Jardines

Delivering progress

Update on Gammon acquisition and 2026 earnings outlook

Investor & analyst call | 15 October 2026

Objectives to 2030

Recycle ≥US$4bn capital from JM and JMSEA*

Commitment to grow dividend by ≥5% **p.a.** to 2030

Build **>US$200M in incremental PATAM** from new high-quality pillars

On-going share buyback to return US$500m by end 2027

Target **≥9% p.a. 5Y Total Shareholder Return**

**Excluding additional capital recycling commitments made at HKL and Astra*

Jardine
Engineering & Infrastructure
Hactl
無人駕駛測試

JE&I: Acquisition of remaining 50% in Gammon

Transaction overview

- **Market-leading** business with long track record of historical earnings growth, multiple sector tailwinds, and **steady organic growth prospects** in HK core market
- **Valuation** based on 26E NPAT at low end of sector comparables (6.5-8.7x*)
- **Immediate earnings accretion** and **attractive return on invested capital**
- Low integration risk given JM's deep involvement in the business
- Asset light, cash generative business model, 100% DPR

Total cash consideration	GBP 250m (US$330m)
Less: US$30m 2H26 Balfour's share of dividends	GBP 227m (US$300m)
P/E 2026E	c.6.6x

P/E based on Gammon FY26E

At completion	Dec 2027	Dec 2028
GBP 83.3m	GBP 83.3m	GBP 83.3m

- Transaction consideration payable in 3 equal tranches
- First tranche funded by JE&I borrowing (inter-co from JM existing cash resources)
- Subsequent tranches funded by incremental dividends &/ incremental debt at JE&I
- Existing dividends to JM unaffected

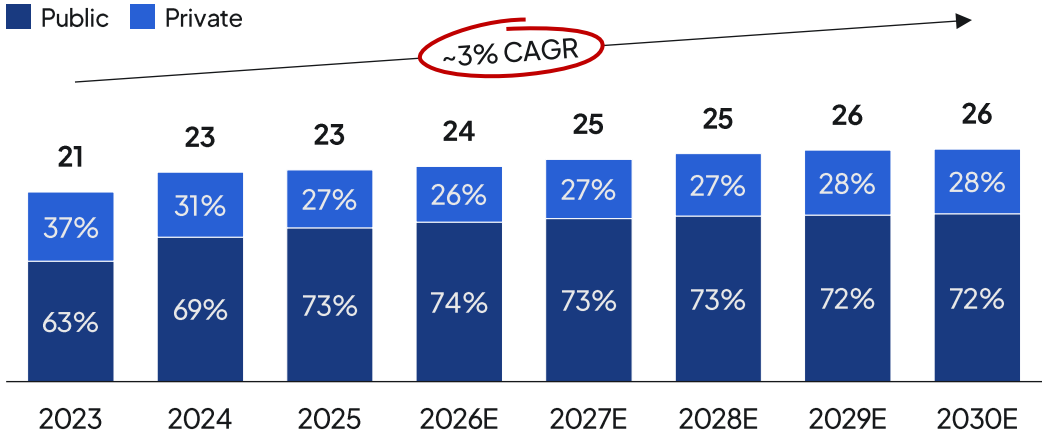
*Source: FactSet as of 18 Sep 2026

JM investment criteria:
Why Gammon?

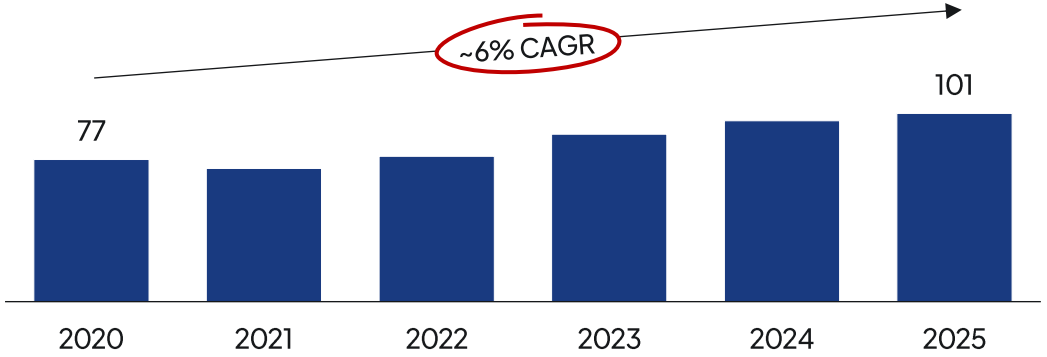
1	Market leader in its field and scalable	✓ Leading, full service licensed provider in HK with top market share (#1-3) in civil, construction, building markets ✓ Order book ~HK$50bn
2	Scalable geographically with a base in Asia-Pacific	✓ Commitment to HK core market, strong organic growth (e.g. Northern Metropolis, data centre expansion, public infra projects), expansion prospects regionally (Singapore)
3	Cash generative + contributes to DPS	✓ Immediate EPS accretion to JM ✓ Steady, visible & high cash coverage nature
4	Control	✓ Full ownership of an anchor asset that JE&I knows and operates well
5	Above hurdle, accretive return	✓ 6.6x 2026E P/E; return above hurdle
6	Diversify existing positions	✓ Steadily growing market driven by infrastructure and data centre, public & private sector demand
7	Path to US$100m PATAM	✓ Contributes to doubling of JE&I PATAM
8	Experienced management team	✓ JE&I CEO, senior management team average over 3 decades of industry experience

Sector tailwinds, steady profit CAGR, strong order book

Hong Kong construction market size forecast (US$bn)

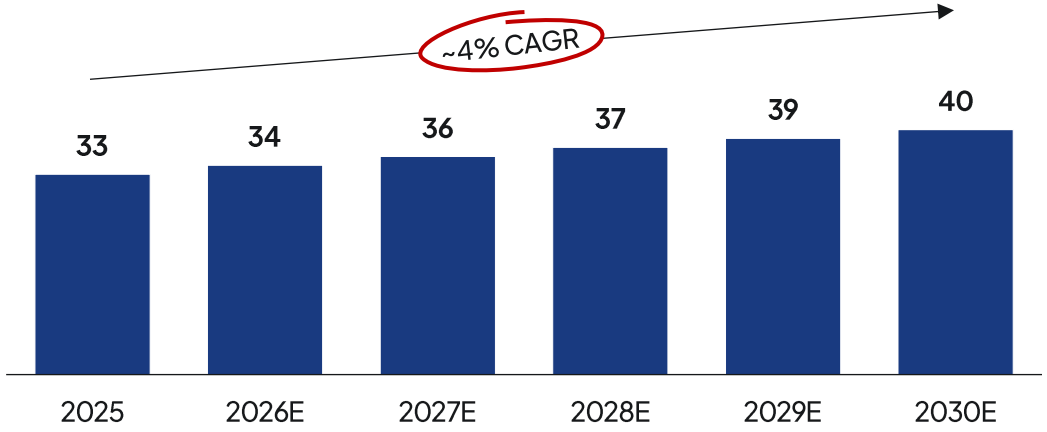


Gammon Net Profit CAGR (US$m)

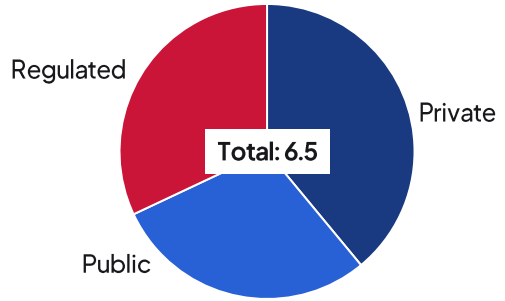


- Steady historical NPAT CAGR

Singapore construction market size forecast (US$bn)



Order Book quality and stability (US$bn)



- Multi-year contracts
- Order book = 2.3x FY25 turnover
- Strong visibility on financial and operational delivery

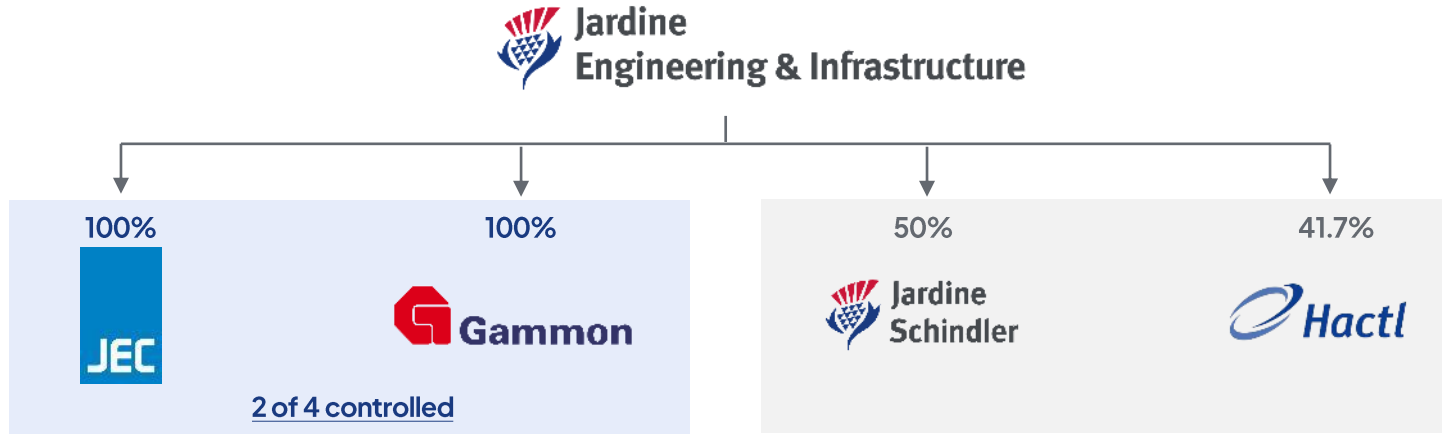
Source: Construction Industry Council for Hong Kong market (estimates calendarised to December year end and midpoint used for forecast estimates); Building Construction Authority and Linesight for Singapore market

JE&I:
Acquisition of remaining 50% in Gammon

Scaling 100%-owned earnings base

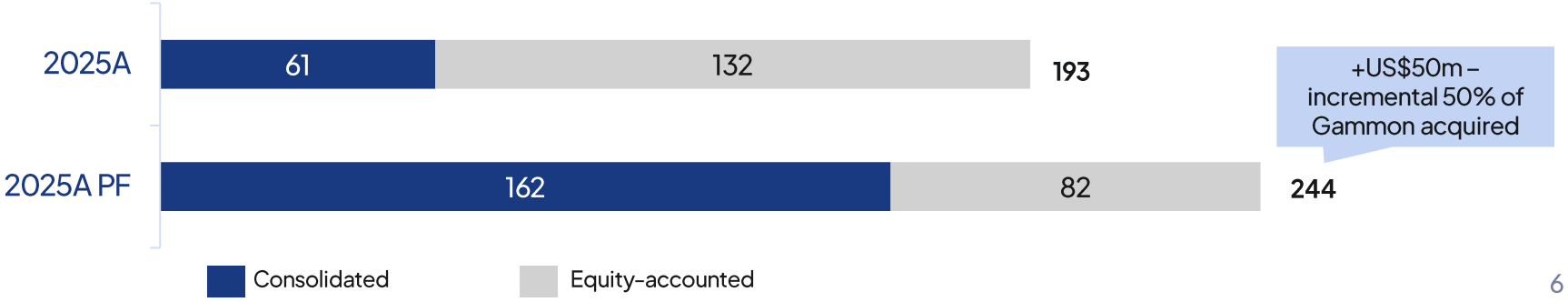
- Consolidates two wholly-owned businesses under JE&I
- Synergistic expansion to achieve its goal of doubling earnings by 2030

Post-transaction ownership structure



Underlying Net Profit by control status

US$m



JE&I 2030 Approach

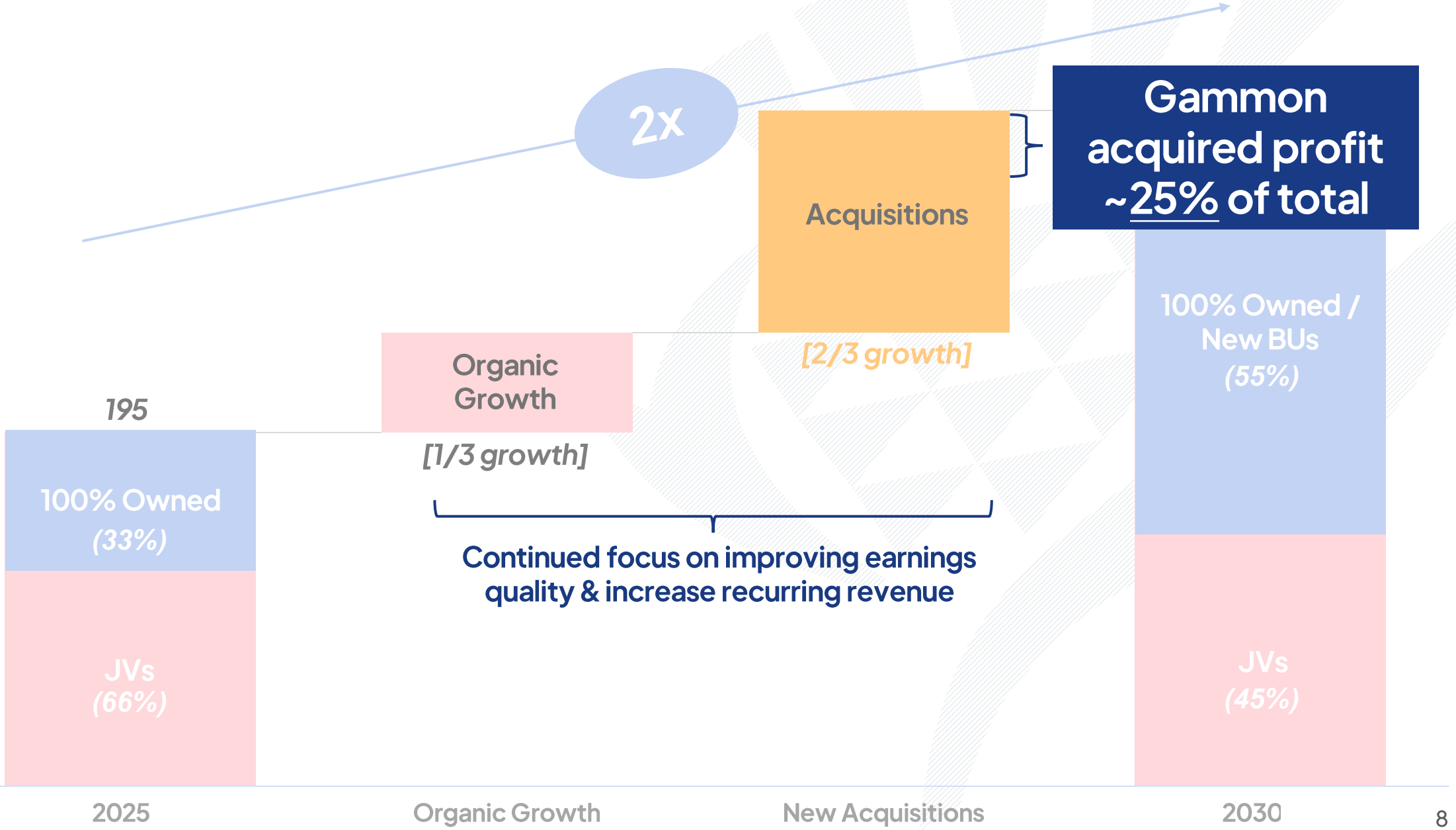
1. Core business growth
2. Targeted M&A
3. Unlock synergies

Execution of JE&I 2030 strategy

Core business growth	• Capture Northern Metropolis opportunities in HK • Accelerate bolt-on M&A in key verticals • Expand regional footprint in Southeast Asia
Targeted M&A	• **Target verticals:** Data centers, municipal, healthcare, science parks, commercial • **Geographic diversification:** Building Pan-Asia platform • **Scalability:** Control and meaningful "Buy and Build" approach to grow regional / segment footprint • **High-quality earnings:** Strong recurring income streams from service offerings
Unlock synergies	• **Platform "uplift": improve recurring income and quality of earnings** + exposure to specialist verticals • Revenue synergies from cross-selling & bundling • Cost synergies on procurement, workforce and back-office consolidation

Our aspirations: Double JE&I earnings by 2030

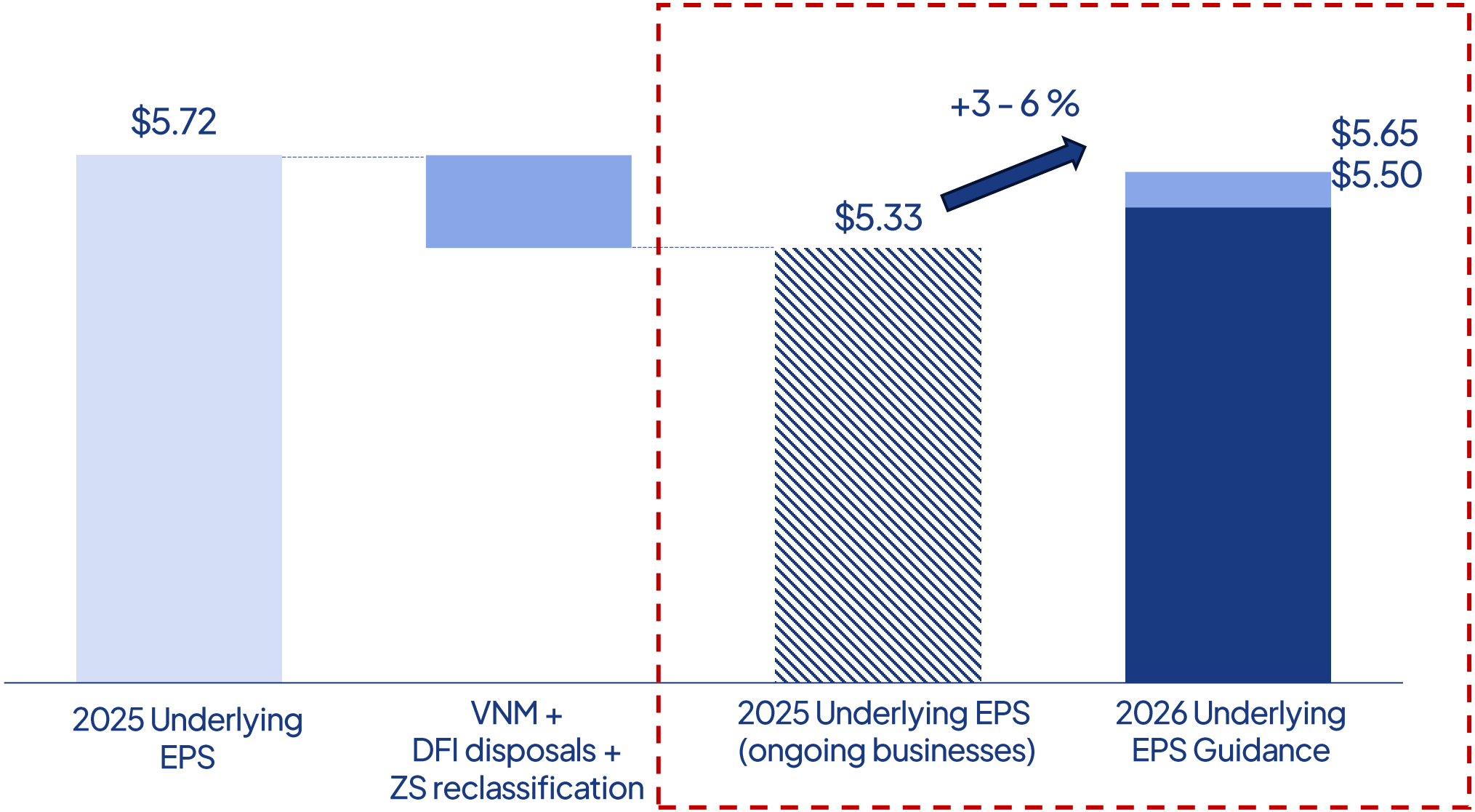
Underlying Net Profit (US$m)



2026 Jardine Matheson Earnings Outlook

2026 JM underlying EPS guidance uplifted to US$5.50–5.65/share

~$0.05 net 2026 EPS accretion from recent M&A



Q&A