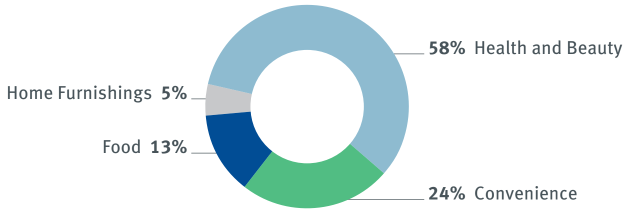


Sales mix by format[#]



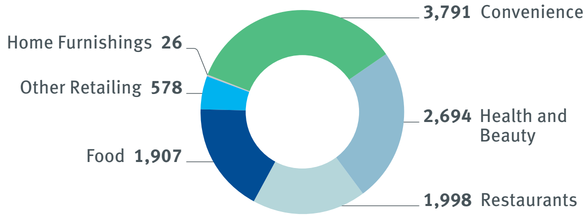
[#] Sales of goods.

Profit mix by format[†]



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

Retail outlet numbers by format[Ω]



[Ω] Including 100% of associates and joint ventures.

MANDARIN ORIENTAL

- Underlying profit increased to US$81 million, from US$8 million in 2022
- Strong operating and financial performance driven by record rates
- Management fees grew by 30%, with strong recovery by hotels in Asia
- Increased development pipeline with two new hotel openings and eight new management contracts announced
- Final dividend at US¢3.50 per share, resulting in total dividend of US¢5.00 per share

	2023 US$m	2022 US$m	Change (%)
Combined total revenue of hotels owned and under management*	**1,890**	1,568	21
Revenue	**558**	454	23
Underlying profit attributable to shareholders	**81**	8	966

Figures above are 100% Mandarin Oriental basis

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

Mandarin Oriental

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

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

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

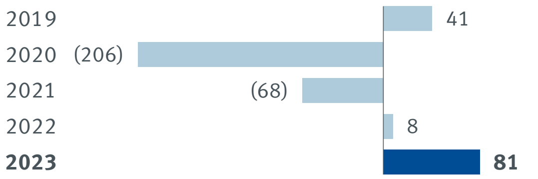
In 2023, the management business delivered strong operating performance, with a 30% increase in hotel management fees and a 55% improvement in EBITDA. Combined Total Revenue for hotels under management was US$1.9 billion in 2023, 21% above 2022. This increase was driven primarily by a 29% increase in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

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

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

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

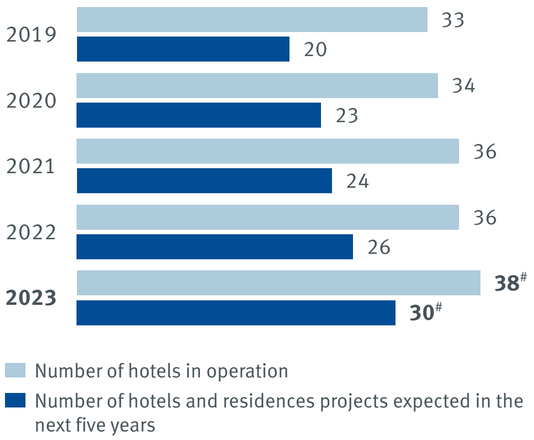
Underlying profit/(loss) attributable to shareholders (US$ million)



Net asset value per share* (US$)

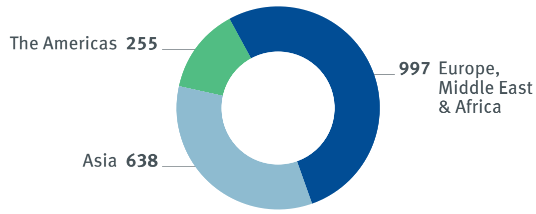
* With freehold and leasehold properties at valuation.

Hotel and residences portfolio



As of 7th March 2024.

Combined total revenue of US$1,890 million of hotels under management by geographical area (US$ million)



JARDINE CYCLE & CARRIAGE

- Underlying profit of US$1,160 million, 6% higher than 2022
- Improved performances from Astra and Direct Motor Interests
- THACO performance impacted by softer Vietnamese economy
- Stable contribution from Other Strategic Interests
- Proposed final dividend of US¢90 per share, total dividend of US¢118 for the year, 6% higher than 2022

	2023	2022	Change (%)
Revenue (US$ billion)	**22.2**	21.6	3
Underlying profit attributable to shareholders (US$ million)	**1,160**	1,096	6

Figures above are 100% Jardine Cycle & Carriage basis

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

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

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

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

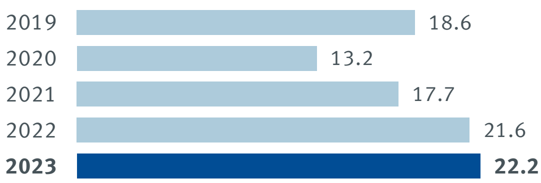
The contribution from the group's Other Strategic Interests was 2% down at US$84 million, due to lower earnings reported by REE, offset by higher profits in SCCC.

THACO

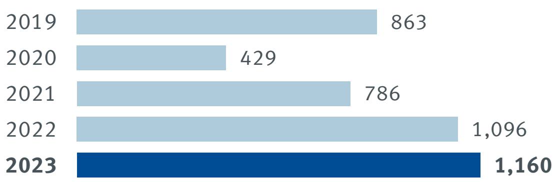
THACO contributed US$36 million, 57% down from the previous year. This was mainly due to a significantly lower automotive profit, reflecting the slowdown of Vietnam's economy, weakened consumer sentiment and greater competitive pressure. Unit sales were 28% down, with a market share decline from 23%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

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

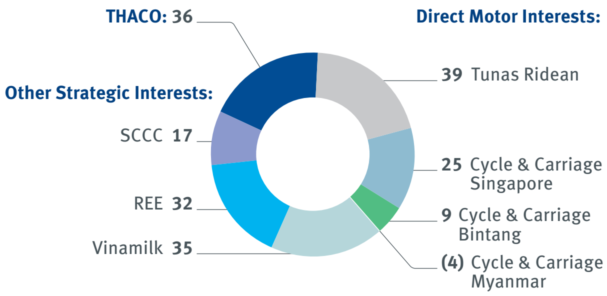
Revenue (US$ billion)



Underlying profit attributable to shareholders (US$ million)



Underlying profit of US$189 million (excluding Astra, DMI central overheads and corporate) by business (US$ million)



ASTRA

- Record earnings boosted by economic recovery, with strong performance across most businesses
- Motorcycle sales grew by 22%, with an increase in market share, while car market share increased in a soft market
- Enhanced final dividend of Rp421 per share will be proposed on the basis of record results and elevated coal prices in the first half of 2023
- The group's capex and investment for 2023 increased to US$3.0 billion

	2023	2022	Change (%)
Revenue (US$ billion)	**20.6**	20.0	3
Underlying profit attributable to shareholders (US$ million)	**2,175**	1,991	9

Figures above are 100% Astra basis

Astra

56% Market share for new motor cars	78% Market share for new motorcycles	US$7.7bn New consumer financing	US$703m New heavy equipment financing

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

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

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

Automotive

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

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

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

Financial Services

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

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

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

Heavy Equipment, Mining, Construction and Energy

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

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

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

Agribusiness

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

Infrastructure and Logistics

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

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

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

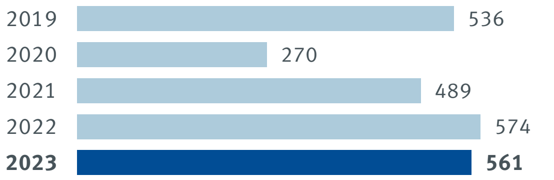
Information Technology

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

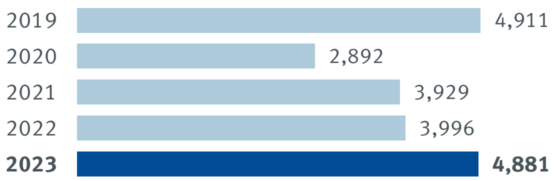
Property

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

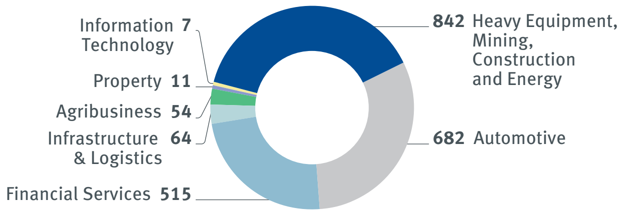
Motor vehicle sales including associates and joint ventures (thousand units)



Motorcycle sales including associates and joint ventures (thousand units)



Underlying profit attributable to shareholders of US$2,175 million by business (US$ million)



Financial Review

Graham Baker, Group Finance Director

Results

Underlying business performance

	2023 US$m	2022 US$m
Revenue	**36,049**	37,496
Operating profit	**4,289**	4,126
Net financing charges	**(516)**	(428)
Share of results of associates and joint ventures	**1,261**	1,232
Profit before tax	**5,034**	4,930
Tax	**(932)**	(964)
Profit after tax	**4,102**	3,966
Non-controlling interests	**(2,441)**	(2,382)
Underlying profit attributable to shareholders	**1,661**	1,584
Non-trading items	**(975)**	(1,230)
Net profit	**686**	354
	US$	US$
Underlying earnings per share	**5.74**	5.49
Earnings per share	**2.37**	1.22

The Group's underlying profit and underlying earnings per share both grew by 5% in 2023 (7% and 6% respectively at constant exchange rates).

Solid performance despite challenging market conditions in China and Vietnam, reflects the Group's diversified portfolio of leading businesses. Strong growth and a record contribution from Astra, and significantly improved contributions from DFI Retail and Mandarin Oriental, more than offset lower contributions from two of our largest associates, Zhongsheng and THACO.

Revenue

The Group's revenue of US$36.0 billion in 2023 was 4% less than the prior year, principally as a result of the disposals of the Giant grocery business in Malaysia by DFI Retail and Jardine Motors Group in the United Kingdom. Revenue in the Group's ongoing businesses grew by 2% in the year.

Jardine Motor Interests reported an overall 92% decrease in sales as the consolidation of the United Kingdom motors business ceased in February 2023 and the sale of the business completed in March 2023.

Astra recorded an increase in sales of 3% from 2022, with higher sales in the majority of its businesses. Automotive achieved higher sales in its car sales operations, while the Financial Services businesses delivered increases in new amounts financed, and the mining contracting and coal mining operations increased volumes.

DFI Retail's revenue was marginally lower than last year. Strong sales growth in its Health and Beauty and Convenience Store businesses benefitted from the re-opening of borders and an increase in tourists. However, the Food business saw a reduction in sales, mainly due to the disposal of the operations in Malaysia, the increase in outbound travelling, and fierce competition.

Mandarin Oriental's subsidiary hotels recorded a 23% increase in revenue, with strong demand and increased occupancy at higher rates following the removal of travel restrictions, particularly in Hong Kong. Higher revenue from management contracts was recorded, with increased management fees.

Jardine Cycle & Carriage's Direct Motor Interests recorded a 6% increase in sales from 2022, driven by its motor vehicle operations in Singapore.

Hongkong Land's revenue decreased by 18% from 2022, primarily due to Development Properties, with lower residential properties sales on the Chinese mainland as market sentiment remained weak, despite some improvement in top-tier cities seen in the later part of the year.

Jardine Pacific recorded a sales increase of 3%, mainly due to JEC's higher sales in the Hong Kong engineering operation and higher passenger car sales in Zung Fu Hong Kong.

Gross revenue, including 100% of revenue from associates and joint ventures, which is a measure of the full extent of the Group's operations, decreased by 4% to US$109.8 billion. The decrease was mainly from Zhongsheng, DFI Retail's associate Yonghui and Jardine Cycle & Carriage's associate in Vietnam, THACO; this was partly offset by an increase from Hongkong Land's property associates and joint ventures and Astra's associates in the Indonesia Automotive and Heavy Equipment businesses.

Operating profit

Operating profit from the Group's subsidiaries, excluding non-trading items, was US$4,289 million, an increase of US$163 million or 4%.

Astra's underlying operating profit increased by 3% to US$2,996 million, reflecting improved performances from most of the group's business divisions, especially the automotive and financial services divisions. Profits were lower in the Agribusiness due to lower crude palm oil prices.

DFI Retail's underlying operating profit was US$294 million, 41% higher than 2022. Higher operating profit in Health and Beauty was driven by strong healthcare sales in Hong Kong and Convenience Stores, attributable to the increase in store traffic following the border reopening. These increases were partially offset by lower contributions from Food business in Hong Kong, which was impacted by the absence of pantry stocking seen during the fifth wave of COVID in early 2022, and South East Asia which was impacted by the competitive environment. The Home Furnishings business reported lower profit from 2022 primarily due to the softer property market.

Mandarin Oriental recorded an underlying operating profit of US$102 million, US$81 million higher than 2022. Most of its owned hotels, notably Hong Kong and Tokyo, reported higher contributions, driven by increased occupancy and higher rates. There was also a higher contribution from the management business, driven by higher hotel management fees and residences branding fees.

Jardine Cycle & Carriage's motor operations reported an underlying operating profit of US$84 million in 2023, ahead of 2022 due to the favourable exchange translation of foreign currency loans, whilst its motor operations continued to produce stable contributions.

Hongkong Land's underlying operating profit decreased by US$52 million to US$793 million. Lower earnings from the sale of Development Properties in Singapore and the Chinese mainland were recorded, mitigated by higher contributions from Investment Properties on the Chinese mainland.

Jardine Pacific reported an operating profit of US$63 million, which was US$34 million down from 2022, due to challenging conditions and asset impairments in the Restaurant business. Performance of the businesses of the group's other subsidiaries was largely in line with 2022.

Jardine Motor Interests' overall underlying operating profit decreased by US$49 million or 98%, following the disposal of the Group's United Kingdom dealerships in the first quarter of the year.

Net financing charges

Net financing charges at US$516 million were US$88 million higher compared to 2022, principally due to higher average interest rates and the higher average level of net borrowings. Interest cover, excluding financial services companies, although decreased from 15 times to 12 times in 2023, remained ample, reflecting the Group's cautious approach to financial leverage. Cover is calculated as the sum of underlying operating profit – before the deduction of the amortisation of right-of-use assets, net of actual lease payments – and the share of results of associates and joint ventures, divided by net financing charges excluding interest on lease liabilities.

Share of results of associates and joint ventures

The Group's US$1,261 million share of underlying results of associates and joint ventures was US$29 million, or 2%, higher than 2022.

The contribution from Astra's associates and joint ventures increased by US$80 million in 2023 to US$609 million, resulting from the strong performance of its Automotive business, with increased car sales volumes.

DFI Retail's associates and joint ventures reported an improved performance and recorded an overall profit of US$43 million in 2023, US$78 million higher than 2022. The contribution from Maxim's, DFI Retail's 50%-owned associate, was up US$41 million to US$79 million in 2023, mainly due to business recovery in Hong Kong and the Chinese mainland following the full reopening of the economies. DFI Retail's 21%-owned associate, Yonghui, reported a lower loss at US$36 million in 2023, compared to a US$80 million loss in 2022, attributable to the improvement in gross margin as well as cost optimisation. DFI Retail's 21%-owned associate Robinsons Retail continued to report strong sales, but made a lower contribution, caused by higher net financing charges and unfavourable foreign exchange impact.

Jardine Pacific's associates and joint ventures performed better in 2023. Jardine Schindler reported improved contribution, Gammon benefitted from higher financing income and Jardine Aviation Services reported a net profit compared to a loss in 2022, driven by higher flight volume as the recovery in air travel continued.

Contributions from Hongkong Land's associates and joint ventures increased slightly by US$6 million to US$235 million. Higher average rental in Investment Properties was partly offset by lower contributions from Development Properties, with significantly lower sales completions on the Chinese mainland, due to challenging market conditions.

In Mandarin Oriental, a marginal loss from associates was reported in 2023, compared to a profit of US$10 million in 2022, due to the closure of the Singapore hotel for renovation.

The overall contribution from Jardine Cycle & Carriage's associates and joint ventures decreased by US$37 million to US$122 million. Their 26.6%-owned associate in Vietnam, THACO, reported a lower contribution impacted by weaker consumer sentiment and intense competition. REE, a 34.9%-owned associate, reported a lower contribution due to unfavourable weather conditions leading to lower profit from its renewable energy investments. These lower contributions were offset by higher profits in the automotive, financial services and leasing businesses reported by Jardine Cycle & Carriage's 49.9%-owned associate Tunas Ridean in Indonesia. 25.5%-owned SCCC delivered an improved contribution from 2022, due to the absence of the one-off tax adjustment made in 2022.

The Group's underlying contribution from Zhongsheng in 2023 of US$139 million was US$124 million lower than last year, due to a challenging market environment on the Chinese mainland and the accounting change to better reflect current progress and development at Zhongsheng.

As noted last year, the Group has changed the accounting for Zhongsheng's results in 2023, to reflect an estimate of their results for the second half of the year, based on recent external analysts' forecasts. This change has been adopted prospectively from 1st January 2023 and, as such, the Group's share of Zhongsheng's results for the year ended 31st December 2023 is presented as underlying profit. Whereas, for the 2022 prior year contribution from Zhongsheng, the Group reported its results with six months in arrears. Had the current policy also applied in 2022, the drop in underlying contribution from Zhongsheng recognised in 2023 would have been approximately 40% smaller. The Group's share of Zhongsheng's 2022 second half results is included as a non-trading item, so as not to distort the current year's underlying performance.

Tax

The underlying effective tax rate for the year was 25%, which was broadly in line with that of 2022.

Non-trading Items

In 2023, the Group had net non-trading losses attributable to shareholders of US$975 million, which included a net decrease of US$1,066 million in the fair value of investment properties and impairment of goodwill of US$172 million, offset by gains on the sale of properties of US$105 million, and the US$101 million share of Zhongsheng's 2022 second half profit (resulting from a change in accounting policy, see "Share of results of associates and joint ventures" above).

In 2022, the Group had net non-trading losses of US$1,230 million, which included a net decrease of US$604 million in the fair value of investment properties, a net decrease of US$327 million in the fair value of other investments, and impairment of investment in associates of US$320 million.

Dividends

The Board is recommending a final dividend of US$1.65 per share for 2023, providing a total annual dividend for 2023 of US$2.25 per share, a 5% increase from 2022. The final dividend will be payable on 15th May 2024, subject to approval at the Annual General Meeting to be held on 8th May 2024, to shareholders on the register of members at the close of business on 22nd March 2024. The dividend will be available in cash, with a scrip alternative.

Cash Flow

Summarised cash flow

	2023 US$m	2022 US$m
Cash generated from operations	**5,549**	5,287
Net interest and other financing charges paid	**(541)**	(387)
Tax paid	**(1,307)**	(1,006)
Dividends from associates and joint ventures	**883**	931
Operating activities	**4,584**	4,825
Capital expenditure and investments	**(4,668)**	(3,507)
Disposals and repayments from associates and joint ventures	**2,314**	914
Cash flow before financing	**2,230**	2,232
Acquisition of the remaining interest in Jardine Strategic	**(5)**	(21)
Principal elements of lease payments	**(856)**	(875)
Other financing activities	**(2,511)**	(2,379)
Net decrease in cash and cash equivalents	**(1,142)**	(1,043)

Cash inflow from operating activities for the year was US$4,584 million, compared with US$4,825 million in 2022. The decrease of US$241 million from 2022 was due to lower operating profit in Hongkong Land, and higher tax paid by Astra and Hongkong Land, offset by decreased working capital, principally in Hongkong Land and Jardine Cycle & Carriage.

Capital expenditure and investments for the year, before disposals, amounted to US$4,668 million *(2022: US$3,507 million)*. This included the following:

- US$1,667 million for the purchase of tangible assets, which included US$1,377 million in Astra (of which US$1,208 million was for the acquisition of heavy equipment and machinery to accommodate increased business activity, predominantly by Pamapersada), and US$173 million in DFI Retail for refurbishment of existing stores;
- US$1,621 million for investments in various associates and joint ventures, primarily Hongkong Land's investments of US$722 million in Development Properties projects, most of which were joint venture projects on the Chinese mainland in Chongqing and Beijing, and Singapore; and Astra's investment in Nickel Industries of US$616 million;
- US$671 million for the purchase of other investments, which included US$288 million in Astra (of which US$285 million represented the acquisition of securities in relation to its financial services businesses); and Jardine Cycle & Carriage's further investment in THACO through subscription for a US$357 million five-year convertible bond; and
- US$378 million for the acquisition of subsidiaries, which included US$285 million for Astra's acquisition of PT Anugerah Surya Pasific Resources, PT Stargate Pasific Resources and PT Stargate Mineral Asia.

In 2022, the Group's principal capital expenditure and investments included:

- US$1,460 million for investments in various associates and joint ventures, primarily Hongkong Land's investments of US$1,012 million in Development Property projects, most of which were joint venture projects on the Chinese mainland in Chongqing, Shanghai, Chengdu and Suzhou; and Astra's investment in Bank Jasa Jakarta of US$260 million, investments in its toll road concession businesses of US$44 million, and investments in PT Mobilitas Digital of US$41 million and PT Arkora Hydropower Plant of US$18 million;
- US$1,014 million for the purchase of tangible assets, which included US$709 million in Astra (of which US$565 million was for the acquisition of heavy equipment and machinery, predominantly by Pamapersada, US$57 million was for outlet development and additional operational machinery and equipment in Astra's automotive business, and US$53 million was to improve plantation infrastructure in Astra's agribusiness) and US$224 million in DFI Retail for investments in digital capability and refurbishment of existing stores;
- US$645 million for the purchase of other investments, which included US$481 million in Astra (of which US$327 million represented acquisition of securities, US$99 million of investment in a digital health ecosystem platform, US$31 million for an online consumer credit platform and U$14 million for a technology-based logistics startup); and US$151 million in Corporate, the majority of which was for capital calls by Hillhouse Fund V Feeder, L.P.; and
- US$154 million for the purchase of intangible assets, which included US$60 million for mining exploration costs and US$38 million for the acquisition of contracts by Astra's general insurance business.

The contribution to the Group's cash flow from disposals for the year amounted to US$2,314 million *(2022: US$914 million)*, which included US$1,252 million primarily related to repayments from associates and joint ventures in Hongkong Land. The Group also continued to progress the simplification of its portfolio by divesting non-core investments when opportunities arose:

- US$364 million from sale of tangible assets, primarily DFI Retail's sale and sale and leaseback of properties in Singapore, Malaysia and Indonesia and Jardine Cycle & Carriage's sale of its properties in Singapore under a sale and leaseback arrangement;
- US$359 million being proceeds received, net of transaction costs, relating to sale of the automotive dealership business in the United Kingdom;
- US$161 million, primarily from the sale of Astra's investment in relation to its financial services businesses; and
- US$134 million from the sale of associates and joint ventures, primarily Jardine Pacific's investment in Greatview Aseptic Packaging Company.

The Group's cash flow from disposals in 2022 included principally:

- US$416 million primarily related to repayments from associates and joint ventures in Hongkong Land;
- US$227 million from the sale of securities by Astra's general insurance business; and
- US$131 million from the sale of the hotel in Washington D.C. by Mandarin Oriental.

The Group continued to focus on making organic and strategic investments to sustain the business and drive future growth during 2023. The Group's organic capital expenditure, including expenditure on properties for sale, was US$3.4 billion *(2022: US$3.8 billion)*, and strategic investments added a further US$1.8 billion *(2022: US$1.5 billion)* to capital expenditure in 2023. Additional capital investment within the Group's associates and joint ventures was over US$5.2 billion *(2022: US$4.3 billion)*.

During the year, the Company also repurchased its own shares (for cancellation) at a total cost of US$209 million *(2022: US$173 million)*. Additional shares in Group companies were also purchased in 2023. Shares in Jardine Cycle & Carriage were acquired at a total cost of US$136 million *(2022: US$130 million)* and Mandarin Oriental shares at a total cost of US$18 million *(2022: US$1 million)*. There were share buybacks in Hongkong Land at a total cost of US$83 million *(2022: US$352 million)*. These purchases are recognised as part of financing activities in the Consolidated Cash Flow Statement.

Treasury Policy

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

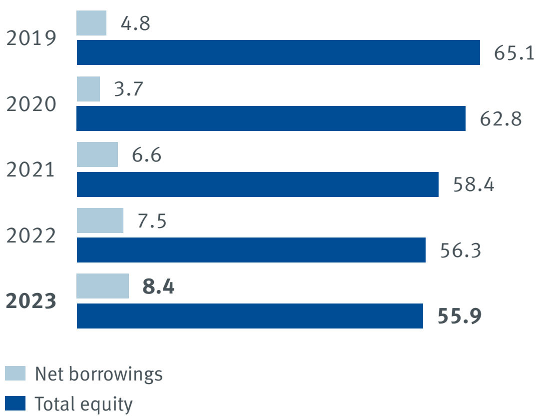
When economically sensible to do so, borrowings are taken in local currency to hedge foreign exchange exposures on investments. A portion of borrowings is denominated in fixed rates. Adequate headroom in committed facilities is maintained to facilitate the Group's capacity to pursue new investment opportunities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

The Group's Treasury operations are managed as cost centres and are not permitted to undertake speculative transactions unrelated to underlying financial exposures. Note 42 of the financial statements summarises the Group's financial risk factors.

Funding

The Group is well financed with strong liquidity. Net gearing, excluding net borrowings relating to Astra's financial services companies, was 15% at 31st December 2023, up from 13% at the end of 2022. This principally reflected higher capital expenditure (both organic and for M&A) as well as enhanced dividend payments at Astra during the year. Net borrowings, on the same basis, were US$8.4 billion at 31st December 2023, compared with US$7.5 billion at the end of 2022. Astra's financial services companies had net borrowings of US$3.4 billion at the end of the year, compared with US$2.8 billion at the end of 2022.

Net borrowings* and total equity (US$ billion)



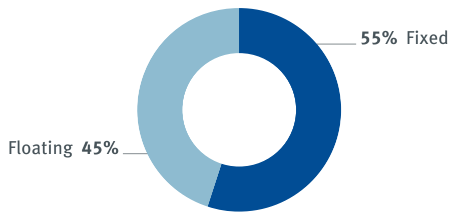
* Excluding net borrowings of Astra's financial services companies.

At the year end, undrawn committed facilities totalled US$9.0 billion. In addition, the Group had liquid funds of US$4.8 billion. During the year, the Group's total equity decreased by US$0.4 billion to US$55.9 billion.

The average tenor of the Group's borrowings at 31st December 2023 was 4.4 years, the same as 2022. 82% of borrowings were non-US dollar denominated, as shown below, and directly related to the Group's businesses in the countries of the currencies concerned. At 31st December 2023, approximately 45% of the Group's borrowings, exclusive of Astra's financial services companies, were at floating rates and the remaining 55% were at fixed rates, including those hedged with derivative financial instruments with major creditworthy financial institutions. 91% of the borrowings for Astra's financial services companies were at fixed rates.

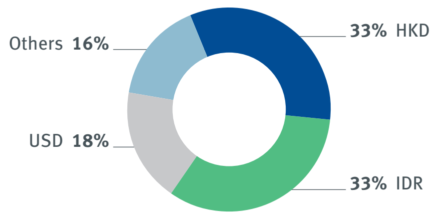
Borrowings profile at 31st December 2023

Interest rate*

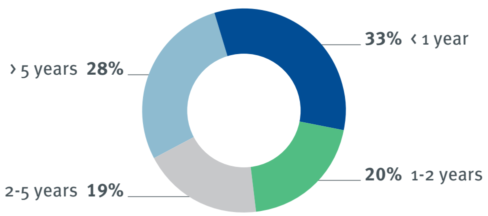


*Excluding Astra's financial services companies.

Currency



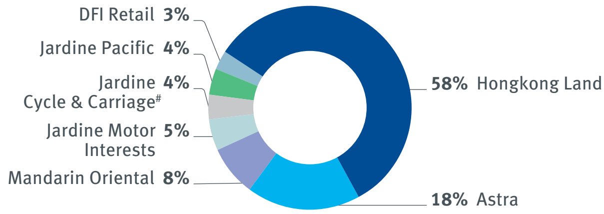
Maturity



Shareholders' Funds

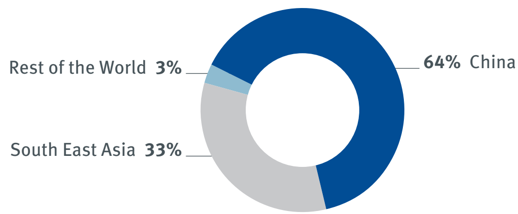
Shareholders' funds at 31st December 2023 are analysed below, by business and by geographical area. There were no significant changes from the prior year.

By business



Excluding Astra.

By geographical area



Principal Risks and Uncertainties

A review of the principal risks and uncertainties facing the Group is set out on pages 88 to 96.

Accounting Policies

The Directors continue to review the appropriateness of the accounting policies adopted by the Group, having regard to developments in International Financial Reporting Standards ('IFRS').

The Group has applied IFRS 17 "Insurance Contracts" for the first time for the annual reporting period commencing 1st January 2023. As included in note 1 to the financial statements, the adoption of IFRS 17 does not have a material effect on the financial statements, but the comparative financial statements have been restated as the Group applied IFRS 17 using a retrospective approach.

Sustainability

Sustainability as a Key Enabler

Jardines has focussed on creating enduring value through our approach to business since our founding nearly two centuries ago. From the outset, we have applied a long-term perspective to growth, building resilience in our business and supporting the communities we serve. This wide historical lens informs our approach to sustainability and serves as a foundation which guides our decisions on how to shape our business for the future.

Our sustainability practices are underpinned by a focus on innovation and resilience, and enable Jardines to mitigate risk, enhance operational efficiencies, and maintain a strong competitive position in the markets where we operate. We have continued to pursue our vision for a sustainable future by fostering greater collaboration across our businesses and working to support them in addressing sustainability issues which are material across the Group. By integrating sustainability across the Group, we are committed to delivering long-term solutions which address the broad range of sustainability challenges we face, while producing long-term value for all our stakeholders.

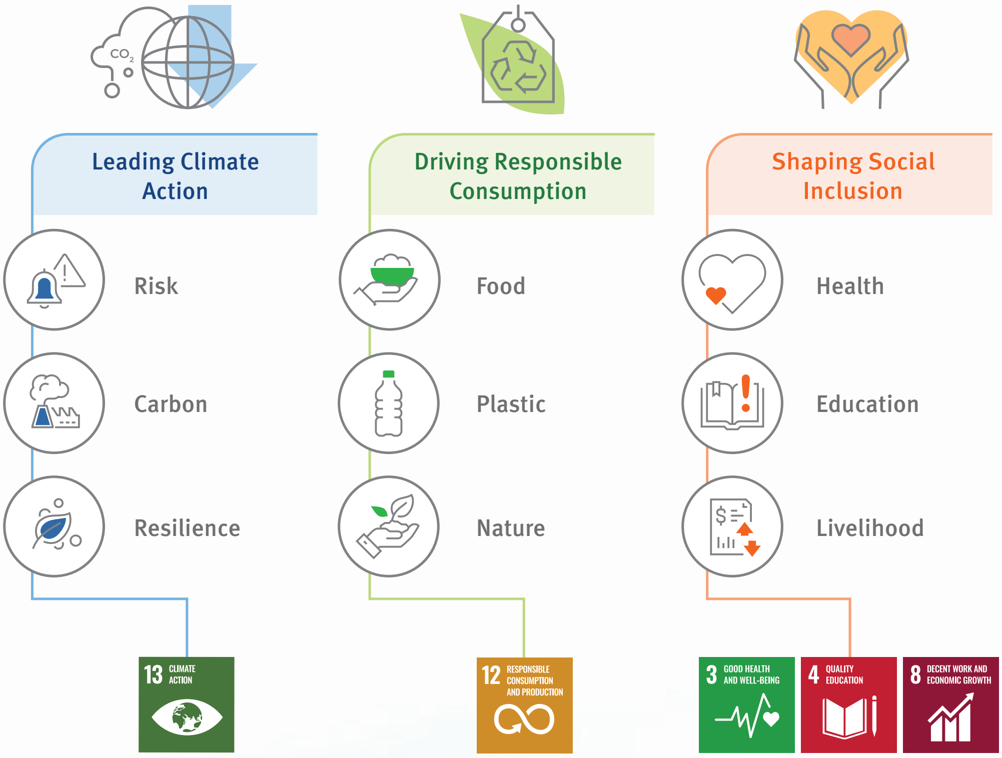
Building Towards 2030

The diverse nature of the Group's businesses provides a great opportunity for collaboration in building resilience to potential future impacts. Though each of our businesses may have their own sustainability agendas, we strongly support the creation of a shared mindset towards long-term value creation.

The Group's sustainability strategy, Building Towards 2030, structures the Group's response to social and environmental megatrends affecting the outlook of our businesses and the communities in which we operate. The strategy has nine focus areas across three strategic pillars: Leading Climate Action, Driving Responsible Consumption and Shaping Social Inclusion. It is aligned with five of the 17 United Nations Sustainable Development Goals ('UNSDGs'), contributing to the global agenda to end poverty, protect the planet and ensure peace and prosperity for all people by 2030.

Our strategy provides an overarching sustainability vision at the Group-level, that recognises the needs and expectations of our diverse stakeholders. The Group has identified key priorities to focus our sustainability ambitions, streamline our efforts and allocate resources as efficiently as possible. We uphold the autonomy of our subsidiaries and affiliates, while simultaneously encouraging alignment and collaboration between our businesses, to harness the knowledge and expertise available across the Group and unlock opportunities for systemic change. Each of our businesses are encouraged to ensure consistency with the Group's sustainability strategy in driving their individual sustainability agendas, which are tailored to their respective industries and geographies.

Of the three strategic pillars, climate action has been our highest priority for the past couple of years. Our Group businesses are progressing well on their decarbonisation journey, with most having set science-based 1.5°C-aligned targets and developed plans for achieving them. Moving forward, we remain committed to our decarbonisation objectives as we work with all our businesses to align with



climate science and sector-based approaches to reduce climate impacts, enhance resilience and unlock opportunities for future growth in a transitioning world.

Sustainability Governance

Integrating sustainability within our existing governance structure enables the strategic oversight, accountability and reporting necessary to deliver long-term value creation. The Company's Board and Audit Committee oversee our sustainability governance structure, supported by strong day-to-day oversight by senior management. This structure is mirrored at the Group businesses and is complemented by the Sustainability Leadership Council ('SLC') – which brings together the chief executives of our Group businesses and Jardine Matheson directors and senior executives – as well as by working groups focussed on each pillar of our sustainability strategy. These governance structures are supported by the Group Sustainability Team, which works closely with sustainability representatives from across our Group businesses.

The Company Board

Sustainability is a regular agenda item at Board and risk management and control committee ('RMCC') meetings, both for our individual businesses and at the Group level. Specific items including climate action are raised and discussed regularly at these meetings. Senior management of the Group, some of whom who also sit on the Company's Board, are also members of the boards of our Group businesses, where they emphasise the strategic significance of sustainability to Jardines. This approach ensures that our commitment to sustainability, including climate action, is consistent across the Group's businesses and informs major business decisions. For details of the Board, please refer to the Corporate Governance section of this Report.

Audit Committee

The Audit Committee supports the Board in overseeing and evaluating consolidated Group-wide principal risks and uncertainties, including climate risks. The Audit Committee also has oversight responsibility for reviewing independent assurance obtained by the Group in respect of the effectiveness of sustainability metrics which measure the Group's sustainability strategy, initiatives and goals, as disclosed in the Company's annual Sustainability Report. External and internal assurance is conducted on the Group's sustainability reporting and the effectiveness of its governance, respectively. Please refer to the Audit Committee Report and the Principal Risks and Uncertainties section of this Report for details.

Sustainability Leadership Council

The SLC is led by Jardine Matheson Executive Chairman, Ben Keswick. It currently comprises more than 20 members, and its core members include the Jardine Matheson Group Managing Director, Executive and non-Executive Directors, Chief Executives of all the Group's principal businesses and the Heads of relevant Group functions.

Meeting twice annually, the SLC serves as a collaboration platform for senior management across the Group to exchange insights and perspectives on sustainability strategy, planning and direction for the Group. Emerging sustainability trends, best practices and stakeholder expectations are discussed regularly within the SLC. Group-wide sustainability and climate-related risks and opportunities are also discussed at the SLC, with the aim of improving the Group's performance and ensuring consistent integration of sustainability considerations into corporate policies and business operations.

Group Businesses

The boards of our Group businesses are responsible for overseeing sustainability within their respective businesses. Each individual business is expected to develop and implement a sustainability strategy that is aligned to the Group strategy and to set sustainability metrics and targets to effectively address material issues. The leadership of each of the Group's listed and private businesses reports at least twice a year on the progress of their sustainability agenda to their own boards (in the case of listed businesses) or their respective RMCCs (in the case of private businesses).

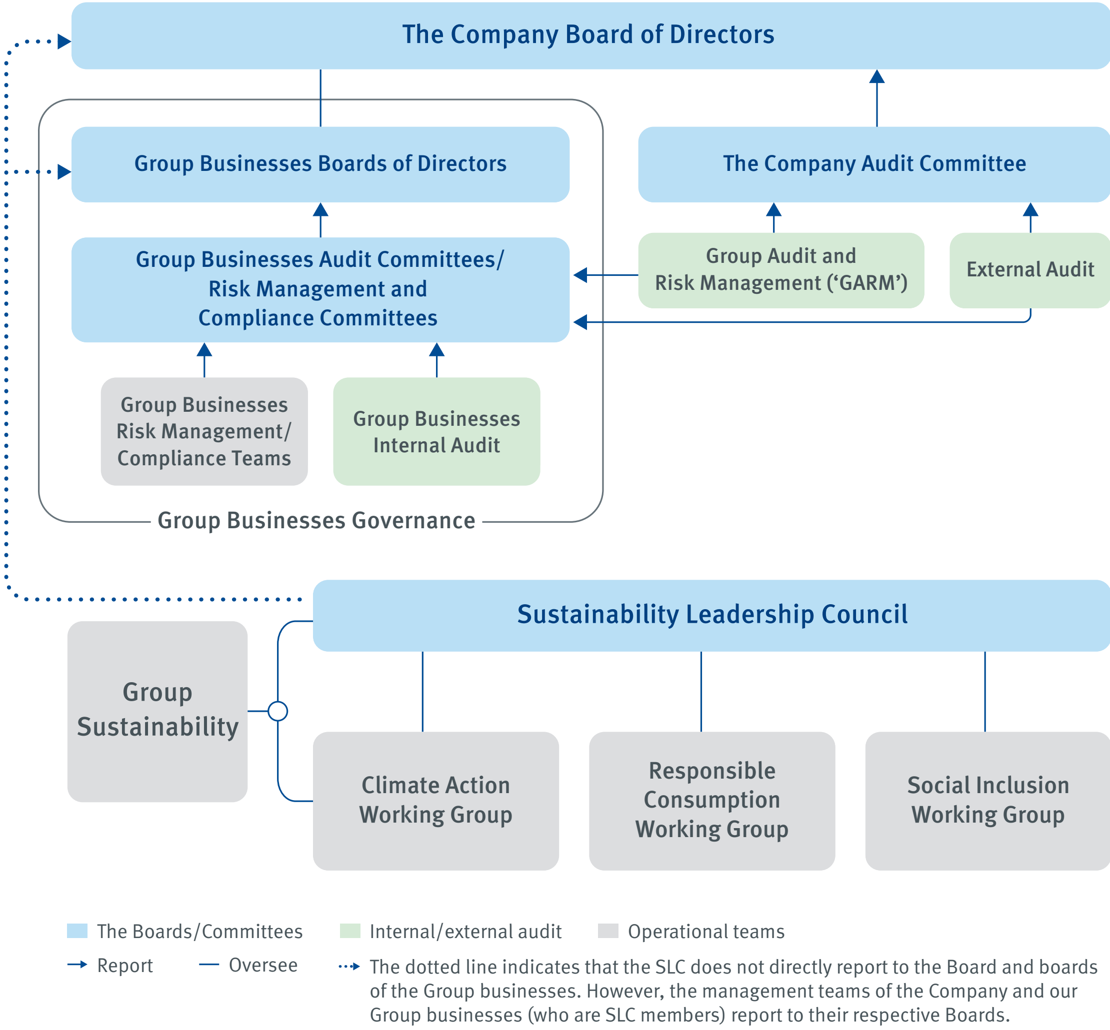
Sustainability Working Groups

Designated working groups support each of the pillars of our sustainability strategy. The working groups are comprised of, and chaired by colleagues from across our businesses who are responsible for driving the aspects of their sustainability agendas within their organisations. Working within the purview of each respective sustainability pillar, the working groups support the execution of the Group's sustainability strategy, as well as identifying, developing and recommending initiatives which will create synergies and strengthen cohesion and cooperation between the Group businesses, as well as sharing knowledge and experience across the Group.

Group Sustainability

The Group Sustainability Team supports the integration of sustainability considerations into the Group's broader business strategies and operations, and provides advice on sustainability-related issues. It also provides ongoing guidance, advice and support to the Group's businesses, encouraging consistency in their approach to sustainability. Collaborating closely with various stakeholders including senior leadership, operational teams, and external partners, the team also implements sustainability initiatives and sets appropriate and relevant ESG metrics and targets to track progress on material ESG issues. Sustainability trends are regularly monitored and are incorporated into the Group's approach to improving ratings, reporting and disclosures.

In addition, the team works with other Group functions including Group Finance, Group Audit & Risk Management ('GARM'), Group People & Culture, Group Secretariat, Group Legal, Group Tax and Group Communications to progress the Group's sustainability ambitions, as well as to obtain support on sustainability matters, including budgets and reporting, sustainability risks and opportunities, human capital, corporate governance, business ethics, tax reporting and sustainability communications.



Remark:

For details of the Risk Governance Structure, please refer to the Risk Management and Internal Control section.

Stakeholder Engagement and Materiality Assessment

We are committed to continual dialogue with our broad range of stakeholders, to communicate our sustainability ambitions and the progress we are making in achieving them, as well as to seek their valuable input. Through these engagements, we gather feedback to better understand their perspectives and expectations on key issues. Our stakeholders' inputs help us confirm and further refine our sustainability strategy and focus areas.

We regularly meet with our investors to share key sustainability updates and inform them on our current progress and future plans on sustainability. We also collect our investors' views and suggestions on the Group's sustainability strategy, performance and disclosure.

We actively and systematically engage with rating agencies, to ensure that their analysis of the Group's sustainability performance accurately reflects our sustainability approach, commitments, actions and progress. Through the coordinated efforts made across the Group's businesses, we have continued to achieve significant improvement in our ESG ratings in 2023.

Engaging our internal stakeholders is a key focus, and we use a range of channels, from internal surveys to events and campaigns, to encourage a dialogue among colleagues on sustainability. We use an internal sustainability communication channel to provide regular updates to our colleagues on sustainability accomplishments and events, share the latest sustainability news and trends, and provide access to sustainability-related learning materials.

The feedback gathered from our internal stakeholders and businesses forms an integral part of our materiality assessment process. Their perspectives are thoroughly considered and have helped us to confirm and further refine the Group's sustainability priorities.

We keep abreast of the latest global reporting standards and environmental and social megatrends, to identify new and emerging sustainability issues relevant and material to the Group. We gain valuable insights in our interactions as a member of the World Business Council for Sustainable Development ('WBCSD'), and also reference the sustainability reports of our Group businesses and our peers, along with expert insights and the results of our stakeholder engagement activities, to continuously review and enhance our sustainability strategy and focus areas against the rapidly evolving sustainability landscape.

Climate Action

Climate change will increasingly impact our business, and we are therefore actively identifying the physical and transition risks confronting the Group, including opportunities for mitigation. At the same time, we view supporting and contributing to the transition to a low-carbon and, ultimately, a net-zero world as not only a business imperative but also a source of new opportunities for impact and growth. As a primarily Asian-based owner and operator, we have a deep understanding of the challenges and the operating environment in the region. Our network of partners, the skills of our colleagues and the credibility we have in the region, give us a unique platform to accelerate the transition, by creating and leveraging opportunities to leapfrog to the sustainable economies of the future.

While this Sustainability section provides the Group's perspective, we acknowledge that Jardines' overall climate change performance is the result of a collaborative effort with each of our businesses. As our Group businesses continue to build their climate resilience, the Group will provide support, guidance, and oversight to ensure that Jardines as a whole is ready for the future.

TCFD Report

This section provides details on our climate journey based on Taskforce for Climate-related Financial Disclosures ('TCFD') recommendations. Please refer to the Consistency with TCFD Requirements section on page 56 for a detailed view on the extent of alignment with the recommendations.

Governance

The Jardine Matheson Board is ultimately responsible for the overall strategic aims and objectives of the Company. Sustainability updates, including climate-related strategy, decarbonisation targets, initiatives and progress, challenges and opportunities are reported to the Board at least twice a year. One update occurs as part of the year-end process, and reflects the outcomes of the annual budget setting process, as part of which there is discussion of capital allocation for organic and inorganic growth, capital and operational expenditures, and the budget for sustainability initiatives for the coming three years.

The Board is also responsible for the oversight of climate risk management through the Audit Committee. Environmental and climate risk is identified as one of the principal risks faced by the Group, as it has materialised and impacted our business operations and supply chain. The principal risks faced by the business, as well as latest developments and the progress of mitigation measures, are reported to the Audit Committee bi-annually and disclosed in the Audit Committee Report in this Report.

Climate action is one of the critical topics reviewed and assessed by the SLC, which receives updates on global and regional climate and sustainability trends, policies, initiatives and activities undertaken by Group businesses and the Group twice a year. Progress on climate risk assessments and identified climate risks and opportunities are also provided to the SLC, to inform their discussion of sustainability strategy and priorities. The Company and individual business units' senior representatives will provide corresponding updates on sustainability strategy to their respective Boards. Sustainability-related policies are also reviewed by the SLC. These include the Group's Climate Change Policy, which was published in 2022. All sustainability-related policies are periodically reviewed by executive management and updated as required.

The Group Sustainability Team, led by the Group Head of Corporate Affairs and Sustainability, supports the Board, SLC and Climate Action Working Group in developing the overall sustainability strategy and related initiatives. A monthly meeting is held by the Group Sustainability Team with the Executive Chairman, to report progress on our sustainability agenda. The Climate Action Working Group meets on a quarterly basis, and updates on its activities are provided to the SLC twice a year.

For more information on the roles and responsibilities of those involved in our sustainability governance framework, and management oversight of the sustainability agenda (including climate risks and opportunities) across the Group, please refer to the Sustainability Governance section on page 45.

Strategy

Our Group commitment to climate action is set out in the Group Climate Change Policy, published in June 2022. The policy outlines the principles that steer the Group and our businesses to build resilience to climate change impacts and the transition to a low-carbon economy. To help drive the shift to more renewable sources of energy, Jardines has also published a clear commitment to Supporting a Just Energy Transition, affirming our goals of scaling up investments in renewable energy and adjacent innovations, diversifying into non-coal mineral mining and not investing in new coal mines or coal-fired power plants. As an Asian-based conglomerate, we want to be a key partner for the region in contributing to an orderly and equitable transition.

Over the past few years, we have been engaged in an ongoing exercise to identify and analyse material climate risks and opportunities across the Group. Climate scenarios are adopted, to evaluate the resilience of our businesses to the impacts of climate change on our strategy and financial planning. At Jardines, we use three sets of time horizons to analyse climate-related risks and opportunities: short-term (within three years), medium-term (four to ten years) and long-term (beyond ten years).

In 2021, we completed a preliminary study of physical risks likely to have a material impact on the Group, assessing potential asset damage and business interruption. We analysed the exposure and impact of both acute[1] and chronic[2] hazards on more than 800 significant assets across our Group businesses in 22 countries and regions. The study was conducted utilising three Representative Concentration Pathways ('RCPs') developed by the Intergovernmental Panel on Climate Change ('IPCC')[3].

In 2022, the Group initiated an assessment of transition risks which might impact our businesses, with the assistance of Group Sustainability and GARM. The exercise aimed to develop a consistent set of scenarios and assumptions for risk assessment across the Group, setting the foundation for a robust methodology which would result in comparable outcomes across our businesses. Two scenarios were developed based on internationally recognised data sets[4] with the following characteristics:

Low-emissions scenario	High-emissions scenario
• Global warming is limited to well below 2°C • Rapid coordinated global response to climate change • Implementation of strict climate policies • Active decarbonisation of businesses • High consumer awareness of climate change	• Global warming is on track to reach at least 3.3°C • No significant acceleration and climate action from currently announced policies • Slow investment in climate transition • Lack of consumer awareness of climate change

The scenarios will be periodically refreshed to align with climate science updates and significant changes in our operating environments as a result of shifts in policy, regulations and other signals.

The assessment produced distinct transition risk heat maps for the High-emissions and Low-emissions scenarios, identifying the critical impact of transition risk drivers across the diverse sectors of our Group businesses in their most material geographic regions, based on revenue and/or strategic value. A number of mitigation planning workshops have been conducted across the businesses, to equip them with the right knowledge and resources for climate resilience.

[1] Acute hazards include landslide, rainfall flood, river flood, storm surge, and typhoon.

[2] Chronic hazards include extreme heat, snow melt, drought, and sea level rise.

[3] RCP 2.6 represents a low-emission scenario, RCP 4.5 represents a medium-emission scenario and RCP 8.5 represents a high-emission scenario.

[4] Scenarios are based on the IPCC Representative Concentration Pathways, the Network for Greening the Financial System ('NGFS') and the International Energy Agency ('IEA)', supplemented by additional research to reflect the unique regional context.

A summary of the identified physical and transition risks that may have a material impact on our business, and our mitigation measures in response , are included in the table below:

Physical risks	Implications to the Group	Potential impacts to operations	Our response
Typhoon Severity, as measured by wind speed, is increasing in the Chinese mainland, Hong Kong, Vietnam, and the Philippines.	More frequent and destructive typhoons impact Hongkong Land, DFI Retail, some Mandarin Oriental hotels and Jardine Pacific. Expected onset: short to medium term	• Increased damage to equipment, facilities and properties • Localised flooding and limited access and egress to properties, resulting in potential risks to the safety of patrons and limitations to commercial activity • A greater occurrence of building strain (including structural damage) or loss of building material fixtures and claddings, resulting in damage, and increased maintenance costs and insurance premiums • Decrease in demand due to operational disruptions, tenants/ customers relocation and loss of tourist attractions and tourism appeal • Increased trade disruptions and damage to port infrastructure, resulting in supply chain disruptions	• Business continuity and emergency evacuation planning, and regular training, drills and engagement with employees and tenants • Identify emerging technologies, including smart, digital and biotechnologies or new materials to enhance building quality and resilience • Review of overflow and drainage systems for locations susceptible to flooding • Review exposure to physical hazards, including an analysis of geographical flood plains, before committing to new locations • Engage with government bodies on flood defences • Ensure adequate insurance coverage for physical asset damage • Dual sourcing and increasing supplier resilience
Rainfall flooding Severity, as measured by flood depth, is expected to increase across Asia.	More frequent and extreme rainfall flooding impact our low-lying and flood vulnerable major assets in Astra, Hongkong Land, DFI Retail, JC&C and some Mandarin Oriental hotels. Expected onset: short to medium term		
Extreme heat Measured by the combined impact of temperature and humidity, it is forecasted to increase in the period to 2030 across Asia. Higher latitudes are expected to be most adversely affected.	Increased ambient temperatures and more frequent heatwaves mostly impact Astra, Hongkong Land, DFI Retail, JC&C, and Jardine Pacific businesses such as Gammon. Expected onset: medium to long term	• Adverse effect on the health and safety of employees working on sites, e.g. heat stroke and heat exhaustion • Prolonged periods of hot days exacerbating safety risk • Reduction in thermal comfort for tenants, resulting in increased cooling demand and associated costs across the properties • Damage to equipment, facilities, properties, inventory and infrastructure, resulting in business and supply chain interruptions	• Physical checks for workers under prolonged sun exposure and extended/additional breaks during times of high heat and periods of persistently extreme temperatures • Active promotion of modern construction methods such as offsite fabrication • Adopting and excelling in green building sustainability certification programmes • Operational energy saving measures and regular air-conditioning equipment maintenance and/or replacement • Increase energy efficiency through upgrading and retrofitting existing buildings and system optimisation • Dual sourcing and increasing supplier resilience

Physical risks	Implications to the Group	Potential impacts to operations	Our response
Sea level rise Severity, as measured by the rise of sea level, is expected to increase globally.	Increased sea level rise/ coastal inundation mostly impacts Hongkong Land's Central portfolio buildings in Hong Kong, which are valuable assets to the Group. Expected onset: medium to long term	• Permanent inundation of access and egress points of our coastal properties, resulting in significant structural damage • Inundation of assets, limiting business continuity and future business opportunities • Increased maintenance costs and insurance premiums	• Implement operational procedures for emergency extreme weather preparedness including flooding and typhoons • Engage the Hong Kong government for adequate planning and preparation of extreme weather events, including knowledge sharing of risk assessment data and management plans • Engage other property developers to exchange insights and potentially collaborate on solutions to effectively manage climate risks

Transition risks	Implications to the Group	Potential impacts to operations	Our response
Carbon price Direct (e.g. carbon tax) or indirect costs associated with emissions reduction regulatory or fiscal policies. **Energy price** The rising prices of primary and secondary energy, i.e., fossil fuels and electricity.	All our businesses will be affected, however these risks would be especially impactful for those operating in high energy consuming and/or high carbon emitting sectors, namely Astra, Hongkong Land, DFI Retail and Gammon. Expected onset: medium to long term	• Increased cost of products, services and raw materials such as steel and cement • Higher energy efficiency requirements, resulting in increased capital expenditures and cost of operations • Increased legal and regulatory stringency, resulting in higher risk of litigation, requiring additional efforts for compliance	• Develop net-zero strategy to reduce greenhouse emissions. A few of our business units' (Hongkong Land, Gammon, DFI Retail and Hactl) near-term science-based targets have been validated by SBTi • Develop a strategy for a lower-carbon supply chain, including local sourcing efforts, country of origin assessments, and sustainable commodities initiatives in DFI Retail • Electrify equipment, e.g. Gammon acquiring electric crawler cranes • Reduce embodied carbon in buildings/stores by sourcing alternative low-carbon materials such as low carbon certified rebar, and explore methods to reduce the carbon footprint of concrete mixes (e.g. CarbonCure) in our construction business • Invest in energy efficiency, R&D and innovation, e.g. JEDI from JEC • Monitor upcoming carbon and climate-related regulatory requirements • Build climate resilience capability across the Group

Transition risks	Implications to the Group	Potential impacts to operations	Our response
Polices and regulations Examples include green building policies and electric vehicle policies.	Green building policies are applicable to most of our businesses, and electric vehicle policies are applicable to our motor businesses, i.e., Zung Fu Hong Kong, JC&C and Astra. Expected onset: medium to long term	• Increased cost of products, services and raw materials such as steel and cement • High energy efficiency requirements, resulting in increased capital expenditures and cost of operations • Increased legal and regulatory stringency, resulting in higher risk of litigation, requiring additional efforts for compliance	• Continue to implement energy efficiency projects to achieve science-based targets • Introduce new low-carbon products and services, e.g. electric vehicles in Zung Fu Hong Kong and JC&C • Invest in energy efficiency, R&D and innovation, e.g. JEDI from JEC • Monitor upcoming climate-related regulatory requirements • Build climate resilience capability across the Group • Engage with government bodies and industry associations to contribute to policy consultations

Climate-related opportunities	Implications to the Group	Potential impacts to operations	Our response
Shifting consumer preferences towards low-carbon buildings, materials, products and services	This is an emerging opportunity to capture business growth for Hongkong Land and Gammon in the construction and property sector, Astra, JC&C and Zung Fu Hong Kong in the automotive sector, and JEC in the engineering services sector. Expected onset: medium to long term	• Higher demand for minerals for low-carbon technologies such as copper, nickel and bauxite and reduced demand of coal • Increased demand and revenue from low-carbon infrastructure and buildings, sale of electric vehicles, etc	• Publish a Just Energy Transition statement to commit to no new coal mine acquisitions and no new investments into coal-fired power plants • Acquire new brands of electric vehicles in Zung Fu Hong Kong and JC&C; and support the partners in the transition of electric vehicles, e.g. Astra's investment in nickel mining • Active engagement with tenants to gauge expectations on green building features and continue to obtain green building certifications in our properties portfolio • Continue to deliver certified green building projects in our construction business • Develop lower carbon high-performance concrete mixes with the Hong Kong Construction Industry Council's Green Product Certifications • Invest in energy efficiency, R&D and innovation, e.g. JEDI from JEC

Climate-related opportunities	Implications to the Group	Potential impacts to operations	Our response
Renewable energy and energy efficiency	This is a present opportunity to all businesses for the foreseeable future.	• Reduced operating costs through energy efficiency initiatives, reduced waste to landfill and increased material reusability • Increased market value of properties that are highly rated as energy efficient and/or climate resilient	• Actively expand our investments in renewable energy sector: – REE as Vietnam is one of the region's fast-growing markets for renewables and REE has been a leading developer of sustainable infrastructure since 2010 – At Astra, along with investing in hydro, wind and solar projects, we are also exploring biomass waste-to-energy • Invest in alternative energy e.g. solar panels connected to a Feed-in Tariff • Reuse structural steel to reduce new purchases, and use offsite modular integrated construction fabrication in a potentially more energy efficient environment • Join Power Up Coalition to accelerate early electrification in Hong Kong's construction business • Behavioural change programmes to educate the colleagues on energy savings measures

Our success as a business is based on our ability to identify emerging risks and opportunities and make the right capital investment decisions. The risk management process described in the Risk Management section of this Report enables the integration of these risks and opportunities, including climate-related ones, into our long-term strategy. This is the first step in putting climate risk on the agenda in all aspects of how we operate our businesses, including 3-5 year strategic and financial planning, investment and divestment decisions, managing our supply chains, developing products and services, and daily business operations across all Group businesses.

With guidance from Group Finance and the Group Sustainability Team, each of our Group businesses allots a budget to fund sustainability and climate action-related activities. The budgets are approved by the Chief Finance Officers of our businesses and the Group Finance Director. One of the Group's focus areas in 2023 was the development of a framework for a systematic incorporation of sustainability considerations, including climate risks, into capital allocation decisions. We will continue this work in 2024 and share more details in due course.

We are progressively building on our learning every year, to further enhance our methodology and future-proof our business. We have been proactive in responding to climate risks, but there is still much to learn and do.

Risk Management

We have incorporated the best practices of enterprise risk management into the process of climate risk identification, assessment and management. The sustainability teams in each of our Group businesses are responsible for climate risk management and provide a business-specific climate risk perspective to their risk management team in the business. The Group's approach to overall risk management combines a bottom-up process with a top-down strategic view. As with other principal risks and uncertainties, material climate risks and mitigation measures are reported to GARM and consolidated into the Group risk register to formulate a risk heat map, which guides risk prioritisation. The risk heat map is reported to the Audit Committee twice a year.

Both physical and transition risk reports from the 2021 and 2022 climate risk assessments have been provided to the Group businesses to further explore the implications for, and develop mitigation measures to minimise the impact including property damage and business interruption. Guidance and support on climate risk management and mitigation measures planning are provided by GARM and Group Sustainability, when needed. Climate risks have already been reported by some businesses who are advanced in their sustainability journey and featured in the Group's Principal Risk and Uncertainties.

Building on the Group-wide climate risk assessments carried out in 2021 and 2022, we have been developing a Group approach to the integration of climate risk into the existing risk management process and business risk register, which aligns with best practices defined by WBSCD, COSO, TCFD, and ISO 3001. Materialised climate-related risk events/drivers will be included in the existing business risk register, with updated Risk Taxonomy to keep climate-related risk causes in view by the respective risk owners. As climate risks may materialise over a longer time horizon compared to typical enterprise risk management horizons, a sub-register solely comprised of climate risks and opportunities has also been created. The climate risk sub-register formalises current efforts and monitoring currently carried out across the businesses. It is a full list of climate risks and opportunities over the short, medium and long-term, which facilitates the discussion and knowledge transfer on climate matters between teams. Sustainability and risk management teams will monitor the risk signals (e.g. carbon price policies) and evaluate the impact of each climate risk under different climate scenarios. Once the risks materialise and are significant, they will be included in the existing business risk register to ensure the accountability of the risk owners. For example, supply chain disruption is an existing business risk managed by supply chain directors at business unit level, but climate risks could intensify the uncertainties of logistics. Mitigating the risk of supply chain disruptions, including the impact from climate risks, is the supply chain director's responsibility, assisted by the sustainability and risk management teams.

The Group has been piloting this climate risk integration approach with two business units, and the results were presented to their internal risk management committees. In 2024, GARM and Group Sustainability will organise training for other business units and formally roll out the integration approach across the Group. GARM and Group Sustainability will review the submitted and integrated climate risks and provide feedback, if any, to the Group businesses to improve the process and outcome. The impact assessment for climate risks is currently based on external research and management judgements. Climate change modelling and more sophisticated financial impact assessments will be conducted, based on a common set of scenarios and assumptions, at a later stage when more data points are transparent and available in the market.

As part of our ongoing climate risk management process, one important objective has been the development of a culture of climate action across our businesses. Climate risk is an issue which is now frequently included in internal risk management training and conferences. It is also included in risk newsletters published by GARM to raise the awareness of climate change and climate action across the Group, particularly targeting finance and risk management colleagues. The progress we have made in building this culture was evidenced at the 2023 Risk Management Forum, where climate risk was a key presentation topic and at the 2023 Finance Conference, where finance colleagues participated in an interactive simulation of the financial impacts of carbon prices. Most of our businesses are actively attuning their business capabilities to better evaluate and respond to climate risk. The Group will continue to guide the discussion, to further improve our businesses' approach to assessing the significance and impact of climate risks in relation to other risks in our risk registers.

Please refer to the Risk Management and Internal Control section of this Report for details of the Group's enterprise risk management framework. The Monitoring of Risk Management and Internal Control Systems section provides details on how GARM monitors the approach taken by the businesses to managing risk.

Metrics and Targets

Building on the climate risk assessment work carried out in previous years, we are now in the process of establishing metrics and indicators to help the Group manage relevant climate risks and opportunities. As we drive forward the climate action agenda in 2023 and beyond, we will consider forward-looking metrics to help us build resilience to climate change.

In 2021, we developed GHG emissions guidance aligned with the GHG Protocol for measuring Scope 1 and 2 emissions, and we aggregated data to provide a Group-wide picture of our GHG emissions disclosed, by business unit, in our annual Sustainability Reports. At the time of publication of this Report, the Group's 2023 performance is still undergoing external assurance, and further details will therefore be provided in the forthcoming Sustainability Report 2023. The Group's 2022 performance is extracted in the table below:

Metric	Unit of measure	Group total
Scope 1 emissions	Thousand tCO2e	4,839.3
Scope 2 emissions (location-based)	Thousand tCO2e	1,460.4
Scope 2 emissions (market-based)	Thousand tCO2e	1,395.1
Total GHG emissions (Scope 1 and market-based Scope 2)	Thousand tCO2e	6,234.4*
Total energy consumption	Thousand GJ	34,118
Energy consumption from renewable sources	%	39%

* The data was subject to independent limited assurance by PricewaterhouseCoopers as part of our 2022 Sustainability Report which is available on our website.

2021 was the first year for which we collected GHG emissions data across the Group, starting with direct emissions (Scope 1 and 2). The Group is aware of the importance of our indirect emissions (Scope 3), which we will start measuring at the Group level in 2024, with plans to disclose in the near future. A few of our business units, such as Hongkong Land and DFI Retail, have already publicly disclosed their scope 3 data.

Decarbonisation has been a key focus area of the Group's sustainability strategy. In 2021, the Group developed a framework to guide the decarbonisation efforts across the Group towards our ultimate ambition to transition towards net-zero by 2050, in line with climate science. Due to the wide geographic spread of our activities, there is significant variation in the regulatory and policy environments affecting our businesses, which have implications for the feasibility, cadence and pace of potential decarbonisation initiatives. To account for Jardines' size and complexity, we have segmented our businesses under two pathways, after close consultation with our internal stakeholders, to prepare an outline for progress towards a credible medium-term target and ultimately a net-zero goal.

The first science-based targets path expects businesses to align with credible, scientific approaches to decarbonisation, including the international Science Based Targets initiative ('SBTi') and sector-specific methodologies consistent with a 1.5°C trajectory. Hongkong Land was the first Group business to set a 1.5°C near-term target[5] which was validated by SBTi in 2022. DFI Retail, Gammon and Hactl followed suit in 2023. Other businesses continue on the first path toward setting credible science-based targets. The second TCFD path expects the Group's businesses in hard-to-abate sectors, which have significant business continuity risk, to develop a transition plan to continue their business in a low-carbon economy.

The success of the Group in reducing carbon emissions is dependent on the decarbonisation progress by each individual business. Every business is responsible and held accountable for developing science-based decarbonisation plans and delivering on the agreed targets. A significant milestone for the Group in 2023 was the development of a scope 1 and 2 decarbonisation pathway by all businesses, which includes the details and timeline of different decarbonisation levers to achieve their GHG reduction targets. These pathways will be reviewed every year to track decarbonisation progress and adjusted based on actual performance to determine upcoming actions and priorities.

The Group's transition plans to achieve its ultimate ambition of net-zero by 2050, relies on all business units' efforts and collaboration. In the short term, we focus on decarbonising our scope 1 and 2 emissions following the established pathways. Different initiatives such as energy efficiency measures and staff engagement to drive behavioural change are already in place. In the medium term, we will continue to reduce our scope 1 and 2 emissions through renewable energy procurement and start to focus on decarbonising our scope 3 emissions through supplier engagement. In the long term, we will aim to leverage emerging technologies and innovations to address the remaining gaps.

[5] SBTi defined near-term target as five to ten years, which is within the medium-term target as defined by Jardines.

Consistency with TCFD requirements

Our climate-related disclosures meet the reporting requirements for UK standard listed companies, and are consistent with the TCFD recommendations on:

- governance – all recommended disclosures;
- strategy – disclosures (a) and (b);
- risk management – all recommended disclosures;
- metrics and targets – disclosures (b).

As we are still in the early stages of our TCFD journey, we acknowledge that we are not fully consistent with TCFD requirements, including the additional guidance for all sectors published in October 2021. It will take some time for us to fully consider and plan the actions necessary to achieve alignment. We will continue to move forward and improve our disclosure in the coming years.

For strategy disclosure (c), we are still analysing our climate risk assessment results and in the process of identifying more climate opportunities, and we have not yet fully adjusted our business strategy for climate resilient development under the low emissions scenario. This is an ongoing area of collaboration between Group Sustainability, GARM and Group Strategy in the short term.

For metrics and targets disclosure (a) and (c), as a conglomerate operating across a variety of sectors, setting Group-wide metrics and targets to assess climate-related risks and opportunities is complex. We will continue exploring the metrics which are applicable across different business units and industries in the short term.

Responsible Consumption

We seek to leverage the scale and reach of the Group in promoting resource efficiency and circular business operations. Our Group businesses come together through our Responsible Consumption Working Group ('RCWG'), to collaborate and drive the Group strategy at the operational level.

In 2023, the RCWG met quarterly to progress work on the implementation of ongoing waste initiatives and to establish a coordinated approach to further enhance circularity efforts across the Group. Through closer collaboration between our businesses, we create more value as a Group by leveraging our synergies and cross-sectoral expertise. Our businesses are actively sharing insights and exploring collaboration opportunities. We will continue to seek opportunities to leverage the diversity of industries our Group businesses operate in, to promote circular resource loops between our businesses.

Throughout 2023, one of the RCWG's key objectives was to identify major waste streams and expand ongoing waste reduction initiatives. We prioritised our efforts on the major types of wastes produced in our operations: food waste, plastic waste and wood waste. Furthermore, with support from the RCWG members and colleagues across the Group, each major business unit has set or are well on the way to setting, a waste-related target.

Group Sustainability keeps up-to-date on the latest market trends and engages with our businesses to discuss specific issues that may have a significant impact on our businesses. Knowledge sharing has been a core function of the working groups, and we continue to invite subject matter experts to share their insights on relevant topics. We also engage our businesses to share their waste management experiences and learnings with other sectors within the Group. The RCWG will continue to actively seek waste reduction collaboration opportunities, and actions have been identified to follow up on recent discussions.

Contributing to the protection of nature is a key element of our commitment to sustainability. Nature risks include loss of biodiversity and degradation of ecosystems. At the UN Biodiversity Conference ('COP15') held in 2022, governments established a series of goals and targets for 2030 and 2050 as part of a framework to halt and reverse biodiversity loss. Jardines is closely monitoring global developments post-COP15, including the regulatory requirements of the Task Force for Nature-related Financial Disclosure ('TNFD'), and the increasing levels of interest in biodiversity conservation, as well as looking for future opportunities for the Group. In the coming year, we will continue to work with external parties to provide training and education on nature and biodiversity for our businesses, mainly through the RCWG.

We remain closely engaged with our businesses and relevant stakeholders to address biodiversity issues, including supporting the long-term preservation of the Tapanuli orangutan in the area around the Martabe mine in Indonesia. More up-to-date details can be found in the statement on the Martabe mine and Tapanuli orangutan in the Sustainability section of the Company's website.

Social Inclusion

Contributing to the sustainable growth of our cities and supporting the people in our communities has been a longstanding commitment at Jardines. Our community investment strategy focuses on positive contributions towards the issues of education, health – with a keen focus on mental health – and livelihoods.

For over 40 years, the Jardine Foundation has been providing access to higher education and has awarded over 400 scholarships, at the undergraduate and postgraduate level, to help outstanding students from the Group's Asian markets study at top UK universities. In 2023, the Foundation turned its attention to supporting access to leading universities in our operating markets in Asia. We launched two new scholarship schemes with the University of Hong Kong and the Universitas Gadjah Mada in Indonesia, and now provide scholarships to 30 new students each year.

Recognising the pressing need for increased access to reliable quality mental health care and effective treatment options, Jardines established MINDSET in Hong Kong in 2002, with a vision to create inclusive communities, empowered to improve their mental health. When MINDSET was first established, the mental health community was underserved and affected by social stigma. Over the past 20 years, MINDSET has worked to raise awareness and acceptance of mental health issues within the community. As understanding of mental health has improved, MINDSET has provided vital support to those who are tackling mental health difficulties and helping individuals in mental health recovery settle into the community. MINDSET collaborates with several mental health organisations and since the launch of MINDSET Hong Kong in 2002, over HK$92 million has been raised to support 214,000 beneficiaries. Following the initial success of MINDSET, operations expanded into Singapore in 2011.

Volunteers play a key role in driving MINDSET initiatives. By bringing people from diverse backgrounds together, we are able to collaborate on ideas and insights, amplifying our impacts to promote mental health to a wider audience. In 2023, the MINDSET Ambassador Programme was launched, bringing together like-minded individuals across the Group to support MINDSET in creating positive impact on mental health awareness. Through the planning and coordination of MINDSET initiatives, our ambassadors contribute to the mental wellness of our communities.

This past year also marked the return of MINDSET's annual fundraising event "Walk Up Jardine House" in its physical race format, for the first time since 2020. Through a hybrid combination of physical and virtual races, over 2,500 participants across 69 businesses accumulated 15 million steps – the equivalent of the height of 16,000 Jardine Houses. The event raised a record HK$5 million for mental health. MINDSET also invited nine NGO partners to host mental health activities and games at the Walk Up Jardine House Carnival.