

CHAIRMAN'S STATEMENT

Combined
gross revenue*

US\$45B

* Includes 100% of revenue from
associates and joint ventures

Revenue

US\$22B

Underlying profit
attributable to shareholders

US\$1.1B

Dividend per share

US¢111





OVERVIEW

JC&C achieved a record underlying profit in 2022, reflecting improvements in the performance of most parts of the portfolio.

Astra contributed US\$913 million to the Group's underlying profit, 39% higher than the previous year, driven primarily by the recovery in the Indonesian economy and higher commodity prices.

THACO contributed US\$83 million, 34% higher than the previous year, mainly due to a strong performance from its automotive business.

Direct Motor Interests contributed US\$63 million, an increase of 62%, with higher profits in Singapore, Malaysia and Indonesia.

The contribution from the Group's Other Strategic Interests was 4% lower at US\$86 million, due to a weaker performance by SCCC, although REE continued to perform well, particularly from its renewable energy business.

Corporate costs fell from US\$59 million to US\$48 million, primarily due to the translation of foreign currency loans, which led to a foreign exchange gain of US\$4 million in 2022, compared to a loss of US\$28 million in the previous year. This foreign exchange impact more than offset a US\$17 million increase in net financing charges.

The Group's underlying profit attributable to shareholders increased by 39% to US\$1,096 million. After accounting for non-trading items, the Group's profit attributable to shareholders was US\$740 million, 12% higher than the previous year. The non-trading items recorded in the year mainly comprised unrealised fair value losses of US\$238 million related to non-current investments, and an impairment loss of US\$114 million in respect of the Group's investment in SCCC, necessary due to a challenging operating environment.

The Group's financial position remains strong. The consolidated net cash position, excluding the

net borrowings within Astra's financial services subsidiaries, was US\$893 million at the end of 2022, compared to US\$770 million at the end of 2021, mainly due to strong operating cash flows. Net debt within Astra's financial services subsidiaries increased from US\$2.7 billion at the end of 2021 to US\$2.8 billion. JC&C corporate net debt was US\$1.5 billion, similar to the previous year-end.

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STRATEGIC DEVELOPMENTS

Astra

Over the past year, Astra has continued to make a number of strategic investments in new businesses. Continuing its focus on providing a compelling financial services offer to its customers, it acquired a 49.6% interest in Bank Jasa Jakarta for US\$260 million, with plans to transform it into a digital bank in Indonesia.

Astra also continued its diversification away from coal. United Tractors has signed a conditional sale and purchase agreement to acquire 90% interests in Stargate Pasific Resources and Stargate Mineral Asia, a nickel mining and processing business, for a total of US\$272 million. It has also acquired a 31.5% interest in Arkora Hydro, a company focused on hydro-based energy power generation.

Astra also acquired a 7.4% interest in Medikaloka Hermina, one of Indonesia's largest hospital groups, as part of its growing focus on medical services.

Direct Motor Interests

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

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





Other Strategic Interests

During the year, JC&C increased its interest in REE, from 31.0% to 33.6%, through a series of on-market purchases, for around US\$34 million.

DIVIDENDS

The Board is recommending a final one-tier tax-exempt dividend of US\$83 per share (2021: US\$62 per share) which, together with the interim dividend of US\$28 per share (2021: US\$18 per share), will produce a total dividend for the year of US\$111 per share (2021: US\$80 per share), 39% higher than 2021.

SUSTAINABILITY

ESG is firmly embedded in JC&C's management system. It is an important part of its long-term portfolio strategy and is one of the considerations when deploying capital. In 2022, JC&C published its

commitments around coal, carbon, energy and biodiversity as part of the Group's role in supporting a just energy transition. In addition, JC&C has published its first Climate Change Report in line with the TCFD recommendations.

PEOPLE

On behalf of the Board, I would like to thank our 240,000 employees across the region for their commitment and effort, which have enabled the Group to achieve a strong performance in 2022.

I am delighted to welcome Amy Hsu, who was appointed as Group Finance Director and joined the Board in August. Amy previously carried out various senior finance roles in the Jardine Matheson Group. Stephen Gore, our previous Group Finance Director, has taken on a new role focused on driving business development across Southeast Asia for the Jardine Matheson Group. He remains a Board director of JC&C.

OUTLOOK

The Group expects to face challenges ahead arising from uncertainties around the global economic outlook, but we remain confident in the Group's prospects and it is well-positioned to achieve sustainable growth through the opportunities in Southeast Asia.

Ben Keswick

Chairman