



Presentation
to Analysts

2020 ANNUAL RESULTS

12th March 2021



Introduction

2020 Annual Results



- Overview of 2020
- Significant Developments
- Strategic Priorities
- Financial Summary
- Outlook for 2021

Parent Company Simplification

- Acquisition by JM of the 15% of JS that it does not already own
- JS shareholders entitled to receive US\$33 in cash for each share
- JM plans to cancel JS's 59% shareholding in JM following its 2022 AGM
- Natural next step in the evolution of JM's structure
- Simplification will bring significant benefits by:
 - streamlining the parent company structure to create more transparency
 - delivering a material enhancement in JM's earnings per share and supporting JM's dividend-paying capacity
 - increasing the Group's financial and operational flexibility
- Demonstrates the continuing long-term support of core shareholder base
- Transaction will underpin the stability and success of the Group for many years to come

Overview of 2020

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- Continuing material impact from COVID-19
- Hong Kong consumer businesses affected by collapse in tourism and store, restaurant and dealership closures
- Significant disruption to Astra and other businesses in Southeast Asia
- Hotel business severely impacted by the pandemic
- Hongkong Land, Dairy Farm, Jardine Pacific and Motors business deliver a resilient performance
- Extensive action taken to support colleagues, partners and suppliers and our communities

Significant Developments

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- West Bund project
- Continued focus on Southeast Asia
- Launch of *yuu* rewards programme

Strategic Priorities

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- Evolving the Group portfolio
- Driving operational excellence
- Enhancing leadership and entrepreneurialism
- Progressing sustainability

Overview of FY 2020 Performance

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- Revenues down 20%
- Underlying net profit down 32%
- Weaker performance by Southeast Asian businesses and hotels
- Resilient performances by Hongkong Land, Dairy Farm, Jardine Pacific and Jardine Motors

Jardine Matheson Group

at 31st December 2020



	Group Ownership %	JMH Economic Interest %	JSH Economic Interest %
Jardine Pacific	100	100	59
Jardine Motors	100	100	59
Jardine Strategic	85	85	-
- Hongkong Land	50	43	50
- Dairy Farm	78	66	78
- Mandarin Oriental	79	67	79
- Jardine Cycle & Carriage	75	64	75
• Astra	50	32	38

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Financial Summary at 31st December 2020



US\$m	2020	Chg	2019
Revenue (including 100% of associates and JVs)	90,906	-12%	103,308
Revenue	32,647	-20%	40,922
Underlying PBT	2,786	-40%	4,678
Underlying profit	1,085	-32%	1,589
Non-trading items	(1,479)		1,249
(Loss)/profit attributable to shareholders	(394)	n/a	2,838
Underlying EPS, US\$	2.95	-30%	4.23
DPS, US\$	1.72	-	1.72

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Underlying Profit Contribution



US\$m	2020	chg	2019
Jardine Pacific	182	11%	164
Jardine Motors	214	9%	196
Hongkong Land	412	-10%	460
Dairy Farm	181	-13%	210
Mandarin Oriental	(138)	n/a	27
Jardine Cycle & Carriage (ex. Astra)	64	-25%	84
Astra	197	-57%	455
Corporate & other interests	(27)	-284%	(7)
Underlying profit	1,085	-32%	1,589

- Results benefit from government support in a number of markets

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Non-trading Items



US\$m	2020	2019
Change in fair value of investment properties	(1,424)	(337)
Change in fair value of other investments	100	49
Asset impairment	(223)	-
Sale of Jardine Lloyd Thompson	-	1,507
Sale and closure of other businesses	93	48
Sale of property interests	9	10
Restructuring of businesses	(37)	(9)
Others	3	(19)
	(1,479)	1,249

Jardine Pacific

Underlying Profit Contribution



US\$m	2020	chg	2019
Jardine Schindler	32	-32%	48
JEC	51	27%	41
Gammon	38	7%	36
Jardine Restaurants	32	140%	13
Transport Services	24	31%	18
Corporate and other interests	5	-47%	8
Underlying profit	182	11%	164

- JEC, HACTL, Gammon and Restaurants perform well
- Jardine Schindler and JAS deliver weaker performances
- Extensive focus on operational improvements is delivering benefits

Jardine Motors

Underlying Profit Contribution



US\$m	2020	chg	2019
China (incl. HK & Macau)	226	15%	196
UK	(12)	n/a	1
Corporate	-	n/a	(1)
Underlying profit	214	9%	196

- Strong contributions from Zhongsheng and Zung Fu China
- Zung Fu Hong Kong and JMG UK deliver weaker results

Jardine Strategic

Financial Summary*



US\$m	2020	chg	2019
Underlying profit	1,094	-35%	1,681
Non-trading items	(1,957)		497
(Loss)/profit attributable to shareholders	(863)	n/a	2,178
Underlying EPS, US\$	1.96	-34%	2.98
DPS, US¢	10.50**	n/a	35.50
NAV per share, US\$***	58.22	-	57.98

* 100% basis

** Implementation Agreement dated 8th March requires no final dividend to be paid

*** Calculated on a market value basis at 31st December 2020

US\$m	2020	chg	2019
Underlying profit	963	-11%	1,076
Total equity	35,739	-7%	38,290
NAV per share, US\$	15.30	-7%	16.39

- Resilient performance despite impact of COVID-19
- Retail rent relief and fewer planned residential completions impact profit
- US\$3.6bn reduction in Investment Properties valuation

* 100% basis

Dairy Farm

Financial Summary*



US\$m	2020	chg	2019
Sales including associates and JVs	28,159	2%	27,665
Sales	10,269	-8%	11,192
Underlying profit	276	-14%	321

- Strong contributions from Grocery Retail and Home Furnishings
- Performance of Health & Beauty, Convenience and Maxim's impacted by COVID-19
- Investment in price and customer offering in Health & Beauty
- Maxim's pursues multi-brand strategy

* 100% basis

Mandarin Oriental

Financial Summary*



US\$m	2020	chg	2019
Combined total revenue of hotels under management	593	-55%	1,325
Underlying (loss)/profit	(206)	n/a	41
Adjusted shareholders' funds**	5,171	-13%	5,936
Adjusted NAV per share, US\$**	4.09	-13%	4.70

- Substantial loss for the year
- COVID-19 drastically reduced international and domestic travel
- Trading conditions remain extremely challenging

* 100% basis

** Adjusted to include the market value of the group's freehold and leasehold interests

Jardine Cycle & Carriage

Underlying Profit Contribution*



US\$m	2020	chg	2019
Astra	309	-57%	716
Direct Motor Interests	14	-78%	63
Other Strategic Interests	120	-5%	126
Corporate costs			
- Exchange differences	24	39%	17
- Net financing charges	(22)	46%	(40)
- Others	(16)	12%	(19)
Underlying profit	429	-50%	863

- Material reduction in Astra's contribution
- Direct Motor Interests in Singapore and Indonesia impacted by COVID-19
- Relatively stable performance by Other Strategic Interests in challenging conditions

* 100% basis

US\$m	2020	chg	2019
Automotive	64	-76%	269
Financial services	111	-49%	216
Heavy equipment, mining and construction	122	-49%	238
Agribusiness	22	389%	4
Infrastructure & logistics	1	-88%	10
Information technology	1	-93%	7
Property	3	7%	3
Withholding tax	(15)	52%	(31)
Underlying profit	309	-57%	716

- Weaker performances by Automotive, Heavy Equipment and Mining and Financial Services
- Agribusiness benefits from stronger crude palm oil prices

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Balance Sheet



US\$m	Dec 2020	chg	Dec 2019
Shareholders' funds	29,387	-3%	30,351
NAV per share, US\$*	81.32	-1%	81.90
Net debt (ex financial services)	(3,720)	22%	(4,786)
Gearing	6%		7%
Net debt of financial services	(2,774)	16%	(3,294)

*Calculated on a book value basis

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Analysis of Net Borrowings



US\$m	12/2020	gearing	12/2019
Jardine Pacific / Jardine Motors	254	-	13
Hongkong Land	(4,568)	13%	(3,591)
Dairy Farm	(817)	61%	(821)
Mandarin Oriental	(506)	14%	(300)
Jardine Cycle & Carriage	(854)	6%	(3,048)
Jardine Matheson Corporate	36	-	1,199
Jardine Strategic Corporate	2,735	-	1,762
Net borrowings (ex financial services)	(3,720)	6%	(4,786)
Net borrowings of financial services	(2,774)		(3,294)

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Consolidated Cash Flow



US\$m	2020	2019
Cash flows from operating activities	5,275	4,865
Investing activities		
- <i>West Bund project in Hongkong Land (net of proceeds from sale of 57% interest)</i>	(1,919)	-
- <i>Investments in and advances to associates and JVs</i>	(931)	(2,113)
- <i>Other capital expenditure</i>	(1,618)	(2,170)
- <i>Disposal of Permata Bank (2020) and JLT (2019)</i>	1,136	2,084
- <i>Other disposals, advances and repayments from associates and JVs</i>	2,198	1,499
Cash flows from investing activities	(1,134)	(700)
Principal elements of lease payments	(962)	(1,016)
Other financing activities (including dividends paid)	(1,357)	(1,024)
Net increase in cash and cash equivalents	1,822	2,125
Cash and cash equivalents at beginning of year	7,157	4,953
Exchange difference	174	79
Cash and cash equivalents at end of year	9,153	7,157
Gearing (ex financial services)	6%	7%
Liquidity (cash and unused committed debt facilities)	US\$16 billion	US\$14 billion

Outlook for 2021

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- High level of uncertainty for 2021
- 1Q performance expected to be impacted by headwinds in Southeast Asia and low levels of tourism in Hong Kong
- Too soon to predict full year impact of the pandemic
- Continuing confidence in long-term strategy



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