

# Chief Financial Officer's statement

**Graham Baker**  
Chief Financial Officer



## Results

### Underlying business performance

	2025 US\$m	2024* US\$m
Revenue	<b>33,817</b>	34,864
Operating profit	<b>3,716</b>	3,924
Net financing charges	<b>(448)</b>	(554)
Share of results of associates and joint ventures	<b>1,094</b>	1,100
Profit before tax	<b>4,362</b>	4,470
Tax	<b>(797)</b>	(826)
Profit after tax	<b>3,565</b>	3,644
Non-controlling interests	<b>(1,884)</b>	(2,126)
Underlying profit attributable to shareholders	<b>1,681</b>	1,518
Non-trading items	<b>(572)</b>	(1,986)
Net profit/(loss)	<b>1,109</b>	(468)
	US\$	US\$
Underlying earnings per share	<b>5.72</b>	5.24
Earnings/(loss) per share	<b>3.78</b>	(1.61)

The Group's underlying net profit and underlying earnings per share (EPS) rose by 11% and 9%, respectively in 2025, attributable to improved results from most businesses in particular DFI Retail, Jardine Pacific and Jardine Cycle & Carriage, a stable contribution from Astra and significantly reduced corporate costs at Jardine Matheson parent level. During the year, Jardine Matheson accelerated its transformation from an owner-operator model to an investment company, sharpening its focus on total shareholder returns. This renewed emphasis contributed to a robust 5Y TSR and strong & growing JMH parent free cash flows.

### Revenue

The Group's revenue of US\$33.8 billion in 2025 was 3% less than last year, principally due to business disposals and the translation impact of a weaker Indonesian rupiah. Revenue in the Group's ongoing businesses at constant exchange rate (CER) was 1% less than 2024.

Astra's revenue was down year on year by 5% or 2% lower at CER due to a slowdown in four-wheeler (4W) sales in its Automotive business and lower prices in its coal mining business.

Hongkong Land's revenue from its Prime Properties Investment business\* decreased by 4% from 2024, primarily due to lower rental income from the Central Portfolio in Hong Kong despite a higher rental income in Chinese mainland. Rental income on the Central Portfolio is temporarily impacted by the ongoing Landmark renovation.

Jardine Pacific's auto-related business experienced weaker sales, mainly due to the cessation of the government's 1-for-1 replacement scheme in Hong Kong.

\* Following the strategic shift in the business direction to wind down Hongkong Land's build-to-sell segment, certain operations and assets within this segment have been identified as non-strategic business in 2025. The profit and loss from the non-strategic business is therefore presented separately from the underlying business performance and reported within non-trading items. The comparative figures have been re-presented and details as more fully disclosed in notes 1 and 41 to the financial statements.

Jardine Cycle & Carriage's motor operations recorded a 7% increase in vehicle sales compared to 2024, due to higher commercial vehicle and used car sales in Singapore.

Mandarin Oriental's subsidiary hotels benefited from robust demand, recording a 4% increase in revenue with improved performance seen in Hong Kong, Tokyo and Geneva. These were offset by the impact from the disposals of Munich and Paris, where management contracts were retained.

DFI Retail revenue was in line with the prior year. In the Health and Beauty business, improved performance was seen across the region, however this was offset by softer sales in other businesses.

**Operating profit**

Operating profit from the Group's subsidiaries, excluding non-trading items, was US\$3,716 million, a decrease of US\$208 million or 5%.

Astra's underlying operating profit decreased by 10% to US\$2,448 million, reflecting weaker coal prices, a slowdown in 4W sales and a weaker Indonesian rupiah. This was partly mitigated by stronger performances in most of the other businesses, including non-coal mining, financial services and motorcycles.

Hongkong Land's underlying operating profit from its Prime Properties Investment business decreased by US\$74 million to US\$619 million, principally due to lower occupancy and average office rents in Hong Kong and the impact of the Landmark renovation.

DFI Retail's underlying operating profit increased by US\$25 million to US\$368 million, with good performance in health and beauty and recovery in home furnishing.

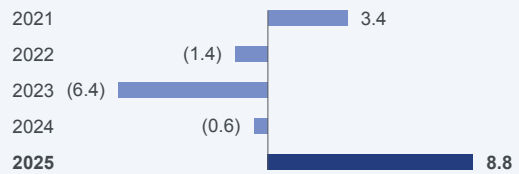
Jardine Cycle & Carriage reported an underlying operating profit of US\$121 million in 2025, US\$50 million higher than 2024, reflecting higher earnings from its motor operations and translation gain on foreign currency corporate loans compared to a loss in the prior year.

Jardine Pacific reported an underlying operating profit of US\$76 million, US\$19 million higher than 2024, following a turnaround in its consumer businesses.

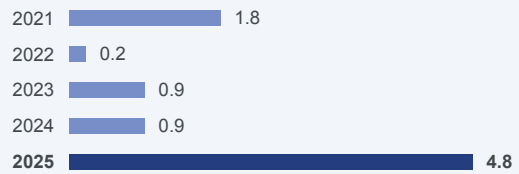
**Value creation**

- 2025 5-year TSR 8.8% p.a., above Jardine Matheson hurdle rate
- Capital recycling activities accelerating, US\$4.8 billion in 2025, more than last 4 years combined
- JMH parent company returns net cash, providing investment flexibility
- US\$250 million buyback programme launched

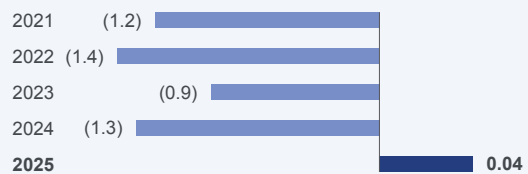
**5YR total shareholder return (%)**



**Group capital recycling (US\$ billion)**



**JMH parent company net cash/(borrowings) (US\$ billion)**



### Net financing charges

Net financing charges of US\$448 million were US\$106 million below 2024, principally due to lower average net borrowings during the year. Interest cover<sup>^</sup>, excluding financial services companies, increased from 10 times to 13 times in 2025, reflecting the Group's prudent approach to financial leverage.

### Share of results of associates and joint ventures

The Group's US\$1,094 million share of underlying results of associates and joint ventures was broadly flat compared with 2024.

The contribution from DFI Retail's associates and joint ventures was US\$88 million, an improvement of US\$45 million compared to the prior year, benefiting from the divestment of its minority stake in Yonghui and a higher contribution from Maxim's.

Jardine Pacific's Engineering and Infrastructure associates and joint ventures saw encouraging growth of US\$19 million as a number of ongoing projects progressed towards completion.

The contribution from Astra's associates and joint ventures decreased by US\$67 million during the year to US\$569 million, mainly due to a lower contribution from the nickel business impacted by lower nickel prices.

The Group's underlying contribution from Zhongsheng of US\$60 million was US\$23 million lower than last year, reflecting estimated lower new car profits seen in the first half of the year and based on the lowest recent external analysts forecasts.

The contribution from Jardine Cycle & Carriage's associates and joint ventures was stable at US\$114 million. Improved performance was seen in Thaco, due to a strong result from its real estate business. REE had higher earnings from the power generation business together with an increase in JC&C's shareholding. However, there were lower contributions from Tunas Ridean's consumer finance and automotive operations and Siam City Cement Public Company Limited (SCCC) following the disposal in August 2024.

### Tax

The underlying effective tax rate for the year was 24%, which was broadly in line with 2024.

### Non-trading items

In 2025, the Group had net non-trading losses attributable to shareholders of US\$572 million. These principally included a net fair value gain of US\$181 million in investment properties, and impairment of associates of US\$756 million, including impairment against Zhongsheng of US\$732 million (2024: US\$277 million).

In 2024, the Group had net non-trading losses attributable to shareholders of US\$1,986 million, which included a net decrease of US\$1,209 million in the fair value of investment properties, impairment of associates and goodwill of US\$456 million and US\$112 million, respectively, sale and closure of businesses and a loss relating to divestment of an associate of US\$174 million, offset by net gains on the sale of properties of US\$39 million.

### Dividends

The Board is recommending a final dividend of US\$1.75 per share for 2025, providing a total annual dividend for 2025 of US\$2.35 per share, 4% higher than 2024. The final dividend will be payable on 13 May 2026, subject to approval at the Annual General Meeting to be held on 7 May 2026, to shareholders on the register of members at the close of business on 20 March 2026. The dividend will be available in cash, with a scrip alternative.

### Cash flow

#### Summarised cash flow

	2025 US\$m	2024 US\$m
Cash generated from operations	<b>5,732</b>	5,637
Net interest and other financing charges paid	<b>(460)</b>	(551)
Tax paid	<b>(937)</b>	(1,066)
Dividends from associates and joint ventures	<b>974</b>	979
Operating activities	<b>5,309</b>	4,999
Capital expenditure and investments	<b>(2,801)</b>	(2,397)
Disposals and repayments from associates and joint ventures	<b>4,894</b>	1,426
Cash flow before financing activities	<b>7,402</b>	4,028
Principal elements of lease payments	<b>(895)</b>	(877)
Other financing activities	<b>(2,732)</b>	(2,961)
Net increase in cash and cash equivalents	<b>3,775</b>	190

<sup>^</sup>Interest cover is calculated as the sum of underlying operating profit, before deduction of 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.

Cash inflow from operating activities for the year was US\$5,309 million, compared with US\$4,999 million in 2024. The increase of US\$310 million from the prior year was due to higher cash generated from operations, reduction in tax paid by Hongkong Land and Astra (as a result of lower earnings) and lower net financing charges paid.

Capital expenditure and investments for the year, before disposals, amounted to US\$2,801 million (2024: US\$2,397 million). This included the following:

- US\$1,170 million for the purchase of tangible assets, which included US\$976 million in Astra (of which US\$554 million was for the acquisition of heavy equipment and machinery by PT Pamapersada Nusantara), and US\$113 million in DFI Retail for refurbishment of existing stores;
- US\$543 million for the purchase of other investments, including US\$529 million in Astra of which US\$293 million represented acquisition of securities in relation to its financial services businesses, US\$195 million for acquisition of bonds, and US\$38 million for the acquisition of PT Medikaloka Hermina Tbk; and US\$11 million in Corporate for capital calls by Hillhouse Fund V Feeder, L.P.;
- US\$339 million for investments in various associates and joint ventures, primarily Astra's additional investment in PT Medikaloka Hermina Tbk of US\$173 million and other investments amounting to US\$110 million, and Jardine Pacific's Engineering and Infrastructure businesses of US\$37 million; and
- US\$278 million for the acquisition of subsidiaries, primarily Astra's investment in PT Mega Manunggal Property Tbk, an industrial and logistics property development company of US\$180 million, PT Pratista Industrial Properti Satu and PT Pratista Industrial Properti Dua totalling US\$76 million, together with increased interest to 80.2% in PT Supreme Energy Sriwijaya of US\$30 million.

In 2024, the Group's principal capital expenditure and investments included:

- US\$1,191 million for the purchase of tangible assets, which included US\$966 million in Astra (of which US\$629 million was for the acquisition of heavy equipment and machinery by PT Pamapersada Nusantara), and US\$153 million in DFI Retail for refurbishment of existing stores;

- US\$417 million for the purchase of other investments, including US\$292 million in Astra of which US\$288 million represented acquisition of securities in relation to its financial services businesses; and US\$75 million in Corporate for the capital calls by Hillhouse Fund V Feeder, L.P.; and
- US\$369 million for investments in various associates and joint ventures, primarily JC&C's additional investment in REE of US\$98 million, Hongkong Land's investments of US\$115 million mainly in its Build-to-sell business, most of which were joint venture projects in the Chinese mainland (in Chongqing and Nanjing), and in Singapore; and Astra's investment in PT Supreme Energy Rantau Dedap of US\$87 million.

The Group also continued to progress its portfolio management strategy to recycle capital from lower-yielding assets and assets we do not control. The contribution to the Group's cash flow from disposals and repayments from associates and joint ventures for the year amounted to US\$4,894 million\* (2024: US\$1,426 million), which principally included:

- US\$1,635 million from the sale of associates and joint ventures, primarily Yonghui and Robinsons Retail totalling US\$897 million in DFI Retail, US\$701 million from Hongkong Land's divestment of one Tower within its Singapore Commercial portfolio, and for US\$36 million the Miami Hotel in Mandarin Oriental;
- US\$1,258 million from the sale of investment properties, primarily the top thirteen floors of Mandarin Oriental's One Causeway Bay for US\$881 million and part payment for certain floors of Hongkong Land's One Exchange Square of US\$368 million;
- US\$875 million from sale of other investments, primarily US\$429 million and US\$228 million from the sale of listed investments by Corporate and Jardine Cycle & Carriage, respectively, and investments by Astra's financial services businesses of US\$185 million; and
- US\$687 million proceeds, net of transaction costs, relating to the sale of Hongkong Land's Singapore and Malaysia residential development businesses for US\$529 million, DFI Retail's Singapore Food business for US\$67 million and Munich Hotel for US\$46 million.

\* US\$4,777 million (2024: US\$946 million) capital recycled across the Group is calculated based on the Group's cash flow from disposals and repayments from associates and joint ventures of US\$4,894 million (2024: US\$1,426 million), excluding repayments from associates and joint ventures of US\$273 million (2024: US\$259 million), sale of tangible assets of US\$158 million (2024: US\$173 million), sale of right-of-use assets of US\$8 million (2024: US\$16 million), sale of other investments in Astra's financial services businesses of US\$185 million (2024: US\$171 million), and sale of certain investments in Corporate of US\$21 million (2024: nil), and adding back the net repayment from Hongkong Land's build-to-sell associates and joint ventures post-announcement of the exit of US\$291 million (2024: nil), Mandarin Oriental's sale of a hotel property of US\$117 million (2024: US\$105 million), the decrease in holding in a subsidiary of US\$120 million (2024: nil), and others of US\$34 million in 2024.

The Group's cash flow from disposals and repayments from associates and joint ventures in 2024 included principally:

- US\$388 million from the sale of associates and joint ventures, primarily Jardine Cycle & Carriage's investment in SCCC of US\$344 million;
- US\$317 million from the sale of the Mandarin Oriental's Paris hotel and the property holding companies in DFI Retail; and
- US\$253 million from sale of other investments, primarily US\$171 million from the sale of investments by Astra's financial services businesses; and sale of a listed investment by Corporate for US\$82 million.

During the year, the Company also repurchased its own shares (for cancellation) at a total cost of US\$32 million (2024: US\$101 million). Additional shares in portfolio companies were also purchased. Shares in Jardine Cycle & Carriage were acquired at a total cost in 2025 of US\$49 million (2024: US\$527 million). There were share buybacks in Hongkong Land at a total cost of US\$279 million and at Astra and its subsidiary, United Tractors, at a total cost of US\$107 million and US\$103 million, respectively. 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.

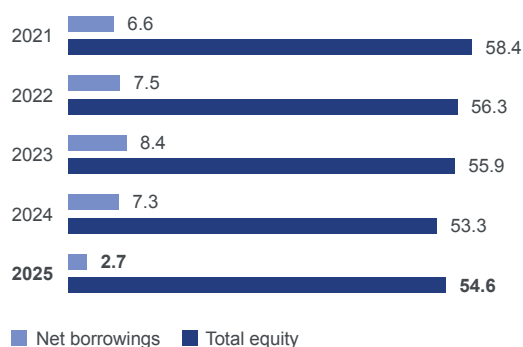
When economically sensible to do so, borrowings are taken in local currency to hedge foreign exchange exposures on investments. A portion of borrowings is denominated in fixed rates. Adequate headroom in committed facilities is maintained to facilitate the Group's capacity to pursue new investment opportunities 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 43 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 5% at 31 December 2025, down from 14% at the end of 2024. This reflects the disposals in the year and strong cash flows from operating activities. Investment for long-term growth by portfolio companies remains the Group's top capital deployment priority. Net borrowings, on the same basis, were US\$2.7 billion at 31 December 2025, compared with US\$7.3 billion at the end of 2024. Astra's financial services companies had net borrowings of US\$3.9 billion at the end of the year, compared with US\$3.7 billion at the end of 2024.

#### Net borrowings\* and total equity (US\$ billion)



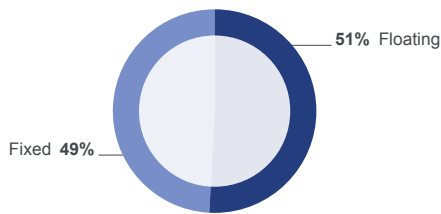
\* Excluding net borrowings of Astra's financial services companies.

At the year end, undrawn committed facilities totalled US\$6.4 billion. In addition, the Group had liquid funds of US\$8.6 billion. During the year, the Group's total equity increased by US\$1.3 billion to US\$54.6 billion.

The average tenor of the Group's borrowings at 31 December 2025 was 4.4 years, slightly up from 4.3 years at the end of 2024. 90% 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 31 December 2025, approximately 51% of the Group's borrowings, exclusive of Astra's financial services companies, were at floating rates and the remaining 49% were at fixed rates, including those hedged with derivative financial instruments with major creditworthy financial institutions. 85% of the borrowings for Astra's financial services companies were at fixed rates.

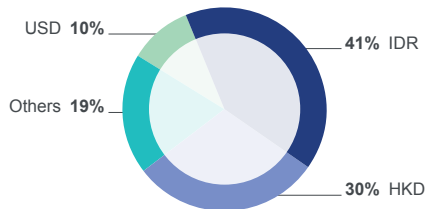
**Borrowings profile at 31 December 2025**

**Interest rate\***

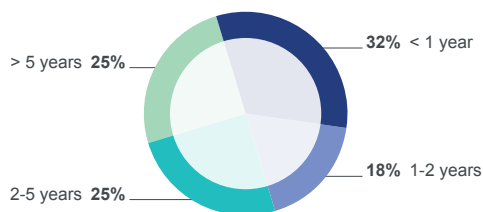


\* Excluding Astra's financial services companies.

**Currency**



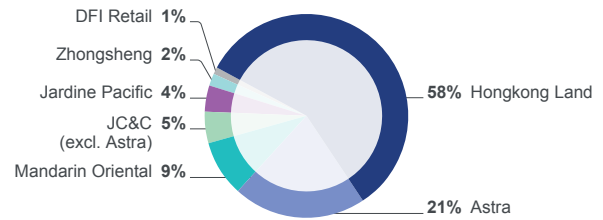
**Maturity**



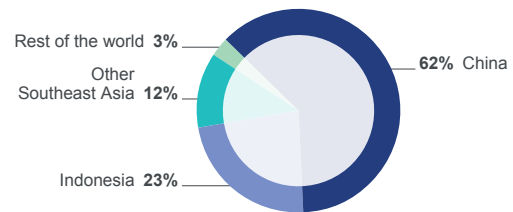
**Shareholders' funds**

Shareholders' funds at 31 December 2025 are analysed below, by business and by geographical area. There were no significant changes in either from the prior year.

**By business**



**By geography**



**Principal Risks and Uncertainties**

A review of the principal risks and uncertainties facing the Group is set out on pages 73 to 80.

**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. The accounting policies adopted in 2025 are consistent with those of previous year.

*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 are therefore the performance attributable to the shareholders of the respective business, which we believe provides the reader a better understanding of the relevant listed portfolio companies.*