

CONVERSATION WITH GROUP MANAGING DIRECTOR

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What are some of JC&C's 2022 highlights?

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We are pleased to post record earnings for 2022, with an underlying profit of US\$1.1 billion, up 39% from 2021. This reflected the strong performance of our Southeast Asian portfolio businesses.

In line with earnings, the Board has proposed a final dividend of US\$83 per share. Together with the interim dividend of US\$28 per share, the total dividend for 2022 is US\$1.11 per share. This is a 39% increase year-on-year and reflects a consistent payout ratio from past years.

During the year, we also took steps to reduce our holding company debt from US\$1.5 billion to around US\$900 million in 2023, which will improve our balance sheet position.

For 2022, our largest portfolio company, Astra, delivered record profits. 2022 also marked a record contribution of US\$232 million, or 20%, of JC&C's underlying profit from our non-Astra businesses.

We see exciting potential in Truong Hai Group Corporation ("**THACO**") and Refrigeration Electrical Engineering Corporation ("**REE**"), both fast-growing and high performing companies in Vietnam. They participate in key sectors such as automotive, real estate, agriculture and renewable energy. THACO and REE are JC&C's future champions and will provide attractive new business opportunities that will strengthen

the overall quality and resilience of the JC&C portfolio.

At JC&C, we aim to grow faster than Southeast Asia, sustainably. We seek to create opportunities for our shareholders, employees and communities to benefit from long-term growth through our portfolio of market-leading businesses in the region.

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Can you share more on JC&C's future champions, THACO and REE?

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JC&C first invested in THACO in 2008 and over the years, we increased our stake in the company to 26.6% today.

THACO is the market leader in Vietnam's high growth automotive sector with a market share of 23% in 2022. THACO has the advantages of integration, participating across the automotive value chain of assembly, distribution and retail, for premium and mass market brands.

The highly cash-generative automotive business has built a valuable platform that enables THACO to grow profit and invest in new sectors such as agriculture and real estate that will provide future growth opportunities.

In recent years, THACO has invested in over 50,000ha of agricultural land in Vietnam, Cambodia and Laos for fruit plantation, primarily bananas, pineapples and mangoes, as well as for pig and cattle farming. Its real estate business, mainly in the Thu Thiem New Urban Area, District 2, is well-positioned to benefit from

the promising real estate market of Ho Chi Minh City.

Our investment in REE started in 2012 when it was primarily a M&E company. REE has since evolved into a renewable energy provider and also diversified into property.

For 2022, REE delivered record profits of US\$110 million. We are particularly excited about REE's renewable energy portfolio. Currently, REE has interests in solar, hydro and wind energy, with an equity-adjusted power generation capacity of about 770MW.

REE will continue to expand its renewables portfolio and be well-positioned to support Vietnam's energy transition. We are supportive of REE's plans and increased our stake in the company to 33.6% in 2022, enabling JC&C to enjoy greater contributions from REE.

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How is JC&C improving its ESG performance?

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We strive to outperform Southeast Asia's growth rates in a sustainable way. Continuing to improve our ESG performance is vital to the long-term success of our businesses, and for the development and progress of the communities in which our businesses operate.

As part of our ongoing commitment to climate action, we formulated and announced in 2022 our position to manage our exposure to coal and will no longer invest in new coal mines or coal-fired power plants.

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We aim to grow non-coal related revenue from 76% in 2022 to 90% by 2030. Astra's subsidiary, United Tractors, also diversified into nickel mining and will continue to explore opportunities in non-coal mineral mining.

During the year, JC&C published our first Task Force on Climate-Related Financial Disclosures (“TCFD”) report and has integrated the findings into our risk management system and business strategies.

In validation of our strong corporate governance standards, JC&C was shortlisted for the Best Managed Board at the Singapore Corporate Awards 2022, the top award for Singapore-listed companies with the Best Managed Board as its highest honour category.

Finally, mental health remains a clear focus of our social agenda, a cause we have supported over the past decade. We are delighted that Jardines' mental health charity, MINDSET, was awarded the “Charity Transparency Award” and the “Charity Governance Award” by the Charity Council and Ministry of Culture, Community and Youth in 2022.

Ben Birks

Group Managing Director

