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A N N U A L
R E P O R T



國浩集團有限公司
GuocoGroup Limited

A Member of the Hong Leong Group

(Stock Code: 53)

CONTENTS

Corporate Information	2
Information for Shareholders	3
Group Profile	4
Chairman's Statement	6
Financial Highlights	10
Management Discussion and Analysis	12
Biographical Details of Directors and Senior Management	26
Corporate Governance Report	29
Financial Section Contents	55
Report of the Directors	56
Independent Auditor's Report	80
Consolidated Income Statement	87
Consolidated Statement of Comprehensive Income	88
Consolidated Statement of Financial Position	89
Consolidated Statement of Changes In Equity	91
Consolidated Statement of Cash Flows	93
Notes to the Financial Statements	95
Major Development Properties and Properties Held for Sale of the Subsidiaries	192
Major Properties of the Subsidiaries Held for Investment	194
Ten-Year Summary	196

CORPORATE INFORMATION

(AS AT 28 SEPTEMBER 2026)

BOARD OF DIRECTORS

Executive Chairman

KWEK Leng Hai

Executive Director & CEO

Christian K. NOTHHAFT

Non-executive Director

KWEK Leng San

Independent Non-executive Directors

Lester G. HUANG, *SBS, JP*

Paul J. BROUGH

Melissa WU Mao Chin

BOARD AUDIT AND RISK MANAGEMENT COMMITTEE

Paul J. BROUGH – *Chairman*

Lester G. HUANG, *SBS, JP*

Melissa WU Mao Chin

BOARD REMUNERATION COMMITTEE

Lester G. HUANG, *SBS, JP* – *Chairman*

KWEK Leng Hai

Paul J. BROUGH

BOARD NOMINATION COMMITTEE

KWEK Leng Hai – *Chairman*

Paul J. BROUGH

Melissa WU Mao Chin

GROUP CHIEF FINANCIAL OFFICER

LIU Hong Yuen James

COMPANY SECRETARY

LO Sze Man Stella

PLACE OF INCORPORATION

Bermuda

REGISTERED OFFICE

Richmond House, 12 Par-la-Ville Road

Hamilton HM 08

Bermuda

PRINCIPAL OFFICE

50th Floor, The Center

99 Queen's Road Central

Hong Kong

Telephone : (852) 2283 8833

Fax : (852) 2285 3233

Website : www.guoco.com

AUDITOR

KPMG,

*Public Interest Entity Auditor registered in accordance
with the Financial Reporting Council Ordinance*

INFORMATION FOR SHAREHOLDERS

FINANCIAL CALENDAR

Announcement of annual results	28 September 2026 (Monday)
Closure of register of members for annual general meeting	10 November 2026 (Tuesday) to 13 November 2026 (Friday)
Date of annual general meeting and record date for determining eligibility to attend the meeting	13 November 2026 (Friday)
Closure of register of members and record date for proposed final dividend ^{Note}	20 November 2026 (Friday)
Payment date of proposed final dividend of HK\$2.90 per share ^{Note}	2 December 2026 (Wednesday)
Note: The declaration of the proposed final dividend is subject to shareholders' approval at the annual general meeting.	
Announcement of interim results	23 February 2026 (Monday)
Payment date of interim dividend of HK\$0.70 per share	25 March 2026 (Wednesday)

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-16, 17th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

Telephone : (852) 2862 8555
Fax : (852) 2865 0990

CHOICE OF LANGUAGE AND MEANS OF RECEIPT OF CORPORATE COMMUNICATIONS

This report (English and Chinese versions) is available on the Company's website at www.guoco.com and the HKEXnews website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk.

Shareholders are entitled, at any time, to request free of charge to (i) receive this report in printed form (in English and/or Chinese); and (ii) change the choice of language and/or means of receipt of the Company's future corporate communications^{Note}. Shareholders may make their request by completing the Corporate Communications Request Form which is available on the Company's website under "Shareholder Services" in the "Investor Relations" section, and returning to Computershare Hong Kong Investor Services Limited by post to 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, or by email to Guoco.ecom@computershare.com.hk. Please refer to the "Corporate Communications Arrangement" on the Company's website for details.

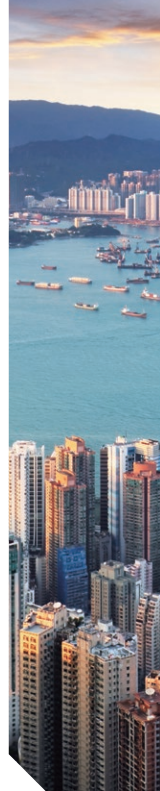
Note: Shareholders' request will apply to the next batch of corporate communications provided that the Company has at least 7 days prior notice of the request. Otherwise, it may apply to the subsequent batch of corporate communications.

GROUP PROFILE



ABOUT GUOCO

Guoco Group Limited ("Guoco") (Stock Code: 53), listed on the Main Board of The Stock Exchange of Hong Kong Limited, is an investment holding and management company with the vision of achieving long term sustainable returns for its shareholders and creating prime capital value. Guoco's operating subsidiary companies and investment activities are principally located in Hong Kong, Chinese Mainland, Singapore, Malaysia, the United Kingdom, Continental Europe and Australasia. Guoco has four core businesses, namely, Principal Investment; Property Development and Investment; Hospitality and Leisure Business; and Financial Services.



CORE BUSINESSES



PRINCIPAL INVESTMENT

Disciplined investment platform aims to generate attractive risk-weighted returns and capital growth through strategic holdings, securities and direct investments in global markets.

Investment Portfolio

- Strategic investments
- Direct investments
- Value stocks with strong fundamentals

Disciplined Investment Platform

- Board investment committee oversight
- Well-trained & experienced investment professionals
- Up-to-date information system & infrastructure
- Robust risk management framework



PROPERTY DEVELOPMENT & INVESTMENT



GuocoLand

Listed on the
Singapore Stock Exchange

A leading real estate group focused on its twin engines of growth in Property Development and Property Investment. Besides developing premium residential projects, GuocoLand develops, invests in and manages a portfolio of quality commercial and mixed-use assets.

Signature mixed-use developments

GUOCO TOWER

GUOCO MIDTOWN

LENTOR MODERN

DARANGSARA CITY

国浩长风城
Guoco Changfeng City



www.guocoland.com.sg



HOSPITALITY & LEISURE

**CLERMONT
HOTEL GROUP**

One of the largest hotel owner-operators in London with over 4,000 rooms, operating the majority of its hotels under "The Clermont" and "Thistle" brands along with two renowned establishments, The Cumberland and The Royal Horseguards Hotel.

THE CLERMONT **thistle** **THE ROYAL HORSEGUARDS HOTEL** **THE CUMBERLAND**

 www.clermonthotelgroup.com



Listed on the
London Stock
Exchange

A leading European gaming, leisure and entertainment company listed on the London Stock Exchange with established gaming-based entertainment operations including 100 bingo clubs and casinos together with branded websites and mobile offerings in the UK, Spain and Portugal.



 www.rank.com



FINANCIAL SERVICES

 **HongLeong Financial Group Berhad**

Listed on Bursa Malaysia

Integrated financial services group delivering comprehensive banking, insurance and wealth management solutions through diversified distribution channels across Asia.

 **HongLeong Bank**

- Personal financial services
- Business & corporate banking
- Global markets
- Islamic banking
- Life and general insurance
- Takaful

 **HongLeong Assurance**

 **HongLeong Capital**

- Investment banking
 - Stockbroking
 - Asset management
 - Islamic asset management
- Bank of Chengdu Co. Ltd.
(17.78%)

**Strategic
Investment**

 www.hlf.com.my

CHAIRMAN'S STATEMENT



Our diversified portfolio and broad geographic footprint across Western and Asian markets allow us to balance certain volatility through a wider set of opportunities, which enhances our resilience through various market cycles.

OVERVIEW

The global economy remained challenging during the year under review, with the Middle East conflict disrupting supply chains and travel as well as pushing energy prices higher. In most economies, growth tapered off to more modest levels. In the United Kingdom, cost inflation, new taxation rules and regulatory expenses continued to put pressure on operating margins. In our Asian markets, Singapore recorded steady growth, supported by a solid property market. China's recovery remained uneven, with robust exports and manufacturing activities, on one hand, while consumer sentiment and real estate market continued to be soft, on the other.

Against this backdrop, the Group maintained a prudent approach, executing its strategic priorities with focus, and achieving satisfactory results across its core operating businesses. To safely reflect current challenges in certain markets, the Group decided to recognise certain impairments which impacted the results of the Property Development and Hospitality and Leisure segments, and Others segments. As a result, the Group's profit attributable to shareholders declined by 20% from the prior year to HK\$3,214 million in FY2026.

DIVIDEND

The Board has recommended a final dividend of HK\$2.90 per share (FY2025: HK\$2.90 per share) for approval at the forthcoming annual general meeting. Consequently, with the interim dividend of HK\$0.70 per share (FY2025: HK\$0.60 per share) paid in March 2026, the total dividend for the year will be HK\$3.60 per share (FY2025: HK\$3.50 per share).

CORE BUSINESSES

Principal Investment

Global equity markets experienced heightened volatility during the year, as the US-Iran conflict added further pressure on inflation and interest rate expectations. However, the US market still continued to attract strong investor interest, with AI and technology-related opportunities being the core drivers of related sentiment. Meanwhile, China and Asian equities presented an alternative long term value creation opportunity due to attractive valuations, price resilience and steady dividend income.

Amid global uncertainties and, at times, heightened market volatility, the Principal Investment segment delivered a profit before taxation of HK\$1,641 million, representing a year-on-year decline of 32%. Despite these pressures, the segment's focus on fundamentally sound companies with sustainable business prospects across the US, China/Asia, and selectively, Europe, continued to support the Group in navigating the dynamic market environments. Looking ahead, we remain committed to disciplined portfolio construction and robust risk management, prioritising capital preservation, diversification and portfolio resilience.

CHAIRMAN'S STATEMENT

Property Development and Investment

GuocoLand Limited ("GuocoLand")

GuocoLand's twin growth engines, Property Development and Property Investment, performed well during the year, underscoring the strength of our business model. Recurring income from investment properties increased to 19% of business revenue. This was driven by a robust leasing momentum as well as rental growth across the Singapore portfolio, and thus provided a stable earnings base which complemented the sales contributions from Property Development. Faber Residence and River Modern, our new Singapore residential projects launched in October 2025 and March 2026 have been well received. Both projects achieved take-up rates of around 90% at launch. Singapore remains GuocoLand's core market, where we continue to build our landbank in a disciplined manner, whilst also developing joint venture opportunities to unlock further growth.

During FY2026, we consolidated our stake in GuocoLand (Malaysia) Berhad through a privatisation, which was completed smoothly at the end of August 2026, enabling us to achieve greater alignment with GuocoLand's long-term strategy. Amidst the prolonged weakness in the local property market in China, an allowance for foreseeable losses was recognised in FY2026 related to our development properties in Chongqing.

Hospitality & Leisure

The Clermont Hotel Group ("CHG")

CHG produced a solid performance despite some travel market disruption stemming from the Middle East conflict. Softer demand was confined to a small number of hotels in our portfolio at the peak of the conflict. Otherwise, the business delivered stable growth, supported by strong occupancy levels and positive RevPAR development based on CHG's strong market position in London, and continued focus on guest experience as well as operating discipline.

We remain committed to being a leading London hotel operator with a distinctive guest proposition and growing guest loyalty and, so, we continue to enhance and upgrade our estate. Among various enhancement projects completed this year, was the refurbishment and very successful opening in May 2026 of "The Tower Suite", at The Tower Hotel. As one of the city's largest ballrooms, this unique venue reinforces our competitive position in the meetings and events market. As part of our ongoing food and beverage upgrading and innovation program, CHG recently partnered with Gordon Ramsay Restaurant Group to launch London's first and only Hell's Kitchen restaurant at The Cumberland Hotel in April 2026.

Looking ahead to FY2027, the external environment is expected to remain uncertain. Nevertheless, CHG is well positioned to drive further growth through estate enhancements, a dedicated workforce, operational excellence and consistent focus on guest satisfaction.

CHAIRMAN'S STATEMENT

Hospitality & Leisure (Cont'd)

The Rank Group, Plc ("Rank")

Rank delivered strong revenue and profit growth, outperforming expectations despite regulatory and inflationary headwinds. Stable consumer demand provided a supportive backdrop to the year. The promising results reflect Rank's leading brand position in both Casino gambling and Bingo, as well as its omnichannel strategy. Rank's unique online-to-offline (O2O) model remains a key differentiator from competitors, enabling Rank to acquire, engage and retain customers seamlessly across venues, online channels and mobile applications. This strategic approach, plus an upgraded gaming experience in both venue and digital together with strong hospitality commitment, has led to increased customer loyalty, enhanced brand visibility and stable revenue growth.

As one of the UK's leading venue operators, Grosvenor Casinos gained a significant advantage from the UK government's Gambling Act Review, which is expected to support continuous revenue and profitability growth. Equally so, the recent abolition of Bingo Duty has provided Mecca with better prospects for growth and improved results. As both positive regulatory changes were introduced during the second half of FY2026, they did not have a full impact on the results of the reporting period. On the other hand, the recently introduced UK Remote Gaming Duty concerning the digital sector constitutes a new cost challenge, which management had anticipated and successfully countered.

Meanwhile, Rank's international businesses in Spain and Portugal continued to grow in customer popularity, revenue and profitability. This development poses an increasingly strong driver and strategic pillar within Rank's group portfolio.

Overall, we are pleased with the progress achieved and the strong momentum carrying into the new financial year. While the operating environment is expected to remain challenging, given increasing regulatory requirements, the business has demonstrated strong resilience and adaptability. Combined with its strong balance sheet and clear strategic focus, Rank is well-placed to capture future growth opportunities across its UK and international businesses, while continuing to increase customer loyalty and deliver long-term value for shareholders.

Financial Services

Hong Leong Financial Group Berhad ("HLFG")

HLFG operated with a supportive macroeconomic backdrop in FY2026. The Malaysian economy exceeded expectations with GDP growth of 5.4% in the first quarter, driven by robust domestic demand, high foreign direct investment and resilient tech-related exports.

On this basis, HLFG reported a respectable 3.4% increase in profit before tax, arising from steady growth across its core businesses. This solid performance reflects the strength of its diversified financial services franchise, disciplined risk management practices, robust credit quality and an unwavering focus on long-term value creation. Backed by its integrated ecosystem and sustainability agenda, HLFG continues to capitalise on emerging opportunities while continuing to deliver innovative, customer-focused solutions.

Others

The global honey market remains dynamic, characterised by global competition, rising operational costs, climate-driven volatility and some global trade challenges. Manuka Health New Zealand Limited ("Manuka Health") continued to reinforce its position as one of the global quality leaders in this market, focusing on enhancing its core capabilities and building a healthy product innovation pipeline. During FY2026, Manuka Health secured new key clients globally and is following its long-term growth strategy of scaling the business across the premium Manuka Honey sector in global markets.

CHAIRMAN'S STATEMENT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainability remains integral to the Group's long-term strategy, guided by our four pillars of environment, people, governance and community, and is overseen at Board level to ensure visibility and accountability. Building on our ongoing efforts to address global climate concerns, we introduced new guidelines this year to help business units set meaningful environmental targets and plan the appropriate actions to support them. We also strengthened our climate-related disclosures this year, introducing Scope 3 emissions reporting and climate scenario analysis to better identify and manage climate risks and opportunities. Beyond environmental stewardship, we continued to invest in our people through ongoing staff engagement and talent development, reinforcing a culture built on integrity and performance, while deepening our engagement with the communities in which we operate. Looking ahead, we will continue embedding sustainability into our governance and business decisions to strengthen the Group's resilience.

STRATEGIC OVERVIEW

The Group's vision continues to be focused on building long-term sustainable value for its stakeholders. We will continue to innovate and incorporate digital technology as part of Group's business strategy. Ultimately, the quality of our people forms the bedrock of our business strategies and consequently talent development is a core element in all our Guoco Group companies. We also believe that the key to ensuring sustainability is the continued co-existence of entrepreneurship together with professional business management, discipline and governance. This will enable our businesses to continuously achieve sustainable compound growth in revenue, profits and cashflow.

GROUP OUTLOOK

Geopolitical tensions, trade policy shifts, commodity price volatility and broader macroeconomic uncertainty are expected to continue shaping the global business and operating environment. Equity markets are likely to remain sensitive to inflation and interest rate expectations, geopolitical developments and evolving investment trends, pointing to further volatility ahead. Despite this, the Group achieved results that reflect the strength and adaptability of our capabilities and strategic knowledge. Our diversified portfolio and broad geographic footprint across Western and Asian markets allow us to balance certain volatility through a wider set of opportunities, which enhances our resilience through various market cycles.

Our businesses will stay focused on executing their strategic priorities, building the capacity to withstand headwinds. Supported by a strong financial position and balance sheet, we will continue to allocate capital judiciously to achieve excellence across the Group, whilst staying alert to structural trends and evolving market needs. Our focus remains to create lasting value for our stakeholders.

APPRECIATION

On behalf of the Board, I would like to thank our shareholders, business partners, customers, and our valuable colleagues around the world for their continued support. I also extend my appreciation to my fellow Board members for their guidance, dedication and contributions throughout the year.

KWEK Leng Hai
Executive Chairman
28 September 2026

FINANCIAL HIGHLIGHTS

	2026 HK\$'M	2025 HK\$'M	Increase/ (Decrease)
Turnover	22,955	27,001	(15%)
Revenue	22,022	24,443	(10%)
Profit attributable to equity shareholders of the Company	3,214	4,031	(20%)
	HK\$	HK\$	
Earnings per share	9.88	12.39	(20%)
Dividend per share:			
Interim	0.70	0.60	
Proposed final	2.90	2.90	
Total	3.60	3.50	3%
Equity per share attributable to equity shareholders of the Company	215.38	208.83	3%

Segment Profit (Before Taxation and Impairment)

PRINCIPAL
INVESTMENTHK\$
1,641.0_MFINANCIAL
SERVICESHK\$
1,675.4_MHOSPITALITY
& LEISUREHK\$
1,022.1_MPROPERTY
DEVELOPMENT
& INVESTMENTHK\$
491.0_M

OTHERS

HK\$
72.4_M

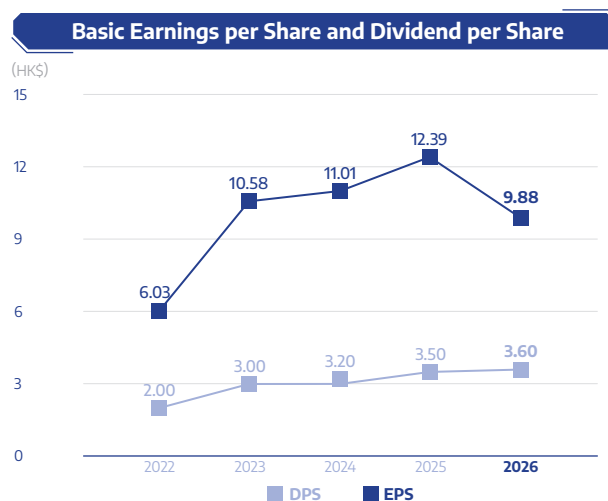
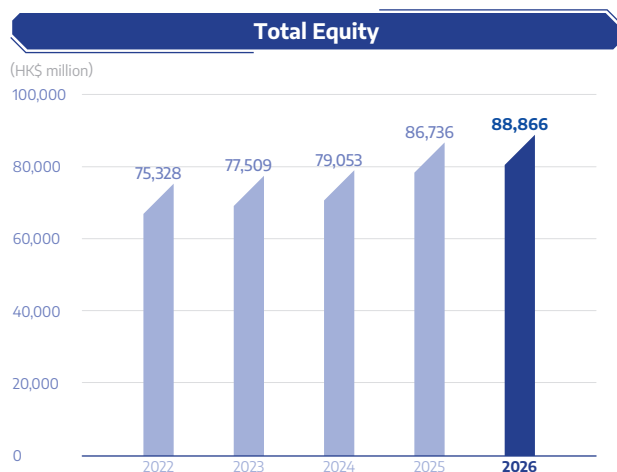
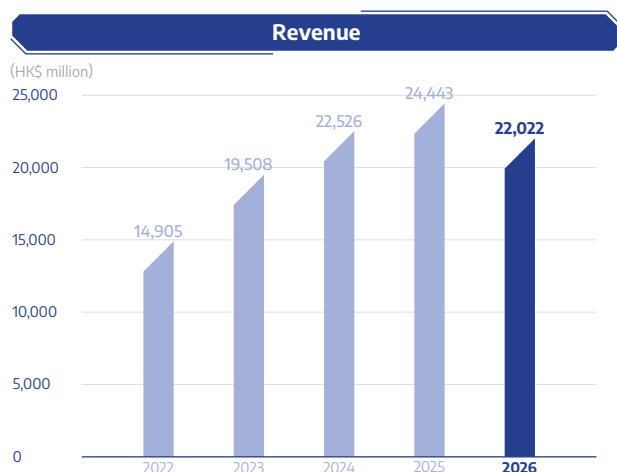
FINANCIAL HIGHLIGHTS

FINANCIAL RESULTS

The Group recorded an audited consolidated profit attributable to equity holders of the Company of HK\$3,213.7 million for the year ended 30 June 2026, representing a decline of 20% when compared to the prior year. Basic earnings per share amounted to HK\$9.88 compared to HK\$12.39 in the prior year.

The Group's operating businesses delivered mixed results for the year. The Principal Investment and Financial Services segments reported profits before taxation of HK\$1,641.0 million and HK\$1,675.4 million respectively. Property Development and Investment delivered profit before taxation of HK\$491.0 million. This was after taking into account an allowance for foreseeable losses of HK\$1,264.1 million in the year for its China development properties. The Hospitality and Leisure and Others segments delivered profits before taxation prior to net impairment provisions of HK\$1,022.1 million and HK\$72.4 million. However, these profits were partly offset by impairment provisions of HK\$1,488.2 million and HK\$75.5 million on the two segments respectively to reflect the challenges in the performance outlook in the sectors, notably the impact from the UK Remote Gaming Duty.

The Group's revenue for the year ended 30 June 2026 decreased by 10% to HK\$22.0 billion, primarily due to a decrease of HK\$2.7 billion in revenue from the Property Development and Investment segment, arising from the timing of progressive recognition of revenue from residential developments in Singapore. The decrease, however, was partially offset by an increase of HK\$0.8 billion in revenue from the Hospitality and Leisure segment attributable to the continued growth of the business in the current year.



MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT



AT A GLANCE



US\$2,186M

Total Investments



US\$146M

Net Investment Gain



US\$64M

Dividend Income &
Interest Income

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT

Market Environment

Global equity markets delivered strong returns during the first half of the financial year, supported by expectations of an easing of monetary policy expectations in the United States, which did not materialise, resilient corporate earnings, and sustained investment in artificial intelligence infrastructure. Market conditions became more volatile in the second half of the year as geopolitical tensions in the Middle East intensified, raising concerns over energy prices, inflationary pressures, and the interest rate outlook.

In Asia, regional market performance diverged, with Taiwan, South Korea, and Japan benefiting from continued strength in AI-related capital expenditure, while investor sentiment towards China remained cautious amid ongoing macroeconomic challenges. Meanwhile, European markets continued to face structural headwinds from elevated energy costs and subdued industrial activity, although fiscal support and defence spending provided some offset.

Segment Performance

Our investment strategy, which prioritises capital allocation to companies with geographically diversified exposures and strong business fundamentals, mitigated part of the short-term market fluctuations driven by macroeconomic factors during the financial year. The Principal Investment segment recorded a pre-tax profit of HK\$1,641.0 million for the year ended 30 June 2026, attributed to realised and unrealised gains on trading financial assets and dividend income received in the financial year.

Strategy

The Principal Investment segment remains focused on investing in high-quality companies expected to create long-term shareholder value, with the potential to produce tangible returns for the Group. As the investment portfolio is measured at fair value, the segment's reported results remain subject to fluctuations in market valuations and may therefore vary significantly between reporting periods.

Amid heightened geopolitical tensions and volatile energy prices, central bank policy uncertainty and currency fluctuations challenged global financial markets. Group Treasury adopted proactive risk management and liquidity preservation approach to preserve a robust liquidity position and maintain financial flexibility despite ongoing market uncertainty.

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT (CONT'D)

Investment Portfolio

As of 30 June 2026, the Group's total investments under the Principal Investment comprising mainly:

- (1) financial assets at fair value through profit or loss ("FVTPL") of approximately US\$1,413 million; and
- (2) financial assets at fair value through other comprehensive income ("FVOCI") of approximately US\$773 million.

None of the individual investment under the portfolios represented 5% or more of the total assets. The Group funded its financial investments by internal resources.

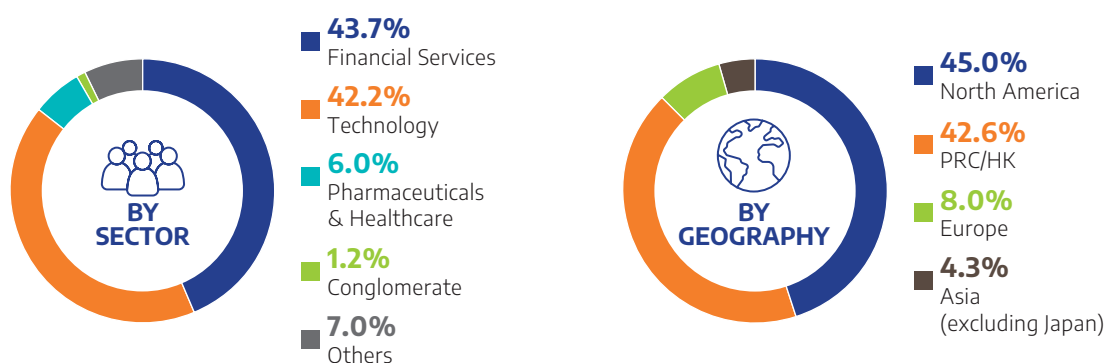
FVTPL Portfolio

The objective of the Group's FVTPL portfolio is to produce attractive risk-weighted returns and capital growth through active management in global capital markets. The investment period for this portfolio is short- to medium-term, enabling agile positioning to capture tactical market opportunities and manage surplus liquidity.

The investment strategy focuses primarily on listed equities of high-quality companies that are expected to create shareholder value over the near to medium term. In seeking to achieve this objective, the investment approach utilises a bottom-up, fundamental-based stock picking process that prioritises fundamental business aspects to identify companies capable of sustainable earnings growth (the "investment lens"). The portfolio mainly comprises liquid listed equities on recognised stock exchanges, selected based on quantitative metrics and qualitative insights under the investment lens, alongside market capitalisation and liquidity criteria.

To support the implementation of the investment strategies, Jia Investment Alliance Pte. Ltd. ("JIA Investment", formerly known as "GuoLine Advisory Pte. Ltd."), comprising experienced and trained professionals, was appointed to manage the discretionary portfolios assigned by the Group and to provide investment advice to facilitate the management of proprietary investments.

The investment in FVTPL generated dividend income of US\$25 million, interest income of US\$1 million and a net realised and unrealised gain of US\$126 million during the year, which consists of around 40 securities and bonds and the analysis by sector and geography are as follows:



MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT (CONT'D)

Investment Portfolio (cont'd)

FVOCI Portfolio

The objective of the Group's FVOCI portfolio is to achieve long-term capital appreciation and strategic portfolio diversification through stable, long-term holdings, including listed and unlisted securities and equity funds. The investment period for this portfolio is multi-year and strategic, matching the long-term capital commitment horizons typical of equity asset classes.

The investment in FVOCI consists of certain securities and two private equity funds.

The investment in securities with an aggregate value of US\$699 million mainly represented by an investment in a financial service company listed in Hong Kong. The portfolio generates dividend income of US\$34 million and a net unrealised gain of US\$21 million during the year.

The two private equity funds with an aggregate value of US\$74 million, primarily focus on growth-consumer services and diversified financial sectors across Australia, China and Singapore. The funds generated dividend income of US\$4 million and a net unrealised loss of US\$1 million during the year.

These two funds are managed by TPG, an experienced global alternative asset management group which possesses established track records and dedicated asset management platforms. TPG is led by world-class executives and supported by a deep bench of talented professionals with substantial global footprint and network.

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY DEVELOPMENT & INVESTMENT



River Modern, Singapore (Artistic Impression)

AT A GLANCE – GUOCOLAND LIMITED



S\$1,434.0M

Total Revenue



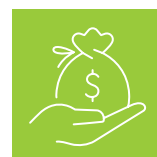
S\$1,073.0M

Revenue from
Property Development



S\$292.5M

Revenue from
Property Investment



S\$82.2M

Fair Value Gains on
Investment Properties

MANAGEMENT DISCUSSION AND ANALYSIS

PROPERTY DEVELOPMENT & INVESTMENT

GuocoLand Limited (“GuocoLand”)

For the year ended 30 June 2026, GuocoLand’s revenue was S\$1,434.0 million (approximately HK\$8,748.9 million), down 25% when compared to the prior year.

Revenue from GuocoLand’s property development business was S\$1,073.0 million (approximately HK\$6,546.4 million) for the year, as compared to S\$1,565.2 million (approximately HK\$9,549.4 million) in the prior year. This was mainly due to the timing of progressive recognition of revenue from residential developments in Singapore.

The decrease in revenue was partially offset by an increase in recurring rental revenue from the property investment business. Revenue from property investment increased by 4% to S\$292.5 million (approximately HK\$1,784.5 million) for the year, supported by high committed occupancy from its Singapore commercial portfolio. The Lentor Modern mall, which officially opened in January 2026, adds to GuocoLand’s recurring income stream from the progressive lease commencements.

With the market conditions in China remaining weak, GuocoLand reviewed the estimated net realisable value of its Chongqing projects. As a result, an allowance for foreseeable losses of S\$207.2 million (approximately HK\$1,264.1 million) was recognised in the year for its China development properties. Consequently, GuocoLand’s operating profit decreased by 59% to S\$125.0 million (approximately HK\$762.6 million) for the year.



F A B E R
R E S I D E N C E

**% OF UNITS SOLD
AS AT 30 JUNE 2026:**

95%



RIVER MODERN

**% OF UNITS SOLD
AS AT 30 JUNE 2026:**

93%

Fair value gains on investment properties recorded in the year increased by 40% to S\$82.2 million (approximately HK\$501.5 million), mainly driven by gains from the Singapore portfolio. Net finance costs fell by 29% to S\$128.4 million (approximately HK\$783.4 million) for the year, reflecting lower finance costs after net repayment of loans and borrowings.

Supported by the strength of Singapore’s twin engines – property development and property investment, profit after tax from Singapore grew by 13% to S\$341.9 million (approximately HK\$2,086.0 million) for the year, reflecting the resilience of GuocoLand’s core Singapore assets. After accounting for the losses from the China business, GuocoLand achieved profit attributable to equity holders of the Company of S\$95.2 million (approximately HK\$580.8 million) for the year, representing an 11% decline compared to the prior year.

While the allowance for foreseeable losses for China’s property development business weighed on earnings, a growing recurring income base from investment properties, stronger joint venture contributions, lower finance costs, and fair value gains bolstered GuocoLand’s overall performance for the year.



Lentor Modern Mall, Singapore

MANAGEMENT DISCUSSION AND ANALYSIS



HOSPITALITY AND LEISURE

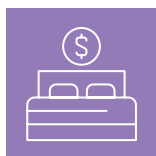
AT A GLANCE

THE CLERMONT HOTEL GROUP



GBP309.1M

Total Revenue
(including F&B, M&E)



High Occupancy
Maintained



The Tower Suite
Refurbished



Hell's Kitchen
Launched

THE RANK GROUP PLC



GBP835.0M

Net Gaming Revenue



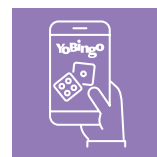
GBP55.7M

Operating Profit



850

Additional
Gaming Machines



YoBingo Launched
in Portugal

MANAGEMENT DISCUSSION AND ANALYSIS

HOSPITALITY AND LEISURE

The Clermont Hotel Group (“CHG”)

CHG, our key hotel operating business unit in the United Kingdom (“UK”), recorded a profit after tax of GBP21.8 million (approximately HK\$228.8 million) for the year, compared to GBP43.8 million (approximately HK\$459.8 million) for the prior year. This result was achieved after taking impairment losses on other property, plant and equipment of GBP4.6 million (approximately HK\$48.6 million) and right-of-use assets of GBP15.7 million (approximately HK\$164.7 million).

The London hotel market remained challenging during the financial year. Ongoing geopolitical tensions, economic uncertainty, and pressure on consumer spending contributed to a subdued demand environment, with market growth remaining modest. Nevertheless, CHG continued to outperform the market through effective revenue management, strong brand positioning, and disciplined execution of its commercial strategy.

As a result, CHG registered growth in average room rates while maintaining the high level of occupancy as last year, contributing to a higher room revenue for the year. Total revenue, including food and beverage and meetings and events, increased to GBP309.1 million (approximately HK\$3,244.6 million).

CHG continued to benefit from scale efficiency at high occupancy levels whilst maintaining a strong focus on cost control through efficient workforce deployment, disciplined procurement processes, and ongoing operational improvements. These measures helped mitigate the impact of higher labour costs, inflationary pressures, and higher energy costs.

CHG remained highly cash-generative during the year, enabling a further reduction in external debt and associated financing costs. At the same time, management continued to prioritise investment in hotel infrastructure and asset enhancement projects across the estate to preserve long-term asset value and support future growth.



The Tower Suite, The Tower Hotel, UK

MANAGEMENT DISCUSSION AND ANALYSIS

HOSPITALITY AND LEISURE (CONT'D)

The Clermont Hotel Group ("CHG") (cont'd)

Significant progress was made on the refurbishment of The Tower Suite at The Tower Hotel, which re-opened in May 2026 and enhanced CHG's meetings and events proposition and contribute to future earnings growth. In addition, CHG's strategic partnership with Gordon Ramsay Restaurant Group advanced during the year, with the launch of the UK's first and only Hell's Kitchen restaurant at The Cumberland Hotel in April 2026. This investment broadens CHG's food and beverage offering and further strengthens the attractiveness of its hotel portfolio. CHG also continued to invest in technology, automation, and artificial intelligence initiatives to improve operational efficiency, strengthen commercial effectiveness, and enhance the guest experience.

Looking ahead to the current financial year and beyond, uncertainty surrounding geopolitical developments and broader economic conditions is expected to persist. Nevertheless, CHG remains in a strong position to capitalise on opportunities through disciplined execution of its strategy, continued investment in its brands and estate, ongoing enhancement of its guest proposition, and a relentless focus on driving long-term sustainable growth.



The Hell's Kitchen Restaurant, The Cumberland Hotel, UK

MANAGEMENT DISCUSSION AND ANALYSIS

HOSPITALITY AND LEISURE (CONT'D)

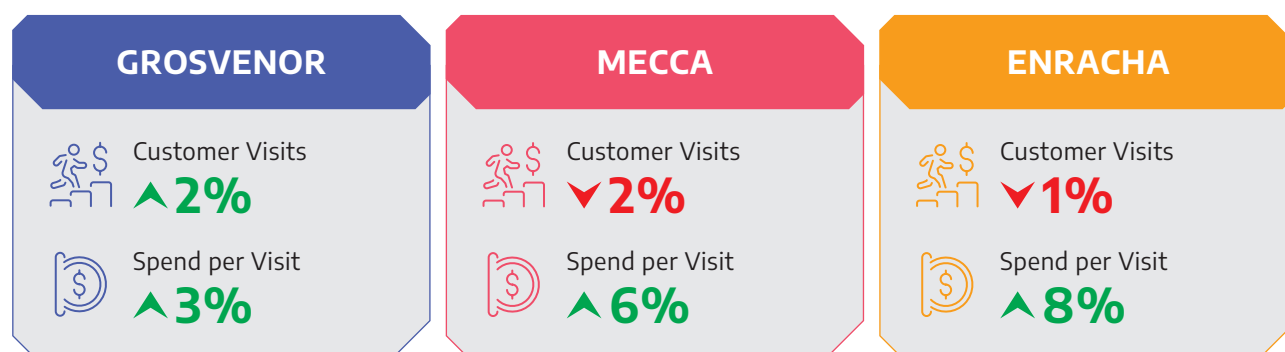
The Rank Group Plc (“Rank”)

Rank’s net gaming revenue (“NGR”) increased by 5% to GBP835.0 million (approximately HK\$8,764.9 million) for the year due to growth across all business units. However, operating profit decreased by 7% to GBP55.7 million (approximately HK\$584.7 million), impacted by a loss of GBP6.5 million (approximately HK\$68.2 million) as a result of a payment fraud in the Spanish businesses, and in the prior year there was an exceptional gain from the disposal of its non-proprietary business of GBP6.5 million (approximately HK\$66.4 million). In addition, following an impairment assessment, net impairment losses of GBP21.7 million (approximately HK\$227.5 million) on goodwill, GBP4.9 million (approximately HK\$51.2 million) on right-of-use assets, GBP0.2 million (approximately HK\$2.4 million) on other property, plant and equipment and GBP94.7 million (approximately HK\$993.8 million) on intangible assets were recorded.

In Grosvenor venues, the visitor numbers grew 2% and spend per visit increased by 3%. The rollout of 850 additional gaming machines permitted by the Gambling Act Review and ongoing performance optimisation have driven growth in the year. However, the performance in table gaming was impacted by the conflict in the Middle East in the second half of the financial year. For Mecca venues, the number of customer visits was down by 2% but spend per visit increased by 6% for the year. In Spain, the number of customer visits to Enracha venues decreased by 1% but spend per visit increased by 8% in the year.

The digital business faced significant headwinds in the year, including the UK statutory levy, maximum staking limit for online slots play, and an increase in the Remote Gaming Duty from 21% to 40% effective from 1 April 2026. Reflecting the challenges for the UK gaming sector, impairment provisions stated above were made in the year. To mitigate the challenges, Rank has implemented a targeted cost-reduction programme, covering the above-the-line marketing, supplier costs and headcount reductions. More effective marketing investment has been prioritised, with tailored offers to more clearly identified and higher value customer cohorts. In Spain, Rank has rolled out a series of improvements, including the new apps for YoBingo, YoCasino and YoSports, as well as new gaming product releases. In the third quarter of the financial year, Rank launched YoBingo in Portugal which becomes the first and only dedicated online bingo-led platform in the country.

With market-leading brands and a strong balance sheet, Rank is well-placed to implement its future strategy, which will align around casino-led and bingo-led gaming, areas where Rank holds clear competitive strengths.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL SERVICES



Hong Leong Bank Berhad, Malaysia

AT A GLANCE – HONG LEONG FINANCIAL GROUP BERHAD



3.4%

Group Profit Growth



2.2%

Hong Leong Bank
Group Profit Growth



11.3%

HLA Holdings Group
Profit Growth



8.8%

Hong Leong Capital
Group Profit Growth

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL SERVICES

Hong Leong Financial Group Berhad (“HLFG”)

HLFG recorded a profit before tax of RM6,308.1 million (approximately HK\$12,129.0 million) for the year ended 30 June 2026 as compared to RM6,102.7 million (approximately HK\$10,978.3 million) in the last year, an increase of RM205.4 million (approximately HK\$394.9 million) or 3.4%. The increase was due to higher contributions across all operating divisions.

Hong Leong Bank Group recorded a profit before tax of RM5,480.5 million (approximately HK\$10,537.7 million) for the year ended 30 June 2026 as compared to RM5,360.3 million (approximately HK\$9,642.8 million) in the last year, an increase of RM120.2 million (approximately HK\$231.1 million) or 2.2%. This growth was driven primarily by a revenue increase of RM295.3 million (approximately HK\$567.8 million) and a prior-year one-off net impact of RM8.6 million (approximately HK\$16.5 million) from an associated company dilution loss and impairment write-back. These gains were partially offset by higher impairment provisions of RM63.6 million (approximately HK\$122.3 million), increased operating expenses of RM34.7 million (approximately HK\$66.7 million), and a lower share of profit from an associated company of RM85.4 million (approximately HK\$164.2 million).

HLA Holdings Group recorded a profit before tax of RM742.5 million (approximately HK\$1,427.7 million) for the year ended 30 June 2026 as compared to RM667.2 million (approximately HK\$1,200.2 million) in the last year, an increase of RM75.3 million (approximately HK\$144.8 million) or 11.3%. The increase was mainly supported by rises in net investment income of RM44.8 million (approximately HK\$86.1 million) and insurance service results of RM32.2 million (approximately HK\$61.9 million), though slightly offset by a lower share of profit from an associated company of RM1.7 million (approximately HK\$3.3 million).

Hong Leong Capital Group recorded a profit before tax of RM85.4 million (approximately HK\$164.2 million) for the year ended 30 June 2026 as compared to RM78.5 million (approximately HK\$141.2 million) in the last year, an increase of RM6.9 million (approximately HK\$13.3 million) or 8.8%. The increase was mainly due to higher contributions from the investment holding division and fund management division. This was partly offset by lower contributions from the investment banking division and stockbroking division.

MANAGEMENT DISCUSSION AND ANALYSIS

OTHERS

The Group's wholly-owned Manuka honey product producer and distributor, Manuka Health based in New Zealand, recorded improved results when compared to the prior year, primarily resulting from management's optimisation of the business model. The business remains focused on driving sustainable growth through its premium product strategy, operational efficiency, and targeted investments in strategic channels.

The Bass Strait oil and gas business saw a decrease in its results for the year due to lower average crude oil prices and reduced oil production.

GROUP FINANCIAL COMMENTARY

Capital Management

The consolidated total equity attributable to shareholders of the Company as at 30 June 2026 amounted to HK\$70.9 billion. Net debt, being total bank loans and other borrowings less cash and short-term funds as well as trading financial assets, amounted to HK\$5.6 billion. The equity-debt ratio was 93:7 as at 30 June 2026.

Liquidity and Financial Resources

The Group's total cash and short-term funds as well as trading financial assets were mostly denominated in USD (44%), HKD (21%), SGD (13%), GBP (9%) and RMB (5%) as at 30 June 2026.

The Group's total bank loans and other borrowings amounted to HK\$29.4 billion as at 30 June 2026, and were mostly denominated in SGD (80%), RMB (10%), HKD (3%), GBP (3%) and USD (1%). The Group has borrowings of HK\$5.2 billion payable within one year or on demand.

Certain of the Group's bank loans and other borrowings are secured by pledges of various properties, fixed assets, trading financial assets and bank deposits with an aggregate book value of HK\$41.6 billion at year end.

Committed borrowing facilities available to the Group and not yet drawn as at 30 June 2026 amounted to approximately HK\$10.6 billion.

Interest Rate Exposure

The Group's interest rate risk arises from treasury activities and borrowings. The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. The Group uses interest rate contracts to manage its interest rate exposure when considered appropriate.

As at 30 June 2026, approximately 77% of the Group's bank loans and other borrowings carried interest at floating rates and the remaining 23% carried interest at fixed rates. The Group had outstanding interest rate contracts with a notional amount of HK\$4.8 billion.

Foreign Currency Exposure

The Group from time to time enters into foreign exchange contracts, which are primarily over-the-counter derivatives, principally for hedging foreign currency exposure and investments.

As at 30 June 2026, there were outstanding foreign exchange contracts with a total notional amount of HK\$3.1 billion entered into by the Group to primarily hedge foreign currency equity investments.

Equity Price Exposure

The Group maintains an investment portfolio which mainly comprises public listed equities. Equity investments are subject to asset allocation limits.

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT CONTROLS AND OVERSIGHT

Risk Management and Control Measures

The Group's Principal Investment activities are governed by the Guoco Investment Operations Manual (the "Investment Manual") which is reviewed regularly from time to time.

Robust risk management and control mechanisms are in place to manage a variety of risks. The Group maintains a risk register which seeks to calibrate our assessment of risks on a regular basis. Investment restrictions and guidelines set out in the Investment Manual form an integral part of risk control. Specific limits are set to control risks (e.g. permissible asset type, asset allocation, etc.). Different types of risks including market volatility, counterparty, foreign exchange, interest rate and liquidity risks are continuously monitored by JIA Investment and/or treasury team. Please refer to note 36 to the Financial Statements in this annual report for more details.

Approval and Oversight Mechanisms

The Board Investment Committee ("BIC"), comprising the Executive Chairman and the Executive Director and CEO, has the overall responsibility for overseeing the investment activities of the Group and the related risk policies and controls.

Members of the BIC and JIA Investment meet every month to review markets and portfolio activities, evaluate new investment ideas and monitor existing investments, and for JIA Investment to make recommendations to the BIC on equity investment matters. Other than monthly meetings, members of the BIC maintain ongoing dialogue with JIA Investment, undertaking investment decisions and recommendations in response to the changing market conditions when and where required.

The management receives daily investment portfolio reports from the custodian bank for monitoring and reviewing the discretionary portfolio managed by JIA Investment.

HUMAN RESOURCES AND TRAINING

As at the year end, the Group had around 10,300 employees^{Note}. The Group continued to seek an optimal workforce. It is committed to providing its staff with ongoing development programmes to enhance productivity and work quality.

The remuneration policy for the Group's employees is reviewed on a regular basis. Remuneration packages are structured to take into account the level and composition of pay and market conditions in the respective countries and businesses in which the Group operates. Bonus and other merit payments are linked to the financial results of the Group and individual achievement to promote performance. In addition, share based award schemes are in place for granting share options and/or free shares to eligible employees to align their long term interests with those of the shareholders and for the purposes of staff motivation and talent retention.

Note: The total number of employees include permanent, contract, temporary and part-time employees.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. KWEK Leng Hai – *Executive Chairman*

N Chairman **R** Member

Mr. Kwek, aged 73, is the Executive Chairman of the Board of Directors (the “Board”) of Guoco Group Limited (“Guoco”), the Chairman of the Board Nomination Committee (“BNC”) and a member of the Board Remuneration Committee (“BRC”) of Guoco since 1 September 2016. He was appointed to the Board in 1990 and assumed the position of the President, CEO of Guoco from 1995 up to 1 September 2016. He is also a non-executive director of GuocoLand Limited (Guoco’s subsidiary listed on Singapore Exchange Securities Trading Limited). He is a director and shareholder of GuoLine Capital Assets Limited (“GCAL”, the ultimate holding company of Guoco) and GuoLine Investment Assets Limited (“GuoLine Investment”, formerly known as GSL Holdings Limited, which has interests in Guoco required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance). He serves as a non-executive director of Hong Leong Bank Berhad (“HLBB”, a listed subsidiary of Hong Leong Financial Group Berhad (Guoco’s associated company listed on Bursa Malaysia Securities Berhad)) and Bank of Chengdu Co., Ltd. (an associated company of HLBB and listed on the Shanghai Stock Exchange) and as the chairman of Lam Soon (Hong Kong) Limited (“LSHK”, a Hong Leong Group subsidiary listed on The Stock Exchange of Hong Kong Limited (“HKEX”)).

Mr. Kwek qualified as a chartered accountant of the Institute of Chartered Accountants in England and Wales. He has extensive experience in various business sectors, including but not limited to finance, investment, manufacturing and real estate. He is a brother of Mr. KWEK Leng San.

Mr. Christian Karl NOTHHAFT – *Executive Director and Chief Executive Officer*

Mr. Nothhaft, aged 61, is an Executive Director and the Chief Executive Officer of Guoco since 2024. He serves as a non-executive director of The Rank Group Plc (Guoco’s subsidiary listed on London Stock Exchange) and LSHK.

Mr. Nothhaft graduated from Munich University of Applied Science in Germany with a Bachelor of Arts Degree in Hospitality and Tourism Management and also holds a Human Resources/Payroll Management Degree from DGFP (German Association for Human Resource Management). He has also attended the Harvard University Young Presidents Organisation (YPO) Program. Mr. Nothhaft has extensive experience in business management and advisory, strategic planning, retail, consumer products, network rollouts, e-commerce, digital transformation, people management, environmental, social and governance and compliance.

Mr. Nothhaft was the chief executive officer of Watsons Personal Care Stores, China and the managing director of Watsons Wine and Fortress Hong Kong. Before that, he was the regional managing director of Movenpick (Asia Restaurants Group). He was also an independent non-executive director and a member of the remuneration and nominations committees of DFI Retail Group Holdings Limited, with primary listing on London Stock Exchange and secondary listings in Singapore and Bermuda, until he stepped down from these positions on 8 May 2026.

Note: The Executive Directors of the Company are also members of the senior management of the Group.

- A** Board Audit and Risk Management Committee
- N** Board Nomination Committee
- R** Board Remuneration Committee

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. KWEK Leng San – *Non-executive Director*

Mr. Kwek, aged 71, is a Non-executive Director of Guoco since 1990. He is the chairman of Malaysian Pacific Industries Berhad, Hong Leong Industries Berhad and Hume Cement Industries Berhad (all being members of Hong Leong Group and listed on Bursa Malaysia). He is also a shareholder of GCAL and GuoLine Investment. He was the chairman of Southern Steel Berhad (listed on Bursa Malaysia) until his resignation on 15 January 2025.

He graduated from University of London with a Bachelor of Science (Engineering) and also holds a Master of Science (Finance) from City University London. He has extensive business experience in various business sectors, including financial services and manufacturing. He is a brother of Mr. KWEK Leng Hai.

Mr. Lester Garson HUANG, *SBS, JP – Independent Non-executive Director*

R Chairman **A** Member

Mr. Huang, aged 66, is an Independent Non-executive Director of Guoco since 2019. He is the Chairman of the BRC and a member of the Board Audit and Risk Management Committee (“BARMC”) of Guoco.

Mr. Huang is a practicing solicitor and notary public, and is currently the managing partner and co-chairman of P.C. Woo & Co., a solicitor firm in Hong Kong. Mr. Huang became a qualified solicitor of Hong Kong in 1985 and has over 30 years of post-qualification experience. Mr. Huang graduated with a Bachelor of Laws degree from the University of Hong Kong in 1982 and a Master of Education degree from the Chinese University of Hong Kong in 2006. He has extensive experience in legal industry and public services.

He is a director of Lei Foundation Limited, a Steward of The Hong Kong Jockey Club (“HKJC”) and a director of certain group companies of HKJC.

In 2002, the Government of the Hong Kong Special Administrative Region of the People’s Republic of China (“the HKSAR Government”) appointed Mr. Huang as a Justice of the Peace. In 2018, the HKSAR Government awarded him a Silver Bauhinia Star for his public services.

Mr. Huang is an independent non-executive director of Kidsland International Holdings Limited (listed on HKEX). He was an independent non-executive director of LSHK until he retired on 12 November 2025.

Mr. Huang was admitted to the Roll of Honour of the Law Society of Hong Kong in 2021. Previously, he was the president of the Law Society of Hong Kong from 2007 to 2009. He was also a non-executive director of the SFC and chaired the Investor and Financial Education Council (a subsidiary of the SFC). Mr. Huang was a member of the Hospital Authority and the Hong Kong Monetary Authority’s Exchange Fund Advisory Committee as well as a non-executive director of the Urban Renewal Authority. He also served as the chairman of each of the Council of City University of Hong Kong and Social Welfare Advisory Committee of the Labour and Welfare Bureau, a member of the Standing Committee on Judicial Salaries and Conditions of Service, a director of Pacific Basin Economic Council Limited and other public positions.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Paul Jeremy BROUGH – *Independent Non-executive Director*

A Chairman **R** Member **N** Member

Mr. Brough, aged 69, is an Independent Non-executive Director of Guoco since 2021 and Chairman of the BARMC and a member of each of the BRC and BNC of Guoco.

Mr. Brough graduated with a Bachelor's Degree (Honours) in Business Studies. He is an associate member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. He has extensive experience in areas including finance, accounting, banking, risk management, international transactions/M&A and restructuring practice.

Mr. Brough joined KPMG Hong Kong in 1983 and held appointments as Head of Consulting in 1995 and as Head of Financial Advisory Services in 1997. In 1999, he was appointed the Asia Pacific Head of KPMG's Financial Advisory Services and a member of its global advisory steering group. He held the position of Regional Senior Partner of KPMG Hong Kong from 2009 before retiring in 2012.

Mr. Brough is currently an independent non-executive director and the chairman of each of the audit committee and the remuneration and nomination committee of Vitasoy International Holdings Limited (listed on HKEX), as well as an independent non-executive director, the chairman of the audit committee and a member of the risk committee of The Hongkong and Shanghai Banking Corporation Limited. He is also an independent non-executive director and the chairman of the audit committee of The Executive Centre Limited ("ECL") and a director of certain group companies of ECL; an independent non-executive director of Pacific Primary Health Care Holdings Limited, KS Asia Absolute Return Fund IC, Stonepeak Oceanview Taiwan Co., Ltd. ("Stonepeak") and certain group companies of Stonepeak, as well as a director of Blue Willow Limited, all being privately-owned companies. He also serves as a director of Run Hong Kong Limited, a Hong Kong-based non-profit organisation serving the needs of refugees and asylum seekers.

Mr. Brough was an independent non-executive director of Toshiba Corporation (delisted from the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. on 20 December 2023) until he resigned on 22 December 2023. He was also an independent non-executive director of Eagle Investments Holdco (the investment holding company of The LYCRA Company) up to 28 November 2025 and an independent member of the advisory committee and chairman of the audit committee of Stonepeak SRE Holdings LP up to 31 July 2026.

Ms. Melissa WU Mao Chin – *Independent Non-executive Director*

A Member **N** Member

Ms. Wu, aged 59, is an Independent Non-executive Director and a member of each of the BARMC and BNC of Guoco since 2024.

Ms. Wu graduated from the University of Birmingham in the United Kingdom with a Bachelor of Commerce (Accounting) degree. She is a fellow of both The Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. She has extensive experience in auditing, people management and public services.

Ms. Wu started her career with KPMG in the United Kingdom and subsequently transferred to KPMG in Hong Kong in 1993. She became a Partner in the audit practice and specialised in providing audit services to multinational and listed companies in Hong Kong and Mainland China, in particular those in the real estate, consumer and transportation sectors. In addition to her role as an Audit Partner, she held a number of management positions during her career with KPMG including the Head of People, Head of Audit and Head of Consumer and Industrial Markets. She retired from KPMG in 2020.

Ms. Wu is currently an independent non-executive director of Link Asset Management Limited, the manager of Link Real Estate Investment Trust (listed on HKEX), and also the chair of its audit and risk management committee and a member of its nomination committee. She is also an independent non-executive director of HSBC Qianhai Securities Limited.

CORPORATE GOVERNANCE REPORT



“Corporate Governance is the process and structure used to direct and manage the business and affairs of the Company towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long term shareholders’ value, whilst taking into account the interest of other stakeholders.”

The board of directors of the Company (the “Board”) has adopted a Corporate Governance Code (the “CG Code”) based on the principles as set out in the Appendix C1 (the “HKEX Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The CG Code is reviewed from time to time and updated as appropriate to align with the revised provisions of the HKEX Code.

Continuous efforts are made to review and enhance the performance of the Board as well as the Group’s risk management and internal control systems, disclosure practices and communication with investors and stakeholders in light of changes in regulations and developments in best practices. To us, maintaining high standards of corporate governance practices is not just complying with the letter of the provisions but also the intent of the regulations to enhance corporate performance and accountability.

The Board is of the opinion that the Company has complied with the applicable HKEX Code throughout the financial year ended 30 June 2026 and up to the date of this report.

CORPORATE VISION & PURPOSE, VALUES, CULTURE AND STRATEGY

Group Vision & Purpose

The Group’s vision is for its businesses to be long-term competitive and sustainable enterprises; and in doing so, create prime value and achieve long-term sustainable growth for its shareholders.

The strategic intent is to transform the businesses in the Group, to focus on core businesses, to build brands and develop competencies. It would include strategies and action plans to achieve sustainable global competitiveness and to deliver consistent compound annual growth in revenue, profits and free cash flow. This is carried out through integrating entrepreneurialism with professional business management as well as strong discipline and governance.

CORPORATE GOVERNANCE REPORT

CORPORATE VISION & PURPOSE, VALUES, CULTURE AND STRATEGY (CONT'D)

Group Values

Our Group values below underpin our corporate culture and serve as a compass in all we do:

Honour	To conduct business with honour
Human Resources	To enhance the quality of human resources – as the essence of management excellence
Entrepreneurship	To pursue management vision and foster entrepreneurship
Innovation	To nurture and be committed to innovation
Quality	To provide products and services that consistently exceed customers' expectations
Progress	To continuously improve existing operations and to position for expansion and new business opportunities
Unity	To ensure oneness in purpose, harmony and friendship in the pursuit of prosperity for all
Social Responsibility	To create wealth for the betterment of society

Group Culture

Group culture serves as the basis of our business operation. The Board plays a leading role in shaping the corporate culture and reviews this from time to time. With the Board's oversight, we promote compliance and ethical behavior across the Group, as well as strict adherence to the code of conduct and corporate policies, together with a whistleblowing framework.

Furthermore, the quality of our people forms the bedrock of our business strategies. The Group commits to create an inclusive workplace for our employees which values open communication to foster growth. Employees are encouraged to collaborate towards shared objectives, seeking win-win solutions and taking ownership of their progress.

Innovation, creativity, and dedication to continuous improvement are vital qualities for a progressive organization. Consequently, we expect all businesses within the Group to be forward-thinking, adaptable, and receptive to new technologies amidst the evolving environment. It is through transformation that the Group is able to achieve sustainable global competitiveness and to deliver consistent growth.

Group Strategy

With a strong heritage of value creation, the Group's entrepreneurial vision guides our operating businesses to remain relevant, to be trustworthy, progressive, competitive and sustainable in pursuit of growth and creation of business value. We also seek to advance our development through incorporating digital technology as part of the Group's business strategy. With the growing importance of environmental, social and governance ("ESG"), we are also incorporating this in our business operations and strategic decision-making to derive sustainable solutions that benefit our stakeholders. This is all underpinned by achieving a strong and healthy financial position through strict adherence to prudent financial disciplines that enhance the resilience and sustainability of our businesses.

In summary, taking into account the vision, values and strategy of the Group, the Board considers that they are in alignment with the Group's culture.

CORPORATE GOVERNANCE REPORT

DIRECTORS

Role of the Board

The Board assumes responsibilities for directing the Company and enhancing its value for shareholders in accordance with good corporate governance principles. The main role and responsibilities of the Board broadly cover, among others, overseeing the corporate mission, value, culture and broad strategies; directing and evaluating the conduct and performance of the Group's businesses; identifying principal risks and ensuring the implementation of appropriate systems to manage these risks; reviewing and approving key matters such as financial results, investments and divestments and other material transactions.

The Board recognises its corporate governance duties as an ongoing commitment and has monitored and reviewed the relevant CG Code, code of conduct, policies, standards and practices of the Company on corporate governance as well as legal and regulatory compliance during the year. It has delegated relevant aspects of the functions to the board committees and management, where appropriate, to assist it in discharging its duties. In addition, the Board has reviewed the Company's compliance with the applicable HKEX Code and the disclosure in the corporate governance report. Through the Board Nomination Committee, the training and continuous professional development of directors and senior management was reviewed and monitored.

The Board has overall responsibility for the ESG matters of the Group. Through the support of the Group ESG Steering Committee, the Board is accountable for setting forth the sustainability mission and related reporting framework, and oversees significant policies which guide the relevant ESG strategies at the business group level. The Board Audit and Risk Management Committee is assigned to assist the Board in overseeing and managing the related ESG risks.

The Board has delegated the day-to-day management and operation of the Group's businesses to the management of the Company and its subsidiaries.

Board Composition

The Board during the year and up to the date of this report comprised the following members:

Executive Chairman

KWEK Leng Hai

Executive Director

Christian K. NOTHHAFT – *Chief Executive Officer*

Non-executive Director

KWEK Leng San

Independent Non-executive Directors

Lester G. HUANG, *SBS, JP*

Paul J. BROUGH

Melissa WU Mao Chin

The Company received confirmation of independence from each of the independent non-executive directors ("INEDs") for the year pursuant to Rule 3.13 of the Listing Rules. The Board is of the view that Mr. Lester G. HUANG, *SBS, JP*, Mr. Paul J. BROUGH and Ms. Melissa WU Mao Chin remain independent.

The brief biographies of the current directors and the family relationships among the Board members, if any, are disclosed in the "Biographical Details of Directors and Senior Management" section of this annual report.

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Board Composition (Cont'd)

Term of Appointment

Pursuant to the Bye-Laws of the Company (the “Bye-Laws”) and the CG Code, not less than one-third of the directors shall retire from office by rotation at each annual general meeting. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. Each director is subject to retirement by rotation at least once every three years.

Any director appointed by the Board or elected by the shareholders of the Company (the “Shareholders”) in general meeting to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting after his/her appointment and shall then be eligible for re-election.

Non-executive directors are not appointed for a specific term. They are subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Bye-Laws and the CG Code.

The current term of appointment of each director commenced on the date of his/her last election or re-election by the Shareholders, or in the case of a director appointed by the Board, on the date of his/her appointment.

The length of tenure and the date of last election or re-election (being the commencement date of the current term of appointment) of each director are set out below:

Name	Date of first appointment as director	Approx. tenure as director as at 30 June 2026 (year)	Date of last election/ re-election by the Shareholders
<i>Executive Chairman</i>			
KWEK Leng Hai	25 May 1990	36	16 November 2023
<i>Executive Director</i>			
Christian K. NOTHHAFT – <i>Chief Executive Officer</i>	15 April 2024	2	13 November 2024
<i>Non-executive Director</i>			
KWEK Leng San	25 May 1990	36	14 November 2025
<i>Independent Non-executive Directors</i>			
Lester G. HUANG, <i>SBS, JP</i>	18 November 2019	7	14 November 2025
Paul J. BROUGH	8 November 2021	5	13 November 2024
Melissa WU Mao Chin	13 November 2024	2	14 November 2025

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Chairman, Executive Director and Chief Executive Officer ("CEO")

Currently, Mr. KWEK Leng Hai is the Executive Chairman of the Company. The Executive Chairman sets the vision and strategic direction of the Group, leads the Board and ensures its smooth and effective functioning.

Mr. Christian K. NOTTHAFT is the Executive Director and CEO of the Company and is responsible for implementing policies and Board decisions, initiating business ideas and corporate strategies, overseeing the performance of the Group's business segments, day-to-day operations and tracking compliance and business progress.

The operation of each of the Group's business segments is overseen by a CEO who, with expertise in his/her particular business, is responsible for delivering the performance results of the business segment.

The roles of the Executive Chairman and the aforesaid management executives are separate with clear division of responsibilities.

Board Process

The Board meets regularly, at least four times a year. Additional board meetings are held whenever warranted. For the year ended 30 June 2026, a total of four board meetings were held.

The directors are at liberty to propose matters as appropriate to be included in the meeting agendas. Board agenda items are reviewed by the Executive Chairman and/or CEO of the Company. Board papers are circulated prior to board meetings on a timely manner, which include, among others, financial and corporate information, significant operational and corporate issues and business performance of the Group as well as material or notable transactions which require the approval of the Board.

Where appropriate, decisions are also taken by way of circulated resolutions with supporting explanations and materials, supplemented by additional verbal or written information from the Company Secretary or other executives as and when needed. Monthly updates on the Group's business are provided to the directors of the Company to allow their assessment of the Group's financial performance and position.

All directors have separate and independent access to senior management and also have access to the advice and services of the Company Secretary and internal auditor, and upon reasonable request, independent professional advice in appropriate circumstances at the Company's expense, if any.

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Board Process (Cont'd)

Details of directors' attendance at the board meetings held during the year and the annual general meeting held on 14 November 2025 (the "2025 AGM") are as follows:

	Board Meetings attended/ eligible to attend	2025 AGM attended/ eligible to attend
<i>Executive Chairman</i>		
KWEK Leng Hai	4/4	1/1
<i>Executive Director</i>		
Christian K. NOTHHAFT – <i>Chief Executive Officer</i>	4/4	1/1
<i>Non-executive Director</i>		
KWEK Leng San	4/4	1/1
<i>Independent Non-executive Directors</i>		
Lester G. HUANG, <i>SBS, JP</i>	4/4	1/1
Paul J. BROUGH	4/4	1/1
Melissa WU Mao Chin	4/4	1/1

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Board Independence

Pursuant to the CG Code, the Company has put in place mechanisms within our governance framework to ensure that independent views and input are available to the Board.

During the year, the Board had reviewed the implementation and effectiveness of the mechanisms and is of the view that such mechanisms are effective. The key mechanisms under the Company's governance framework are summarised below:

Composition of the Board and Board Committees

The Board comprises more than one-third of INEDs. The Board Audit and Risk Management Committee, Board Remuneration Committee and Board Nomination Committee comprise a majority of INEDs with the former two committees chaired by INEDs.

The composition of the Board is reviewed by the Board Nomination Committee annually to ensure that the number of INEDs meets or exceeds the independence requirements under the Listing Rules.

Directors' Responsibilities

As set out in the terms of reference of the Board, it is the responsibility of the directors (including INEDs) to make positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. Directors with different views are encouraged to voice their concerns so as to ensure that independent views and input are available to the Board.

The Executive Chairman encourages a culture of openness and debate by facilitating the effective contribution of non-executive directors in particular and ensuring constructive relations between executive and non-executive directors.

Criteria to Assess Independence of INEDs on Appointment and Re-election

The suitability of the candidates for appointment and the directors subject to re-election as an INED is assessed based on the assessment criteria and guidelines as set out in the Company's Nomination Policy, including among others, their independence and potential/actual conflicts of interest that may arise if the candidate is appointed/re-elected.

Annual Review of Independence of INEDs

Annual review of independence of INEDs is conducted by the Board Nomination Committee pursuant to Rule 3.13 of the Listing Rules.

INED's Remuneration

None of the INEDs receive remuneration based on performance of the Group.

Independent Professional Advice

External independent professional advice is available to all directors, including INEDs, whenever considered appropriate.

Meetings with INEDs

The Executive Chairman at least annually meets with INEDs without the presence of other directors to facilitate INEDs to express their views.

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Directors' Securities Transactions

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "Model Code") as the code of conduct governing directors' securities transactions.

Following specific enquiry by the Company, all directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the year.

Directors' Continuous Training and Development Programme

Pursuant to the HKEX Code, all directors should participate in continuous professional development ("CPD") to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

The Company has put in place training and development programmes for directors including (1) induction/familiarisation programme for newly appointed directors; (2) a structured training programme for newly appointed directors to facilitate compliance with Rule 3.09H of the Listing Rules; and (3) on-going CPD programme for all directors. The ongoing CPD programme comprises training delivered by both internal and external providers, together with Company-facilitated self-study. The Company actively supports directors' CPD through identification and recommendation of relevant training opportunities organised by professional institutions, regulatory bodies and industry organisations and the regular provision of learning materials and reference resources for directors' self-study.

During the year ended 30 June 2026, all directors namely, Messrs. KWEK Leng Hai, Christian K. NOTHHAFT, KWEK Leng San, Lester G. HUANG, *SBS, JP*, Paul J. BROUGH and Ms. Melissa WU Mao Chin had participated in CPD training as required under Rules 3.09F and 3.09G of the Listing Rules. They received regular briefings and updates on the Group's business, operations, risk management, corporate governance and ESG matters. Materials on new or changes to salient laws and regulations applicable to the Group were provided to the directors. They also attended sessions and seminars on regulatory update on relevant topics. All directors are requested to provide the Company with their respective training records pursuant to the CG Code.

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Directors' Continuous Training and Development Programme (Cont'd)

A summary of the CPD training undertaken by each director during the year is set out in the table below:

Director	Mode ^{Note 1}	Topics Covered ^{Note 2}	Hours Completed	Total
<u>Executive Chairman</u>				
KWEK Leng Hai	Internal Training	1 2 3 4 5 6	10.5	22.0
	External Training	2 3 4	3.5	
	Self-Study	1 2 3 4 5	8.0	
<u>Executive Director</u>				
Christian K. NOTHHAFT – Chief Executive Officer	Internal Training	1 2 3 4 5	3.0	14.5
	External Training	2 3 4	3.5	
	Self-Study	1 2 3 4 5	8.0	
<u>Non-executive Director</u>				
KWEK Leng San	Internal Training	1 2 3 4 5	2.0	16.5
	External Training	2 3 4 5	8.5	
	Self-Study	1 2 3 4 5	6.0	
<u>Independent Non-executive Directors</u>				
Lester G. HUANG, SBS, JP	Internal Training	1 2 3 4 5	2.5	11.5
	External Training	2 3 4	3.0	
	Self-Study	1 2 3 4 5	6.0	
Paul J. BROUGH	Internal Training	1 2 3 4 5	2.0	36.0
	External Training	2 3 4 5	26.0	
	Self-Study	1 2 3 4 5	8.0	
Melissa WU Mao Chin	Internal Training	1 2 3 4 5	2.0	47.0
	External Training	1 2 3 4 5	32.5	
	Self-Study	1 2 3 4 5	12.5	

CORPORATE GOVERNANCE REPORT

DIRECTORS (CONT'D)

Directors' Continuous Training and Development Programme (Cont'd)

Notes:

- For disclosure purposes, the mode of training is categorised based on the provider delivering the relevant training.

Mode of Training	Description
Internal Training	Training delivered by the Company, its group companies or associated companies, including but not limited to management briefings, business and operational updates and governance-related training
External Training	Training delivered by external professional institutions, regulatory bodies, industry organisations or other external bodies or entities
Self-study	Independent learning through reading and research materials, internal guidance notes, regulatory and industry updates, and other relevant reference resources, including materials identified, compiled and/or circulated by the Company as part of its on-going CPD programme for directors

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Topics Covered	Description
①	Roles, functions, and responsibilities of the board, its committees, directors, and overall board effectiveness
②	The Company's obligations and directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rule updates) relevant to the discharge of such obligations
③	Corporate governance and ESG matters (including developments on sustainability or climate-related risks and opportunities relevant to the Company and its business)
④	Risk management and internal controls
⑤	Updates on industry-specific developments, business trends and strategies relevant to the Company
⑥	Other topics which do not fall within the five prescribed topics under the Listing Rules

COMPANY SECRETARY

The Company Secretary is an employee of the Group. The appointment and removal of the Company Secretary is subject to Board approval. Whilst the Company Secretary reports to the Executive Chairman and the Executive Director/CEO, all members of the Board have access to her advice and service. The Company Secretary has day-to-day knowledge of the Group's affairs. She confirms that she has complied with all the required qualifications, experience and training requirements under the Listing Rules.

CORPORATE GOVERNANCE REPORT

DIRECTORS' REMUNERATION

Board Remuneration Committee ("BRC")

The principal role and functions of the BRC are to make recommendations to the Board on the policy and structure for the remuneration of directors and senior management, as well as to determine, with delegated responsibility from the Board as described under Code E.1.2(c) of the HKEX Code, the individual remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payment which may include any compensation payable for loss or termination of their office or appointment. It is also responsible to review and approve matters relating to share schemes under Chapter 17 of the Listing Rules. Detailed terms of reference of the BRC is accessible on the Company's website at www.guoco.com and the HKEX's website at www.hkexnews.hk.

Membership and attendance

For the year ended 30 June 2026, the members of the BRC and their attendance at the meetings are set out below:

	BRC Meeting attended/ eligible to attend
Lester G. HUANG, <i>SBS, JP</i> * – <i>Chairman of the BRC</i>	2/2
KWEK Leng Hai [@]	2/2
Paul J. BROUGH*	2/2

[@] Executive Chairman of the Board

* Independent Non-executive Director

Work done during the year

- reviewed and recommended directors' fees for the non-executive directors for the financial year 2024/25;
- reviewed and approved the discretionary bonuses for the executive directors and senior management for the financial year 2024/25;
- conducted annual review of the remuneration packages of the executive directors and senior management for the year 2026;
- reviewed and approved the remuneration packages of the senior management appointed during the year;
- reviewed the remuneration policy for directors and senior management;
- reviewed the terms of reference of the BRC and recommended proposed changes thereto for Board approval; and
- deliberated the statement relating to the BRC for inclusion in the Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

DIRECTORS' REMUNERATION (CONT'D)

Level and Make-up of Remuneration

The Group's remuneration policy for executive directors and senior management is linked to performance, service seniority, experience and scope of responsibility and is based on the provisions in the Group's Human Resources Manual, which is reviewed from time to time to align with market/industry practices.

The level of remuneration of non-executive directors reflects the level of responsibilities undertaken by them. The fees of directors, primarily for the independent non-executive directors, are recommended and endorsed by the Board for shareholders' approval at the Company's annual general meetings. Details of directors' remuneration for the year ended 30 June 2026 are provided in note 9 to the Financial Statements in this annual report.

DIRECTORS' NOMINATION

Board Nomination Committee ("BNC")

The principal role and functions of the BNC is to make recommendations to the Board on the structure, size, composition and skills matrix of the Board, to complement the Company's corporate strategy, to review the independence of INEDs, the suitability of directors who will stand for re-election and directors' continuous training and development programme, to assess directors' time commitment and contribution to the Board, to formulate, review and implement a policy for the nomination of directors (including nomination procedures) and to formulate policies concerning board and workforce diversity, monitor the implementation of such policies and to review the same, as appropriate, as well as to support regular evaluation of the Board's performance. Detailed terms of reference of the BNC is accessible on the Company's website at www.guoco.com and HKEX's website at www.hkexnews.hk.

Membership and attendance

For the year ended 30 June 2026, the members of the BNC and their attendance at the meetings are set out below:

	BNC Meeting attended/ eligible to attend
KWEK Leng Hai [@] – <i>Chairman of the BNC</i>	1/1
Paul J. BROUGH [*]	1/1
Melissa WU Mao Chin [*]	1/1

[@] Executive Chairman of the Board
^{*} Independent Non-executive Director

CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Nomination Committee ("BNC") (Cont'd)

Work done during the year

- reviewed the structure, size, composition and diversity of the Board (including the mix of skills, knowledge, experience, competencies of directors, and the balance between executive director, non-executive director and INEDs) annually and determined the target for Board gender diversity;
- reviewed the gender diversity of the workforce;
- reviewed and assessed directors' time commitment and contribution to the Board;
- determined the plan for board performance review;
- reviewed and assessed the independence of INEDs of the Company;
- reviewed and assessed the suitability of the directors who stood for re-election at the annual general meeting pursuant to the process and criteria as set out in the Nomination Policy;
- reviewed the continuous training and development programmes undertaken by directors to ensure that an appropriate programme is in place;
- reviewed the terms of reference of the BNC, the Board Diversity Policy and the Nomination Policy; and
- deliberated the statement relating to the BNC for inclusion in the Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Performance Review

The Board considers regular performance review to be an important element of effective corporate governance. In 2026, the Board conducted an internal Board performance review under the oversight of the BNC through an assessment questionnaire completed by all directors on a confidential basis. The assessment, which is to be conducted on every two years, aimed to collect feedback from directors and to provide a platform for them to offer recommendations on areas for enhancement, thereby supporting continuous improvement of the Board's effectiveness.

The review covered, among other matters, Board composition and succession, Board culture and dynamics, effectiveness of the Board and its committees, Board processes and accountabilities, adequacy of information and support, risk management and internal controls, directors' training and development, and stakeholder engagement. The assessment criteria were developed with reference to the Group's vision, values, culture, strategy and Board skills matrix.

The Board performance assessment results indicate that the Board continues to operate effectively. Directors rated all assessment areas positively, with particular strengths identified in Board culture and dynamics, board processes and accountabilities, as well as risk management and internal controls. Opportunities identified for further enhancement include considering the Board's future skills and competency requirements, strengthening training and development initiatives, and providing directors with broader exposure to the Group's operations, businesses and stakeholder engagement activities. Based on the assessment, the Board was satisfied that it continued to operate effectively and maintained an appropriate balance of skills, experience, knowledge and diversity of perspectives to support the Group's objectives.

In addition to the Board performance review, annual review processes were conducted by the BNC covering, among others, directors' time commitment and contribution, the independence of INEDs, the structure, size, composition, diversity and skills mix of the Board, and directors' continuous professional development. The findings of these reviews support the Board's ongoing evaluation of its effectiveness and are further described in the relevant sections of this report.

Directors' Time Commitment and Contribution to the Board

During the year, the BNC conducted an annual assessment of each director's time commitment, contribution to the Board and ability to discharge his/her responsibilities effectively. In carrying out the assessment, the BNC considered, among other things, each director's professional qualifications, experience, attendance and participation at Board and Board committee meetings, contribution to the affairs of the Company, existing listed company directorships and other significant external commitments. Based on its assessment, the BNC was satisfied that all directors had devoted sufficient time and attention to the affairs of the Company and had effectively discharged their duties during the year ended 30 June 2026.

The BNC will continue to review directors' commitments on an ongoing basis to ensure that they are able to devote sufficient time to performing their responsibilities effectively.

CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Diversity

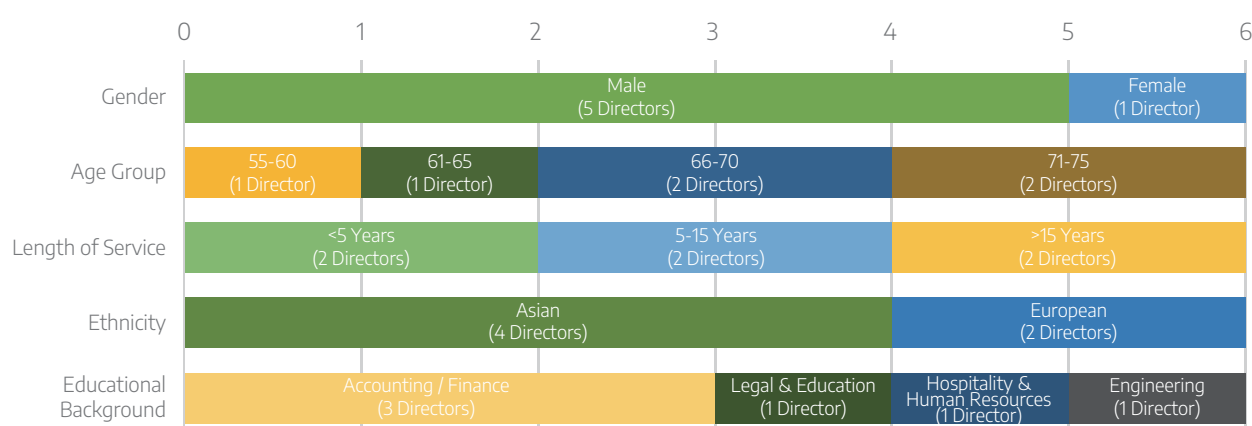
The Company has adopted a Board Diversity Policy which is accessible at the Company's website at www.guoco.com. The Company recognises and embraces the benefits of a diverse Board in enhancing its effectiveness and supporting long-term sustainable growth. Pursuant to the Board Diversity Policy, the selection of candidates for Board appointments is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision is based on merit and the contributions that the selected candidates can bring to the Board.

Assessment and selection of candidates for Board succession will be made pursuant to the objectives of the Board Diversity Policy. While conscious efforts are being taken to achieve board diversity, new appointments are ultimately made on a merit basis taking into account the qualifications and suitability of the candidates. With a view to achieving a sustainable and balanced development, the BNC reviews annually the structure, size, composition and diversity of the Board and the Board confirms that its composition complies with the Listing Rules and reflects an appropriate mix of diversity perspectives, skills, knowledge and experience.

The Company is committed to enhancing gender diversity at Board level. As at 30 June 2026, the Company has one female director representing 16.7% of the Board. The Company targets to continue complying with the Listing Rules requirement of having at least one director of different gender on the Board. The Company will continue to monitor the need for appointing members of particular gender in order to maintain/enhance diversity, if desired or necessary. The Company will identify suitable candidates by way of referral from directors, shareholders, management or advisors of the Company, etc. and may seek assistance from external executive search firms as and when required.

The BNC considers diversity from a broad range of perspectives, including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Board's diversity profile as at 30 June 2026 is set out below.

Board Diversity Profile



CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Diversity (Cont'd)

As part of its annual review of the Board composition and diversity, the BNC assesses whether the Board collectively possesses the skills, experience and expertise required to support the Group's strategy, culture and long-term objectives. The Board skills matrix assists the BNC in evaluating Board effectiveness, identifying potential capability gaps and supporting succession planning.

The skills matrix sets out the skills and expertise of the Board that are most relevant to serve the Group's purpose, values, culture and strategy. Collectively, these competencies enable the Board to provide effective leadership and oversight, support sound decision-making, manage risks and opportunities, and promote the sustainable growth and long-term success of the Group.

Board Skills Matrix

	Strategic Leadership & Corporate Development	Investment & Treasury Management	Financial Management & Accounting	Risk Management, Internal Control, Corporate Governance, ESG & Sustainability	International Business & Cross-border Operations	Property Development, Investment & Asset Management	Banking & Financial Services	Hospitality, Leisure & Consumer Businesses	People Management & Organisational Development
<i>Executive Chairman</i>									
KWEK Leng Hai	•	•	•	•	•	•	•	•	•
<i>Executive Director</i>									
Christian K. NOTHHAFT – Chief Executive Officer	•			•	•			•	•
<i>Non-executive Director</i>									
KWEK Leng San	•	•			•				•
<i>Independent Non-executive Directors</i>									
Lester G. HUANG <i>SBS, JP</i>	•			•	•				
Paul J. BROUGH	•	•	•	•	•		•		
Melissa WU Mao Chin	•		•	•		•	•		•
Coverage (% of the Board)	100%	50%	50%	83%	83%	33%	50%	33%	67%

CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Diversity (Cont'd)

Board Skills Matrix (Cont'd)

Key Skill Area	Nature and Scope	Relevance to the Group
Strategic Leadership & Corporate Development	Ability to formulate business strategy, driving growth, evaluating opportunities and overseeing business transformation.	Supports long-term value creation, strategic decision-making, sustainable growth and value creation.
Investment & Treasury Management	Experience in investment evaluation, portfolio management, capital market and investment strategy, and treasury management.	Supports oversight of the Group's principal investment and treasury activities, and overall investment strategies and decisions.
Financial Management & Accounting	Expertise in financial management, accounting, financial reporting and financial analysis.	Supports oversight of financial performance, financial management and reporting, and to ensure financial strength.
Risk Management, Internal Control, Corporate Governance, ESG & Sustainability	Knowledge of enterprise risk management, internal control systems, regulatory compliance, governance frameworks and ESG.	Supports effective oversight on compliance, responsible business practices. Promote sustainability, governance and corporate responsibility to align with the Group value of social responsibility.
International Business & Cross-border Operations	Experience in conducting business across multiple jurisdictions, managing international operations and overseeing geographically diversified businesses and investments.	Supports oversight of the Group's operations and investments across Hong Kong, Singapore, Malaysia, Chinese Mainland, the UK, New Zealand and other markets.
Property Development, Investment & Asset Management	Knowledge of property development, property investment, asset management and real estate market dynamics.	Supports oversight of one of the Group's core business – property development and investment.
Banking & Financial Services	Experience in banking, financial services, financial markets and related regulatory environments.	Supports oversight of the Group's banking and financial services interests.
Hospitality, Leisure & Consumer Businesses	Experience in hospitality, leisure, consumer products, retail operations and customer-focused businesses.	Supports oversight of the Group's hospitality, leisure and consumer-related business interests.
People Management & Organisational Development	Experience in leadership development, talent management, succession planning and organisational effectiveness.	Supports the Group's people-centric culture, leadership succession and employee development.

CORPORATE GOVERNANCE REPORT

DIRECTORS' NOMINATION (CONT'D)

Board Diversity (Cont'd)

The BNC reviews the implementation and effectiveness of the Board Diversity Policy on annual basis. The Board has not identified any specific need for further skills acquisition at present. Having considered the Board diversity profile and Board skills matrix, the Board is satisfied that its current composition provides an appropriate balance of perspectives and experience, which facilitates effective oversight, constructive challenge and informed decision-making. It is considered that the Board Diversity Policy has been effectively implemented and remains appropriate for the Company.

Nomination Policy

The Board has adopted the Nomination Policy which serves as a guiding mechanism and framework for the BNC on the process for new appointments of directors, CEO and board committee members as well as the re-appointment and assessment of directors.

Under the Nomination Policy, the BNC will assess potential candidates based on various assessment criteria, including the candidate's age, skills, knowledge, experience, expertise, professional and educational qualifications, potential/actual conflicts of interest with the Group and time commitments as well as the overall desired Board composition and the mix of expertise and experience of the Board as a whole. In case of appointment and re-appointment of INEDs, the BNC will also assess the independence of the candidates pursuant to the criteria set out in the Listing Rules. The BNC will make recommendations to the Board in respect of the appointment and re-election.

The BNC reviews annually the Nomination Policy to ensure its effectiveness and application, and will update, amend and modify as appropriate to ensure it continues to be relevant to the needs of the Company and is consistent with regulatory and corporate governance requirements.

The Nomination Policy is accessible on the Company's website at www.guoco.com.

Workforce Diversity Policy

The Board has adopted the Workforce Diversity Policy which aims to set out the Company's commitment and approach to achieving diversity and inclusion within the workforce. The Group seeks to diversify its workforce across all levels by welcoming individuals of different expertise, cultures, backgrounds, genders, languages and experiences. All employees are provided with equal opportunities without discriminatory biases and are evaluated solely according to their capabilities, competencies and potentials. The BNC reviews the Workforce Diversity Policy from time to time to ensure its effectiveness.

As at 30 June 2026, the Group had a total of around 10,300 employees^{Note}. The Group's senior management comprises only the Executive Chairman and the Chief Executive Officer and accordingly, male representation at the senior management level is 100%. The gender ratio of male to female (excluding senior management) is approximately 55% to 45%. The Board is of the view that current gender diversity in workforce is appropriate taking into account the business's operational needs of the Group as well as the market norms and the availability of labour of particular gender of where the Group's business operates. The Company will continue to take gender diversity into consideration during recruitment process.

Note: The total number of employees includes permanent, contract, temporary and part-time employees.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Board Audit and Risk Management Committee (“BARMC”)

The BARMC oversees the financial reporting process and assesses the adequacy and effectiveness of the Company’s financial reporting as well as risk management and internal control systems. The BARMC meets with the Company’s external and internal auditors, and reviews their audit plans, the internal audit programme, and the results of their examinations as well as their evaluations of the risk management and internal control systems. The BARMC reviews the Group’s and the Company’s financial statements and the auditor’s report thereon and submits its views to the Board. Detailed terms of reference of the BARMC are accessible on the Company’s website at www.guoco.com and HKEX’s website at www.hkexnews.hk.

Membership and attendance

For the year ended 30 June 2026, the members of the BARMC and their attendance at the meetings are set out below:

	BARMC Meetings attended/ eligible to attend
Paul J. BROUGH* – <i>Chairman of the BARMC</i>	4/4
Lester G. HUANG, <i>SBS, JP*</i>	4/4
Melissa WU Mao Chin*	4/4

* Independent Non-executive Director

The CEO, GCFO and Head of Internal Audit are regular attendees of the BARMC meetings. Representatives of the external auditor are invited to attend the BARMC meetings to present their audit plan, significant audit and accounting matters which they noted in the course of their audit.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT (CONT'D)

Board Audit and Risk Management Committee ("BARMC") (Cont'd)

Work done during the year

- reviewed the fees charged by external auditors for audit and non-audit services, the nature and scope of external audit, the independence of external auditor and effectiveness of the audit process and approved the external audit fee and the engagement terms;
- reviewed the external auditor's audit findings, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control, as well as management's response thereto;
- reviewed the Group's accounting policies and practices;
- reviewed the interim financial report, the interim results announcement, the annual financial statements and the annual results announcement before submitting them to the Board;
- reviewed the effectiveness of the processes for financial reporting and Listing Rules compliance of the Company;
- reviewed and approved the annual internal audit plan, major findings of internal audit assignments and the progress of implementation of remedial measures on control issues identified;
- reviewed and approved the approach of annual assessment and attestation of the appropriateness and effectiveness of the risk management and internal control systems and identification of significant internal control failures/weakness;
- reviewed and discussed with the management the effectiveness of the risk management, including among others, material ESG and climate risks, and internal control system;
- reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions, as well as those relating to the Company's ESG performance and reporting;
- reviewed the connected transactions entered into by the Group or subsisting during the year;
- reviewed the Non-assurance Services Communication and Concurrence Policy (the "NAS Policy") and recommended proposed changes thereto;
- reviewed and endorsed the non-assurance service engagements with the external auditor pursuant to the NAS Policy;
- reviewed the summary of material litigation cases with potential financial impact to the Group;
- reviewed the Whistleblowing Policy and suggested changes thereto;
- reviewed the terms of reference of the BARMC and recommended proposed changes for Board approval;
- reviewed the Climate Risk Management Policy and approved proposed changes thereto; and
- deliberated the statement relating to the BARMC for inclusion in the Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT (CONT'D)

Financial Reporting

The Listing Rules require listed companies to prepare annual financial statements which shall provide a true and fair view of the state of affairs of the companies and of the results of their operations and cash flows.

The Board is responsible for ensuring the maintenance of proper accounting records of the Group. It has also acknowledged its responsibility for preparing the financial statements.

The Board approves the financial statements after taking into account the BARMC's comments on specific accounting matters.

The Board is satisfied that appropriate accounting policies have been used in preparing the financial statements, consistently applied and complied with the relevant accounting standards.

A statement of the auditor about their reporting responsibilities is included in the Independent Auditor's Report on pages 80 to 86 of this annual report.

Auditor's Remuneration

The fees charged by the Group's external auditor for the year in respect of annual audit services amounted to HK\$34,711,000 and those in respect of non-audit services (comprising tax advisory and review, transaction support and consultancy services) amounted to HK\$10,868,000.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management and Internal Control System

For business strategy formulation and for improving business performance, a set of Enterprise Risk Management framework ("ERM framework"), as set forth in the company policy, has been established and implemented by all strategic business units ("SBUs") within the Group. This ERM framework consists of iterative processes for each SBU to constantly identify and assess risks (including ESG risks) in terms of their potential impact and probability of occurrence, as well as to establish and implement relevant procedures and internal controls for risk mitigation. Risk profile reports are submitted to the Company's senior management and the BARMC for review on a quarterly basis, to ensure that residual risks after taking into account risk mitigating measures fall within the risk appetite and tolerance set by the Board.

There were no significant changes during the year in the Company's overall assessment of risks, including ESG risks, that required a material change to the Company's risk appetite or risk management approach. There were also no significant changes to the overall design of the Company's risk management and internal control systems. The Company nevertheless continued to refine its risk monitoring, reporting and control processes in the ordinary course to respond to evolving business and regulatory requirements.

The BARMC oversees the effectiveness of the processes for financial reporting and Listing Rule compliance. It also reviews the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting functions as well as those relating to the Company's ESG performance and reporting.

To assist the BARMC in its oversight and monitoring activities, the Company's internal audit function adopts a risk-based approach and conducts periodic audits of major controls including financial, operational, compliance and the risk management function of the Company and its subsidiaries. Audit plans are developed annually based on the Company's risk profile and are approved by the BARMC. Any material control issues identified, together with remedial action plans, are reported to the BARMC at the meetings. The internal audit team shall follow up and ensure that any material control issues are promptly and properly rectified. Where appropriate, external professional advisers and assurance providers may be engaged to perform independent assessments or specialist reviews in specific risk areas.

The effectiveness of the Company's and its subsidiaries' risk management and internal control systems is reviewed by the BARMC on a quarterly basis, based on the risk profile reports submitted and reported audit findings. In addition, the BARMC reviews the results of annual self-assessments and attestations conducted by management of major business units regarding the effectiveness of their respective internal control, which are confirmed by the respective senior executives. The review did not identify any significant control failings or weaknesses that would have a material impact on the Company's financial, operational, compliance or ESG control environment. No material control failings or weaknesses were reported to the BARMC in previous financial years.

Based on the results of the reviews performed and information received during the year, the BARMC will submit the report to the Board for deliberation. Based on the results of the BARMC reviews, the Board confirmed that Company's material controls, including financial, operational and compliance controls were operating effectively and is satisfied that the Company's risk management and internal control systems remained effective and adequate for the year ended 30 June 2026. The extent and frequency of communication of the monitoring results to the BARMC and the Board have been reviewed and are considered sufficient.

The Board acknowledges responsibility for the risk management and internal control systems and reviewing their effectiveness, but would like to explain that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Risk Management and Internal Control System (Cont'd)

Handling and Dissemination of Inside Information

The Company has established and implemented relevant policies, procedures and internal controls for handling and dissemination of inside information. Access to inside information is restricted on a need-to-know basis, and employees who require access are made aware of their obligations to maintain confidentiality and to refrain from dealing in the Company's securities while in possession of such information. All inside information is maintained in strict confidence prior to its public disclosure.

The Company is committed to ensuring that discloseable information is communicated to the public in a timely, accurate and complete manner. Procedures and controls have been established to monitor the Group's financial performance, business developments and corporate events. Business and functional units are required to report relevant matters to management through regular reporting and to promptly escalate matters when internal escalation criteria are triggered. Management assesses the relevance and materiality of the information received and, where appropriate, submits to the Board for consideration and determination as to whether it constitutes inside information. The Board is provided with adequate and reliable information, together with relevant analyses and recommendations, to enable it to make an informed decision. Where the Board determines that a matter constitutes inside information, the Company will make timely disclosure in compliance with the requirements of the Securities and Futures Ordinance and the Listing Rules.

Whistleblowing Policy and Anti-Corruption Policy

The Company has put in place a whistleblowing policy (the "Whistleblowing Policy") setting out the reporting channels on suspected misconduct, malpractice or non-compliance within the Company and applicable subsidiaries based on which management can take appropriate action. The Whistleblowing Policy is reviewed annually by the BARMC to ensure its effectiveness.

All information received shall be handled by Group Internal Audit or an independent investigating team instructed by senior management. Management may take disciplinary action against any persons found to have committed misconduct, malpractice or non-compliance, and the matter may be reported and information provided to the police or relevant authorities/governing or professional bodies as warranted by the findings.

The Group has implemented policies on anti-corruption and procedures concerning offering or accepting gifts or gratuities. Our contractors and suppliers will also be required to commit to, as appropriate, the code of conduct on anti-corruption and other business ethics.

More details on the Whistleblowing Policy and the anti-corruption policies are disclosed in the "Environmental, Social and Governance Report" of the Company which is available at the Company's website at www.guoco.com.

CORPORATE GOVERNANCE REPORT

INVESTOR RELATIONS

Shareholder Communications and Follow-up

The Board recognises the importance of maintaining open, transparent and effective communication with shareholders and other stakeholders. The Executive Director/CEO and the Company Secretary are designated by the Board to oversee the Company's day-to-day investor relations and shareholder communication activities. The Board, including the INEDs, seeks to remain accessible to shareholders and encourages constructive dialogue to better understand shareholders' views on matters affecting the Company, including its performance, corporate governance and strategic direction. A shareholder communication policy is in place to ensure that the Company's shareholders are provided with access to material information about the Company in a timely manner.

During the year ended 30 June 2026, the Company engaged with its shareholders through various channels.

Channel/Platform	FY2025/2026 Highlights
Annual General Meeting	- The 2025 AGM was held on 14 November 2025. - All board members, including the INEDs and chairmen of the Board Committees, as well as the representatives of the external auditor attended the 2025 AGM. - The AGM served as the principal forum for direct engagement between shareholders, the Board and management. Shareholders were invited to raise questions and provide views on the Group's financial performance, business operations, corporate governance, strategy and future development.
Institutional Investors/ Analysts Meetings	- The Executive Director/CEO and the Group Company Secretary held two meetings with institutional investors and analysts during the year. - The meetings provided briefings on the Group's business performance, strategic priorities and market outlook, and facilitated discussions on matters of interest to the investment community.
Corporate Communications	Corporate communication materials including interim and annual reports, ESG report and approximately 30 notices, announcements and circular were published on the websites of the Company and the Stock Exchange in a timely manner throughout the year.
Company Website	- The Company's website continued to serve as an important communication channel with shareholders, investors and other stakeholders. - The website provided timely access to announcements, financial reports, corporate communications, shareholder information, corporate governance materials, constitutional documents, ESG disclosures and information relating to the Group's businesses and operations. - Shareholders could also access information on the electronic dissemination of corporate communications, arrangements for requesting printed copies, the corporate calendar and the email alert service. - The website was regularly updated to ensure timely dissemination of information and facilitate effective engagement with shareholders and the investment community.

CORPORATE GOVERNANCE REPORT

INVESTOR RELATIONS (CONT'D)

Shareholder Communications and Follow-up (Cont'd)

Channel/Platform	FY2025/2026 Highlights
Dedicated Contacts for Shareholder Enquiries and Feedback	- The Company maintained dedicated communication channels to facilitate shareholders' enquiries and feedback and to provide information relating to the Group to the extent such information is publicly available. Shareholders were encouraged to communicate with the Company and raise enquiries regarding the Group's business, corporate governance and other matters of interest. - Shareholders could contact the Company through the following channels: By Post : Guoco Group Limited 50th Floor, The Center, 99 Queen's Road Central, Hong Kong By Fax : (852) 2285 3233 By Email : comsec@guoco.com - Shareholders' questions about their shareholdings are dealt with by Computershare Hong Kong Investor Services Limited, the Company's branch share registrar, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

The Group places considerable importance on shareholder feedback as part of its commitment to effective communication and engagement. Questions and concerns raised during direct interactions with shareholders are generally addressed during the relevant sessions. Feedback received from shareholders and the investment community is recorded, reviewed by management and communicated to the Board, where appropriate, and is taken into account in the Company's decision-making processes and ongoing stakeholder engagement efforts.

The Board has conducted a review of the implementation and effectiveness of the shareholder communication policy during the year ended 30 June 2026 and, having considered the various channels of communication in place, was satisfied that the implementation of the policy was effective.

Dividend Policy

The Board has adopted a dividend policy with the objective of creating long-term value for shareholders while maintaining a balance between dividend distribution, preserving adequate liquidity and reserve to meet its working capital requirements and capturing future growth opportunities.

In determining whether to recommend or declare a dividend and the amount of any dividend, the Board will take into account factors including the Company's financial performance, future funding and working capital requirements, and such other factors as it considers relevant.

The Board confirms that all dividend decisions made during the year were in accordance with the Company's dividend policy.

CORPORATE GOVERNANCE REPORT

INVESTOR RELATIONS (CONT'D)

Shareholders' Rights

The Company has only one class of shares, all shares have the same voting rights and are entitled to the dividends declared.

Rights and Procedures for Shareholders to Convene General Meetings

Pursuant to section 74 of the Bermuda Companies Act 1981 ("Companies Act") and Bye-Law 62 of the Bye-Laws, the directors shall, on the requisition of the Company's shareholders holding at the date of the deposit of the requisition not less than one-tenth (10%) of such of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company. The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.

Rights and Procedures for Shareholders to Put Forward Proposals at General Meetings

Pursuant to sections 79 and 80 of the Companies Act, shareholder(s) of the Company holding at the date of the deposit of the requisition not less than one-twentieth (5%) of the total voting rights of the Company or not less than 100 shareholders of the Company may make a requisition to require the Company to give notice to other shareholders of any resolution to be considered at annual general meetings or to circulate to other shareholders any written statement of not more than 1,000 words with respect to the matter to be dealt with at that meeting. The written requisition must be duly signed by the requisitionist(s) and be deposited at the Company's registered office within the time limit prescribed in section 80 of the Companies Act.

Rights and Procedures for Shareholders to Propose a Person for Election as a Director

Pursuant to the Bye-Law 103 of the Bye-Laws, shareholder(s) of the Company may send a notice in writing of the intention to propose a person for election as a director and the notice in writing by that person of his willingness to be elected. Such notices shall be lodged at the Company's principal office at 50th Floor, The Center, 99 Queen's Road Central, Hong Kong, or at the Company's branch share registrar's office at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong provided that the minimum length of the period for lodgment of the notices referred to herein shall be at least seven days which shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

Constitutional Document

There was no significant amendment to the Bye-Laws during the year ended 30 June 2026.

28 September 2026

FINANCIAL SECTION CONTENTS

Report of the Directors	56
Independent Auditor's Report	80
Consolidated Income Statement	87
Consolidated Statement of Comprehensive Income	88
Consolidated Statement of Financial Position	89
Consolidated Statement of Changes in Equity	91
Consolidated Statement of Cash Flows	93
Notes to the Financial Statements	
1 Basis of preparation	95
2 Material accounting policies	96
3 Accounting estimates and judgements	115
4 Changes in accounting policies	116
5 Turnover and revenue	117
6 Other revenue and net income	118
7 Profit for the year before taxation	119
8 Taxation	122
9 Directors' emoluments	124
10 Emoluments of the five highest paid individuals	125
11 Dividends	126
12 Earnings per share	126
13 Segment reporting	127
14 Investment properties and other property, plant and equipment	132
15 Right-of-use assets	138
16 Intangible assets	140
17 Interest in subsidiaries	142
18 Interest in associates and joint ventures	153
19 Equity investments at FVOCI	157
20 Goodwill	157
21 Development properties	158
22 Properties held for sale	158
23 Inventories	159
24 Contract assets/liabilities	159
25 Trade and other receivables	160
26 Trading financial assets	161
27 Cash and short term funds and other cash flow information	161
28 Trade and other payables	164
29 Bank loans and other borrowings	165
30 Provisions and other liabilities	166
31 Lease liabilities	167
32 Deferred taxation	168
33 Share capital and reserves	170
34 Notes to the consolidated statement of cash flows	172
35 Employee retirement benefits	173
36 Financial risk management and fair values	178
37 Capital management	185
38 Commitments	186
39 Material related party transactions	186
40 Company-level statement of financial position	190
41 Parent and ultimate holding company	191
42 Possible impact of new or amended standards issued but not yet effective for the year ended 30 June 2026	191
Major Development Properties and Properties Held for Sale of the Subsidiaries	192
Major Properties of the Subsidiaries Held for Investment	194
Ten-Year Summary	196

REPORT OF THE DIRECTORS

The directors of the Company (the “Directors”) present their report together with the audited financial statements of the Group for the year ended 30 June 2026 (the “Financial Statements”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and management. The principal activities of the subsidiaries which materially affected the results or assets of the Group during the year include principal investment, property development and investment, hospitality and leisure business. The principal activities of the associates which materially affected the results of the Group during the year include commercial banking business, Islamic banking services, insurance and takaful business, investment banking, futures and stockbroking and asset management business.

The analysis of the principal activities and locations of operations of the Company and its subsidiaries during the year is set out in note 17 to the Financial Statements.

BUSINESS REVIEW

A fair review of the business of the Group, a discussion and analysis of the Group’s performance during the year, financial key performance indicators, description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year (if any) as well as an indication of likely future development in the business of the Group are provided throughout this annual report, particularly in the sections headed Financial Highlights, Chairman’s Statement, Management Discussion and Analysis as well as the Segment Reporting, and Financial Risk Management and Fair Value in the notes to the Financial Statements. A discussion on the Group’s compliance with relevant laws and regulations that have a significant impact on the Group and an account of the Group’s key relationships with its stakeholders as well as the Group’s environmental policies and performance are provided in the “Corporate Governance Report” in this annual report and the “Environmental, Social and Governance Report” which is available at the Company’s website at www.guoco.com. All such discussions form part of this Report of the Directors.

SUBSIDIARIES

Particulars of the principal subsidiaries of the Company are set out in note 17 to the Financial Statements.

FINANCIAL STATEMENTS

The consolidated net profit of the Group for the year ended 30 June 2026 and the state of the Company’s and the Group’s affairs as at that date are set out in the Financial Statements on pages 87 to 191.

DIVIDENDS

An interim dividend of HK\$0.70 per share (2025: HK\$0.60 per share) totalling HK\$230,336,000 (2025: HK\$197,431,000) was paid on 25 March 2026.

The Directors are recommending payment of a final dividend of HK\$2.90 per share (2025: HK\$2.90 per share) in respect of the year ended 30 June 2026 totalling HK\$954,245,000 (2025: HK\$954,251,000) on Wednesday, 2 December 2026 to all persons registered as holders of shares on the register of members of the Company on Friday, 20 November 2026, being the record date for determining the entitlement of shareholders of the Company (the “Shareholders”) to the proposed final dividend.

REPORT OF THE DIRECTORS

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for less than 30% of the total turnover of the Group and the five largest suppliers of the Group accounted for less than 30% of the total purchases of the Group.

CHARITABLE DONATIONS

Donations made by the Group during the year amounted to US\$2,103,000 (2025: US\$1,937,000).

SHARE CAPITAL

The Company did not issue any new shares during the year. Details of the movement in the share capital of the Company are shown in note 33 to the Financial Statements.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in note 33 to the Financial Statements and the consolidated statement of changes in equity respectively.

EQUITY-LINKED AGREEMENTS

Other than the Executive Share Scheme 2022 of the Company as disclosed in this Report, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company at any time during the year or subsisted at the end of the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the year ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

PROPERTIES

Particulars of the major development properties, properties held for sale and investment properties of the Group are shown on pages 192 to 195.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws of the Company ("Bye-Laws") or the laws in Bermuda which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

REPORT OF THE DIRECTORS

DIRECTORS

The Directors during the year and up to the date of this Report are:

KWEK Leng Hai – *Executive Chairman*

Christian K. NOTHHAFT – *Chief Executive Officer*

KWEK Leng San*

Lester G. HUANG, *SBS, JP* **

Paul J. BROUGH**

Melissa WU Mao Chin**

* Non-executive Director

** Independent non-executive Director

In accordance with Bye-Law 99 of the Bye-Laws and Code B.2.2 of the Corporate Governance Code of the Company (the “CG Code”), Messrs. KWEK Leng Hai and Paul J. BROUGH shall retire from office by rotation at the forthcoming annual general meeting of the Company to be held on 13 November 2026 (the “2026 AGM”). Both of them, being eligible, will offer themselves for re-election at the 2026 AGM.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the 2026 AGM has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS’ MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Details of the continuing connected transactions and material related party transactions are set out in this Report and note 39 to the Financial Statements respectively. Save as disclosed, no transaction, arrangement or contract of significance in relation to the Group’s business to which the Company or any of its subsidiaries was a party and in which a Director or his/her connected entity had, directly or indirectly, a material interest subsisted at the end of the year or at any time during the year ended 30 June 2026.

MANAGEMENT CONTRACT

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company’s business was entered into or existed during the year ended 30 June 2026.

REPORT OF THE DIRECTORS

INDEMNITY OF DIRECTORS

Pursuant to the Bye-Laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company maintains a directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Directors.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (the "Model Code") were disclosed as follows in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Long positions in the shares of the Company and associated corporations of the Company

(A) The Company

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	3,800,775	3,800,775	1.16%
KWEK Leng San	Beneficial owner	209,120	209,120	0.06%

(B) Associated Corporations

(a) GuoLine Capital Assets Limited

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	841,000	841,000	2.62%
KWEK Leng San	Beneficial owner	321,790	321,790	1.00%

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONT'D)

Long positions in the shares of the Company and associated corporations of the Company (cont'd)

(B) Associated Corporations (cont'd)

(b) *GuocoLand Limited*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	35,290,914	35,290,914	2.98%

(c) *Hong Leong Financial Group Berhad*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	2,526,000	2,526,000	0.22%
KWEK Leng San	Beneficial owner	654,000	654,000	0.06%

(d) *GuocoLand (Malaysia) Berhad*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	226,800	226,800	0.03%

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONT'D)

Long positions in the shares of the Company and associated corporations of the Company (cont'd)

(B) Associated Corporations (cont'd)

(e) *The Rank Group Plc*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	1,026,209	1,026,209	0.26%
Christian K. NOTHHAFT	Beneficial owner	30,000	30,000	0.01%
KWEK Leng San	Beneficial owner	56,461	56,461	0.01%

(f) *Lam Soon (Hong Kong) Limited*

Director	Capacity	Number of ordinary shares			Approx. % of total number of shares in issue
		Personal interests	Family interests	Total interests	
KWEK Leng Hai	Beneficial owner	2,300,000	–	2,300,000	0.95%
Lester G. HUANG, SBS, JP	Interests of spouse	–	150,000	150,000	0.06%

Save as disclosed above, as at 30 June 2026, none of the Directors had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

REPORT OF THE DIRECTORS

SHARE SCHEME

Executive Share Scheme 2022 (the “ESS 2022”)

The ESS 2022 was approved by the Shareholders at the annual general meeting on 8 November 2022 (the “ESS Approval Date”) and took effect on 10 November 2022 (the “ESS Effective Date”) for grant of options and/or free shares (share grants) over newly issued and/or existing shares of the Company to executives or directors of the Company or any of its subsidiaries (the “ESS Eligible Executives”) from time to time.

A trust (the “ESS Trust”) is in place for the purpose of acquiring and holding existing shares of the Company from time to time to satisfy the exercise of options and vesting of share grants which may be granted under the ESS 2022. A wholly owned subsidiary of the Company, as the trustee, is responsible for administering the ESS Trust.

A summary of the principal terms and information relating to the ESS 2022 is set out below:

1. Purpose of the ESS 2022

The purpose of the ESS 2022 is to (i) align the long term interests of the ESS Eligible Executives with those of the Shareholders and encourage the ESS Eligible Executives to assume greater responsibility for the performance of the businesses that they manage; (ii) motivate the ESS Eligible Executives towards strategic business objectives; (iii) reward the ESS Eligible Executives with an equity stake in the success of the Group; and (iv) make the total compensation package more competitive in order to attract, retain and motivate high calibre executives.

2. Total number of shares available for issue under the ESS 2022 and percentage of the issued shares that it represents

The total number of shares available for issue in respect of the share options and share grants to be granted under the scheme mandate limit of the ESS 2022 as at 1 July 2025 and 30 June 2026 were both 32,905,137 shares.

No share option or free share had ever been granted to any ESS Eligible Executives under the ESS 2022 since its adoption and up to 30 June 2026. Accordingly, as at 30 June 2026, there was no outstanding share option nor unvested share grant under the ESS 2022, and no shares of the Company might be issued pursuant thereto.

As at the date of this Annual Report, the total number of shares available for issue under the ESS 2022 remained at 32,905,137 shares, which represented 10% of the shares in issue of the Company (excluding treasury shares, if any) as at the date of this Annual Report.

3. Maximum entitlement of each participant

The maximum entitlement for an ESS Eligible Executive in respect of the total number of shares issued and to be issued upon exercise of options granted and to be granted as well as share grants vested and to be vested in any 12 months period up to the date of the latest grant shall not exceed 1% of the shares of the Company in issue (excluding treasury shares, if any) as at any date of grant.

REPORT OF THE DIRECTORS

SHARE SCHEME (CONT'D)

Executive Share Scheme 2022 (the “ESS 2022”) (cont'd)

4. Period within which the option may be exercised by the grantee

Except where it is otherwise specifically allowed under the ESS 2022, the share options and/or share grants offered to the ESS Eligible Executives are exercisable/will be vested only during his/her employment or directorship with the Group.

5. Vesting period of share options or share grants

The vesting period of the share options and/or share grants shall not be less than 12 months from the date of offer.

6. Amount payable on application or acceptance of the share option or share grant and the period which payments or calls must or may be made or loans for such purposes must be repaid

Share options and/or share grants offered under the ESS 2022 to an ESS Eligible Executive must be accepted by the offeree within thirty (30) days from the date of offer (or such longer period of time as may be permitted by the Board Remuneration Committee of the Company (the “BRC”) at its absolute discretion) by way of a written notice of acceptance and in such manner as may be prescribed by the BRC and accompanied by a payment of HK\$1 as consideration. The exercise period of the share options offered shall not be more than ten (10) years from the date of offer.

7. Basis of determining the exercise price of options granted or the purchase price of the shares granted

The BRC may at its discretion determine the exercise price of the options provided that the exercise price so fixed must be at least the higher of (a) the closing price of a share of the Company as stated in the Stock Exchange's daily quotations sheet on the date of offer of such option, which must be a business day; (b) the average closing price of a share of the Company as stated in daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of such option; and (c) the nominal value of a share of the Company.

8. Remaining life of the ESS 2022

The life of the ESS 2022 is 10 years from the ESS Effective Date. The ESS 2022 shall remain valid and effective till 9 November 2032.

Others

Certain other subsidiaries of GuoLine Capital Assets Limited, the ultimate holding company of the Company, maintain share schemes or plans or arrangements which subsisted at the end of the year or at any time during the year, under which eligible Directors may be granted free shares or share options for acquisition of shares of respective companies concerned. No person, being a Director during the year, held shares acquired in pursuance of any aforesaid share schemes or plans or arrangements.

Save for above, at no time during the year was the Company, any of its parent companies, its subsidiary undertakings or subsidiary undertakings of its parent companies a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

REPORT OF THE DIRECTORS

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2026, the substantial shareholders and other persons who had interests or short positions in the shares and underlying shares of 5% or more in the Company's issued share capital as recorded in the register maintained by the Company under Section 336 of the SFO are as follows:

Long positions in the shares and underlying shares of the Company

Shareholder	Capacity	Number of shares/underlying shares			Approx. % of total number of shares in issue
		Interests in shares	Interests under equity derivatives	Total	
QUEK Leng Chan ("QLC")	Interest of controlled corporations	242,008,117	40,272,716	282,280,833 (Note 1)	85.79%
GuoLine Capital Assets Limited ("GCAL")	Interest of controlled corporations	240,351,792	–	240,351,792 (Note 2)	73.04%
GuoLine Investment Assets Limited ("GIAL", formerly known as GSL Holdings Limited)	Interest of controlled corporation	–	40,272,716	40,272,716 (Note 3)	12.24%
Hong Leong Investment Holdings Pte. Ltd. ("HLInvst")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 4 & 5)	85.28%
Davos Investment Holdings Private Limited ("Davos")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 4 & 6)	85.28%
KWEK Leng Kee ("KLK")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 4 & 7)	85.28%
First Eagle Investment Management, LLC ("FEIM")	Investment manager	26,238,046	–	26,238,046 (Note 8)	7.97%

REPORT OF THE DIRECTORS

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS (CONT'D)

Long positions in the shares and underlying shares of the Company (cont'd)

Notes:

1. The interest of controlled corporations of QLC comprised 242,008,117 ordinary shares of the Company and 40,272,716 underlying shares of other unlisted cash settled derivatives, and were directly held by:

	Number of shares/ underlying shares
GuoLine Overseas Limited ("GOL")	236,524,930
GuoLine (Singapore) Pte Ltd ("GSL")	40,272,716
Asset Nominees Limited ("ANL")	3,826,862
Robusto Ltd ("RL")	1,656,325

ANL was wholly owned by Guoco Management Company Limited ("GMC") which in turn was wholly owned by the Company. The Company was 71.88% owned by GOL which in turn was wholly owned by GCAL. GSL was wholly owned by GIAL. Each of GCAL and GIAL was 49.11% owned by QLC while RL was wholly owned by QLC.

2. The interests of GCAL were directly held by GOL and ANL as set out in Note 1 above.
3. The interests of GIAL were underlying shares of unlisted cash settled derivatives directly held by GSL as set out in Note 1 above.
4. The interests of HLIInv, Davos and KLK are duplicated.
5. HLIInv was deemed to be interested in these interests through its controlling interests of 34.49% in each of GCAL and GIAL.
6. Davos was deemed to be interested in these interests through its controlling interests of 33.59% in HLIInv.
7. KLK was deemed to be interested in these interests through his controlling interests of 41.92% in Davos.
8. FEIM was deemed to be interested in these interests held by various management accounts and funds controlled by it.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any person who had interests or short positions in the shares or underlying shares of the Company of 5% or more which should be disclosed pursuant to Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

Continuing Connected Transactions

Master Services Agreement

A master services agreement dated 30 June 2023 (the “Master Services Agreement”) was entered into by the Company (together with its subsidiaries, the “Group”) with GuoLine Group Management Company Pte. Ltd. (“GGMC”) for the provision of management services (the “Services”) as set out in the announcement of the Company dated 30 June 2023 (the “MSA Announcement”) to the Group (referred to as “Service Recipient(s)”).

GGMC or other Hong Leong Group company(ies) (comprising GCAL and Hong Leong Company (Malaysia) Berhad (“HLCM”) and their subsidiaries) as may be agreed by the parties from time to time are referred to as “Service Provider(s)”.

The Master Services Agreement is for a term of three financial years from 1 July 2023 to 30 June 2026. The fees payable under the Master Services Agreement comprise:

1. a monthly fee (the “Monthly Fee”) as agreed from time to time between such Service Recipient(s) and the Service Provider(s) and is currently agreed to be approximately HK\$1,928,000 per month in total; and
2. an annual fee (the “Annual Fee”) equivalent to 3% of the annual profit before tax of such Service Recipient(s) as shown in its audited profit and loss account for the relevant financial year, subject to appropriate adjustment (for example, to avoid double counting of profit), if any.

As disclosed in the MSA Announcement, the yearly total fees (the “Total Services Fees”), being the sum of the Monthly Fee, the Annual Fee and the total amounts of any fees paid or payable by the Group to any Hong Leong Group company for services of a similar nature as the Services, are subject to an annual cap of HK\$410 million for each of the three financial years ending 30 June 2026.

GGMC is a wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company, and thus GGMC is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. QLC, being a controlling shareholder of GCAL and HLCM, is a substantial shareholder of the Company. Subsidiaries under GCAL and HLCM which may become Service Provider(s) under the Master Services Agreement are associates of connected persons of the Company as defined under Chapter 14A of the Listing Rules. The transactions contemplated under the Master Services Agreement constitute continuing connected transactions for the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

The Independent Non-executive Directors of the Company had reviewed the transactions under the Master Services Agreement for the year and confirmed that:

- a. the transactions under the Master Services Agreement for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. the Total Services Fees paid and payable by the Group under the Master Services Agreement for the year amounted to approximately HK\$151.9 million which did not exceed the relevant annual cap of HK\$410 million.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Banking Transactions

The Group has from time to time entered into, and may in future enter into, among others, the following transactions with the licensed banks and regulated financial services companies within Hong Leong Financial Group (comprising Hong Leong Financial Group Berhad and its subsidiaries from time to time), including Hong Leong Asset Management Bhd, Hong Leong Bank Berhad, Hong Leong Islamic Bank Berhad, Hong Leong Bank Vietnam Limited, Hong Leong Bank (Cambodia) PLC and Hong Leong Investment Bank Berhad (each and collectively, “Hong Leong Financial Institution(s)”):

1. placing of deposits by the Group with Hong Leong Financial Institutions; and
2. purchase of and/or subscription for debt securities and investment products issued by Hong Leong Financial Institutions by the Group.

(collectively, the “Banking Transactions”).

As part of its principal investment and treasury operations, the Group from time to time places deposits with various financial institutions worldwide and purchases and/or subscribes for fixed income, debt securities and investment products issued by financial institutions and other corporations. The Banking Transactions are conducted in the ordinary and usual course of its business. The treasury functions involve the management of cashflows and cash resources, which the Group conducts with various financial institutions.

As disclosed in the announcement of the Company dated 2 July 2024, the outstanding balance of the Banking Transactions are subject to a maximum cap amount of US\$122 million or its equivalent in other currencies at any time during the three financial years ending 30 June 2027.

Hong Leong Financial Institutions are associates of a connected person of the Company by virtue of the fact that they are indirect subsidiaries of HLCM of which QLC, a controlling shareholder of the Company, is also a controlling shareholder. The Banking Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and the relevant disclosure requirements have been complied with.

From time to time during the year, the Group entered into deposit transactions including savings, current, time deposits and other deposits in various currencies with Hong Leong Financial Institutions as the deposit accepting banks (the “Deposit Transactions”). The Deposit Transactions were based on the relevant market rates at the time of each transaction and are broadly the same as those engaged by the Group with other unconnected financial institutions. During the year, the interest rate for the savings and time deposits for various currencies placed by the Group with Hong Leong Financial Institutions ranged from 0% to 3.85% per annum, and the tenor of the time deposits ranged from overnight to 12 months.

As at 30 June 2026, the balance of deposits placed by the Group with Hong Leong Financial Institutions was approximately US\$27.4 million.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Banking Transactions (cont'd)

The Independent Non-executive Directors of the Company had reviewed the Banking Transactions for the year and confirmed that:

- a. during the year, there was no subscription for or purchase of debt securities and investment products issued by Hong Leong Financial Institutions by the Group;
- b. during the year, the maximum relevant aggregate amount of (i) the outstanding balance of deposits placed by the Group with Hong Leong Financial Institutions; and (ii) debt securities and investment products issued by Hong Leong Financial Institutions purchased and/or subscribed by the Group, was approximately US\$64.2 million which did not exceed the relevant cap amount of US\$122 million or its equivalent; and
- c. the Deposit Transactions were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Investment Management and Advisory Agreements

Investment Management Agreement

An investment management agreement dated 1 August 2025 (the “Investment Management Agreement”) was entered into between Asia Fountain Assets Limited (“AFAL”, an indirect wholly-owned subsidiary of the Company) and Jia Investment Alliance Pte. Ltd. (“JIAPL”, formerly known as GuoLine Advisory Pte. Ltd.) for provision of discretionary fund management services by JIAPL to AFAL in relation to all the investment assets (including monies and other investment products) of AFAL, proceeds therefrom and dividend income, other than those which may be designated by AFAL as not forming part of the mandate of JIAPL under the Investment Management Agreement (the “IMA Portfolio”) for a term commenced from 1 August 2025 and ending on 30 June 2028 (both dates inclusive).

The fees payable under the Investment Management Agreement comprise:

1. a management fee (the “Management Fee”) payable monthly in arrears at the rate of 0.5% per annum of the net asset value of the IMA Portfolio managed by JIAPL on the last day of a calendar month; and
2. a performance fee (the “Performance Fee”) payable annually in arrears of up to 10% per annum on the excess return. Excess return is the return on the IMA Portfolio for the relevant period/year less a hurdle rate of 8% unless otherwise agreed in advance between AFAL and JIAPL prior to 1 July of each year.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Investment Management and Advisory Agreements (cont'd)

Investment Advisory and Management Agreement

An investment advisory and management agreement dated 1 November 2022 (the “Investment Advisory and Management Agreement”) was entered into between GMC (a direct wholly-owned subsidiary of the Company) and JIAPL and renewed by way of a letter agreement dated 1 August 2025 for provision of investment advisory, management and related services to GMC, Asia Fountain Investment Company Limited (an indirect wholly-owned subsidiary of the Company) and other relevant wholly-owned subsidiaries of the Company (collectively the “Service Recipients”) in relation to all their investment assets at any time other than those which may be designated by the Service Recipients as not forming part of the mandate of JIAPL for the period from 1 August 2025 to 30 June 2028 (both dates inclusive).

JIAPL will charge a monthly advisory fee (the “Advisory Fee”) calculated based on the agreed allocation of the staff costs of the investment teams of JIAPL and any other related costs as mutually agreed by the parties plus a 10% markup.

As disclosed in the announcement of the Company dated 1 August 2025, the total fees (the “Total Fees”), being the sum of the Management Fee, the Performance Fee and the Advisory Fee payable to JIAPL under the Investment Management Agreement and the Investment Advisory and Management Agreement (collectively the “Investment Management and Advisory Agreements”) for each of the relevant financial year are subject to the respective annual cap as stated below:

	Annual Caps HK\$ million
Financial year ended 30 June 2026	160
Financial year ending 30 June 2027	202
Financial year ending 30 June 2028	256

JIAPL was a 50:50 joint venture owned by GuocoEquity Assets Limited (“GEAL”, a wholly-owned subsidiary of the Company) and GGMC. Following the transfer of equity interests held by GEAL and GGMC in JIAPL to GCAL on 30 June 2026, JIAPL became a direct wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company. Thus, JIAPL is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The transactions contemplated under the Investment Management and Advisory Agreements constitute continuing connected transactions for the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Investment Management and Advisory Agreements (cont'd)

The Independent Non-executive Directors of the Company had reviewed the aforesaid transactions for the year and confirmed that:

- a. the transactions under the Investment Management and Advisory Agreements for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. the Total Fees paid and payable by the Group to JIAPL under the respective agreements for the year were as follows:

	Services fees paid and payable to JIAPL HK\$' million
Investment Management Agreement	32.8
Investment Advisory and Management Agreement	2.5
Total:	35.3
	(<HK\$160 million)

The Total Fees paid and payable by the Group to JIAPL under the Investment Management and Advisory Agreements for the year amounted to approximately HK\$35 million which did not exceed the relevant annual cap of HK\$160 million.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements

SPB Agreement

A project management and services agreement dated 15 July 2024 (the “SPB Agreement”) was entered into by GuocoLand Property Management Pte. Ltd. (“GPML”, a wholly-owned subsidiary of GuocoLand Limited (“GuocoLand”)) with Springleaf Residence Pte. Ltd. (“SPB”), a 60:40 joint venture owned by GuocoLand (Singapore) Pte. Ltd. (“GLS”) and Intrepid Investments Pte. Ltd. (“Intrepid”) respectively for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to SPB.

The SPB Agreement is for a term of three years from 15 July 2024 to 14 July 2027. The services fees (the “SPB Service Fees”) payable to GPML under the SPB Agreement comprise:

1. a financial coordination fee of S\$250,000 (approximately HK\$1,496,000); and
2. project management and service fees of 0.75% to 1.5% of sale price of residential units sold and construction cost incurred.

As disclosed in the announcement of the Company dated 19 November 2025 (the “2025 Announcement”), the aggregate SPB Service Fees paid or payable by SPB to GPML under the SPB Agreement are subject to the following annual caps for the relevant periods during the term of the SPB Agreement:-

	Annual Caps
Financial year ended 30 June 2026	S\$19.3 million
Financial year ending 30 June 2027	S\$19.3 million
From 1 July 2027 to 14 July 2027	S\$19.3 million
	(equivalent to approximately HK\$115.3 million)

Intrepid, being the 40% shareholder of SPB, is an indirect subsidiary of HLIInv, a substantial shareholder of the Company. Thus, SPB is a connected subsidiary of the Company and an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The transactions under the SPB Agreement therefore constitute continuing connected transactions of the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

SPB Agreement (cont'd)

The Independent Non-executive Directors of the Company had reviewed the aforesaid transactions for the year and confirmed that:

- a. the transactions under the SPB Agreement for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. The aggregate SPB Service Fees paid and payable by SPB to GPML under the SPB Agreement for the year were S\$13.6 million (approximately HK\$82.9 million) which did not exceed the relevant annual cap of S\$19.3 million (approximately HK\$115.3 million).

FWR Agreement

A project management and services agreement dated 24 February 2025 (the “FWR Agreement”) was entered into by GPML with Faber Residence Pte. Ltd. (“FWR”), a joint venture owned as to 50% by GLS, 40% by TID Residential Pte. Ltd. (“TIDR”) and 10% by Intrepid for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to FWR.

The FWR Agreement is for a term of three years from 24 February 2025 to 23 February 2028. The services fees (the “FWR Service Fees”) payable to GPML under the FWR Agreement comprise:

1. a financial coordination fee of S\$250,000 (approximately HK\$1,496,000); and
2. project management and service fees of 0.75% to 1.5% of sale price of residential units sold and construction cost incurred.

As disclosed in the 2025 Announcement, the aggregate FWR Service Fees paid or payable by FWR to GPML under the FWR Agreement are subject to the following annual caps for the relevant periods during the terms of the FWR Agreement:-

	Annual Caps
Financial year ended 30 June 2026	S\$9.5 million
Financial year ending 30 June 2027	S\$9.5 million
From 1 July 2027 to 23 February 2028	S\$9.5 million
	(equivalent to approximately HK\$56.7 million)

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

FWR Agreement (cont'd)

TIDR and Intrepid, being the 40% and 10% shareholder of FWR respectively, are indirect subsidiaries of HLIInv, a substantial shareholder of the Company. Thus, FWR is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The transactions under the FWR Agreement therefore constitute continuing connected transactions of the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

The Independent Non-executive Directors of the Company had reviewed the aforesaid transactions for the year and confirmed that:

- a. the transactions under the FWR Agreement for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. The aggregate FWR Service Fees paid and payable by FWR to GPML under the FWR Agreement for the year were S\$6.1 million (approximately HK\$36.8 million) which did not exceed the relevant annual cap of S\$9.5 million (approximately HK\$56.7 million).

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

As referred to in the 2025 Announcement, due to an unexpected surge of sales within a short period of time driven by strong market response at launch of the residential development undertaken by SPB, there was a significant increase in the batched payments of project management and service fees in September 2025, causing the relevant percentage ratios to exceed the de minimis threshold of 0.1%. The exceedance was not identified and reported immediately to the Company, resulting in a delay in the publication of an announcement as soon as practicable as required under the Listing Rules.

To ensure timely compliance of the relevant Listing Rules, the Company has adopted the following enhanced internal control measures:

- a. Internal reminder thresholds have been set at 80% of the applicable annual cap or the relevant de minimis threshold, as the case may be. Regular internal connected transaction reports submitted by the subsidiary groups are enhanced to incorporate the above internal reminder thresholds to enable the responsible personnel to identify and escalate potential threshold exceedance at an early stage and allowing the Company to monitor the transaction amounts more closely and take timely compliance actions.
- b. Relevant subsidiary groups are required to submit connected transactions information to the Company more frequently, now on a monthly basis and, where an internal reminder threshold is reached, as soon as practicable thereafter, to facilitate ongoing monitoring and timely escalation.
- c. For existing or future project management and services agreements, the Company will conduct parallel monitoring by proactively obtaining preliminary weekly sales reports from GuocoLand during the sales period of the relevant developments to estimate project management service fees. The finance team of GuocoLand will independently calculate the estimated fees based on the preliminary sales figures. Upon reaching an internal reminder threshold, GuocoLand must notify the Company immediately, followed by providing confirmed fee figures when available. This dual-control mechanism provides an additional safeguard to identify potential exceedance of annual cap/de minimis thresholds at an early stage and facilitate timely compliance action.
- d. Focused trainings sessions were conducted for relevant personnel of subsidiary groups, including GuocoLand Group, on 12 March 2026 and 29 April 2026 to reinforce their reporting obligations and the related internal control procedures. Personnel have been reminded to monitor applicable thresholds closely and to notify the Company in advance of entering into or renewing connected transaction agreements, so that any Listing Rules implications can be assessed promptly. Refresher training will be arranged annually.
- e. For future continuing connected transactions of similar nature, the Company will consider establishing annual caps where appropriate to facilitate compliance with the Listing Rules.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

Apart from the SPB Agreement and FWR Agreement, GPML had two other project management and services agreements with the associates of HLIInv., a substantial shareholder of the Company, subsisting as at the date of the 2025 Announcement for provision of services similar to those under the SPB Agreement and the FWR Agreement.

In respect of the first agreement dated 21 May 2021 (the "2021 Agreement"), the total service fees received or receivable by GPML for each of the financial years ended 30 June 2022, 2023, 2024 and 2025 did not exceed the de minimis threshold of 0.1% under the Listing Rules.

In respect of the second agreement dated 25 June 2024 (the "2024 Agreement"), the total service fees received or receivable for the financial year ended 30 June 2025, whether on a standalone basis or when aggregated with the FY2025 total service fees under the 2021 Agreement, did not exceed the de minimis threshold of 0.1% under the Listing Rules.

For the financial year ended 30 June 2026, the aggregate service fees received or receivable by GPML under the 2021 Agreement and the 2024 Agreement amounted to approximately S\$2.2 million. When aggregated with the service fees received or receivable under other project management and services agreements subsisting during the year, the applicable percentage ratios under the Listing Rules were less than 5%. Accordingly, these transactions were exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

LCPL Agreement

A project management and services agreement dated 3 June 2026 (the "LCPL Agreement") was entered into by GPML with Lantor Central 2026 Pte. Ltd. ("LCPL"), a joint venture owned as to 50% by GLS, 40% by Intrepid and 10% by TIDR for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to LCPL.

The LCPL Agreement is for a term of three years from 3 June 2026 to 2 June 2029. The services fees (the "LCPL Service Fees") payable to GPML under the LCPL Agreement comprise:

1. a financial coordination fee of S\$250,000 (approximately HK\$1,531,500); and
2. project management and service fees of 0.75% to 1.5% of sale price of residential units sold and construction cost incurred.

As disclosed in the announcement of the Company dated 3 June 2026, the aggregate LCPL Service Fees paid or payable by LCPL to GPML under the LCPL Agreement are subject to the following annual caps for the relevant periods during the term of the LCPL Agreement:-

	Annual Caps
From 3 June 2026 to 30 June 2026	S\$2 million
Financial year ending 30 June 2027	(equivalent to approximately HK\$12.3 million)
Financial year ending 30 June 2028	S\$16.3 million
From 1 July 2028 to 2 June 2029	S\$16.3 million
	(equivalent to approximately HK\$99.9 million)

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Continuing Connected Transactions (cont'd)

Project Management and Services Agreements (cont'd)

LCPL Agreement (cont'd)

Intrepid and TIDR, being the 40% and 10% shareholder of LCPL respectively, are indirect subsidiaries of HLIInv, a substantial shareholder of the Company. Thus, LCPL is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The transactions under the LCPL Agreement therefore constitute continuing connected transactions of the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

The Independent Non-executive Directors of the Company had reviewed the aforesaid transactions for the year and confirmed that:

- a. the transactions under the LCPL Agreement for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. The aggregate LCPL Service Fees paid and payable by LCPL to GPML under the LCPL Agreement for the period from 3 June 2026 to 30 June 2026 were S\$0.3 million (approximately HK\$1.5 million) which did not exceed the relevant annual cap of S\$2 million (approximately HK\$12.3 million).

Auditor's Review

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions (the "CCTs") as mentioned above in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor issued an unqualified letter containing its findings and conclusions in respect of the CCTs disclosed by the Group on pages 66 to 77 of this annual report and confirmed, in pursuant to Rule 14A.56 of the Listing Rules, that nothing has come to its attention which causes it to believe that:

- (i) the CCTs have not been approved by the board of directors of the Company;
- (ii) the CCTs were not, in all material respects, in accordance with the pricing policies of the Group;
- (iii) the CCTs were not entered into, in all material respects, in accordance with the relevant agreements governing them; and
- (iv) the transaction amounts of the CCTs have exceeded their respective annual caps.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (CONT'D)

Connected Transaction

Joint Venture Agreement for the Lentor Central Land Parcel Project in Singapore

On 3 June 2026, a joint venture agreement (the “LCL Agreement”) was entered into by GLS, Intrepid, TIDR (collectively the “LCL Shareholders”) and LCPL, whereby the LCL Shareholders agreed to jointly participate in development of all that parcel of land known as Lot 05664W of Mukim 20 and situated at Lentor Central, Singapore with a site area of 15,925.8 square meters (the “LCL Property”). The agreed shareholding proportions in LCPL held by GLS, Intrepid and TIDR are 50%, 40% and 10% respectively.

Pursuant to the LCL Agreement, LCPL is the joint venture project company to undertake the acquisition and development of the LCL Property (the “LCL Project”), including, among other things, the completion of the acquisition of the LCL Property, implementation and construction of the LCL Project, management, operation and maintenance of the LCL Property and the LCL Project (including marketing for sale of the residential units) and funding for and dealing with the LCL Property and the LCL Project. The LCL Property was won through a tender accepted by the Urban Redevelopment Authority of Singapore.

The total funding contribution of GLS is S\$118 million comprising share capital of S\$27 million and a loan of S\$91 million.

As Intrepid and TIDR are indirect subsidiaries of HLIInv, a substantial shareholder of the Company, Intrepid and TIDR are associates of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The LCL Agreement therefore constitutes a connected transaction of the Company and the relevant disclosure requirements have been complied with.

Details of the transaction are set out in the announcement of the Company dated 3 June 2026.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Mr. KWEK Leng Hai and Mr. KWEK Leng San are directors and shareholders of HLCM which is an investment holding company with subsidiaries engaging in, amongst others, financial services as well as manufacturing and distribution business.

Mr. KWEK Leng Hai and Mr. KWEK Leng San are shareholders of GCAL. Mr. KWEK Leng Hai is also a director of GCAL. GCAL is an investment holding company with subsidiaries engaging in, amongst others, principal investments as well as production and distribution of consumer goods.

The above Directors are considered as having interests in business apart from the Group's business, which may be likely to compete, directly or indirectly, with the Group's business during the year ended 30 June 2026 under Rule 8.10 of the Listing Rules.

REPORT OF THE DIRECTORS

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors are set out below:

1. Mr. Christian K. NOTHHAFT

- stepped down as an independent non-executive director and a member of the remuneration and nominations committees of DFI Retail Group Holdings Limited, with primary listing on London Stock Exchange and secondary listings in Singapore and Bermuda, with effect from 8 May 2026.

2. Mr. Paul J. BROUGH

- appointed as an independent non-executive director of KS Asia Absolute Return Fund IC with effect from 15 June 2026.
- stepped down as an independent member of the advisory committee and chairman of the audit committee of Stonepeak SRE Holdings LP with effect from 31 July 2026.
- appointed as an independent non-executive director of Stonepeak Oceanview Taiwan Co., Ltd. ("Stonepeak Taiwan") and certain group companies of Stonepeak Taiwan with effect from 17 September 2026.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained sufficient public float of at least 25% of the Company's total number of issued shares throughout the year ended 30 June 2026 and up to the date of this Report.

AUDITOR

A resolution for the re-appointment of KPMG as auditor of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

Christian K. NOTHHAFT

Executive Director and Chief Executive Officer

Hong Kong, 28 September 2026

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUOCO GROUP LIMITED

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Guoco Group Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") set out on pages 87 to 191, which comprise the consolidated statement of financial position as at 30 June 2026, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's Code of *Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Bermuda, as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

IMPAIRMENT OF HOTEL PROPERTIES, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS RELATED TO HOSPITALITY AND LEISURE BUSINESSES

Refer to notes 14, 15 and 16 to the consolidated financial statements and the material accounting policies in notes 2(e), 2(f), 2(h) and 2(k)(ii).

The Key Audit Matter

The Group owns, leases and manages a number of hotels located in the United Kingdom which are measured at cost less accumulated depreciation and impairment losses. The Group also operates gaming and leisure businesses and holds casino and other gaming licences, and concessions in the United Kingdom, as well as a smaller number in Spain, the majority of which are classified as intangible assets with indefinite useful lives.

As at 30 June 2026, the carrying values of hotel properties, capitalised casino and other gaming licences and concessions and related right-of-use assets totalled US\$2,507 million in aggregate, representing 14% of the Group's total assets as at that date.

The estimation of the recoverable amount of each cash generating unit ("CGU") to which these assets have been allocated is sensitive to the key assumptions applied, which include occupancy rates and revenue per available room in deriving the projected cash flows for hotel properties and related right-of-use assets; earnings multiples in deriving the projected cash flows for right-of-use assets related to casinos, casino and other gaming licences, and concessions, growth rates and the discount rates applied.

We identified assessing potential impairment provision of hotel properties, intangible assets and right-of-use assets related to hospitality and leisure businesses as a key audit matter because of the significant level of management judgement required to be exercised in determining the assumptions adopted in the impairment assessments which can be inherently uncertain and could be subject to management bias.

How the matter was addressed in our audit

Our audit procedures to assess potential impairment of hotel properties, intangible assets and right-of-use assets related to hospitality and leisure businesses included the following:

- evaluating the Group's identification of CGUs and the amounts of hotel properties, casino and other gaming licences, and concessions and right-of-use assets related to hospitality and leisure businesses allocated to each CGU;
- evaluating the Group's process for identification of indicators of potential impairment of hotel properties and related right-of-use assets;
- assessing whether the Group's impairment assessment models were prepared in accordance with the requirements of the prevailing accounting standards;
- with the involvement of valuation specialists, assessing the discount rates adopted in the impairment assessment for right-of-use assets related to casinos, casino and other gaming licences, and concessions;
- assessing the valuation methodology adopted by the Group and comparing the key assumptions applied in the computation of recoverable amounts with external economic forecast and available industry data, which included occupancy rates and revenue per available room for hotel properties and related right-of-use assets, and earnings multiples for right-of-use assets related to casinos, casino and other gaming licences, and concessions;
- assessing the growth rates and discount rates adopted in the impairment assessments related to hotel properties and right-of-use assets related to hospitality by comparing them with historical rates, external economic forecast and available industry data, taking into consideration comparability and market factors;
- evaluating the historical accuracy of management's calculations of the recoverable amounts of each CGU by comparing the forecasts at the end of the previous financial year for key assumptions and estimates with the actual outcomes in the current year and evaluating the reasonableness of management's forecasts for financial performance by comparing with external data such as economic and industry, if available; and
- determining the extent of change in those estimates that, either individually or collectively, would be required for each CGU to be materially misstated and considering the likelihood of such a movement in those key estimates arising and whether there was any evidence of management bias.

INDEPENDENT AUDITOR'S REPORT

VALUATION OF INVESTMENT PROPERTIES

Refer to note 14 to the consolidated financial statements and the material accounting policies in note 2(g).

The Key Audit Matter

The Group owns a portfolio of investment properties, comprising commercial properties in Hong Kong, Singapore, Malaysia, and Chinese Mainland. As at 30 June 2026, the carrying value of investment properties was US\$5,382 million, representing 30% of the Group's total assets as at that date.

The fair values of the Group's investment properties were assessed by management based on independent valuations prepared by external property valuers.

The net changes in fair value of investment properties in the consolidated income statement represented 14% of the Group's profit before taxation for the year ended 30 June 2026.

We identified valuation of investment properties as a key audit matter because the determination of the fair values involves significant judgement and estimation, particularly in selecting the appropriate valuation methodology and in determining the underlying assumptions, which increase the risk of error or potential management bias, and because the valuations are sensitive to the key assumptions applied, including those relating to capitalisation rate, comparable sales price, the discount rates applied and terminal yield rates.

How the matter was addressed in our audit

Our audit procedures to assess the valuation of investment properties included the following:

- evaluating the qualifications, experience and competence of the external property valuers engaged by management and holding discussions with the external property valuers to understand their valuation methods;
- assessing the rental information used in the valuations by comparing specific details with underlying leases and externally available industry data; and
- with the involvement of internal property valuation specialists, evaluating the valuation methodology used by the external property valuers based on our knowledge of other property valuers for similar types of properties, assessing the key assumptions adopted in the valuations, including those relating to capitalisation rate, comparable sales price, the discount rates applied and terminal yield rates, by comparing them with historical rates and available industry data, taking into consideration comparability and market factors and conditions, and considering the possibility of error or management bias in the selection of assumptions adopted, on a sample basis.

INDEPENDENT AUDITOR'S REPORT

VALUATION OF DEVELOPMENT PROPERTIES AND PROPERTIES HELD FOR SALE

Refer to notes 21 and 22 to the consolidated financial statements and the material accounting policies in note 2(i).

The Key Audit Matter

The Group's development properties and properties held for sale mainly comprise residential properties under development and completed properties in Singapore, Malaysia and Chinese Mainland. As at 30 June 2026, the carrying values of development properties and properties held for sale totalled US\$1,294 million in aggregate, representing 7% of the Group's total assets as at that date.

Development properties and properties held for sale are stated at the lower of their costs and net realisable values ("NRV").

The assessment of NRV of development properties and properties held for sale involves the exercise of significant management judgement, particularly in estimating forecast selling prices and estimated costs to complete the development of the properties. The uncertain macro-economic outlook and market sentiments might exert downward pressure on property prices given the current economic slowdown and prevailing government policies in the jurisdictions in which the development properties are located. Total development costs may also vary with market conditions and unforeseen circumstances may arise during construction leading to cost overruns.

We identified valuation of development properties and properties held for sale as a key audit matter because the assessment of NRV is inherently subjective and requires significant management judgement and estimation in relation to forecasting selling prices, development costs and selling expenses, which increases the risk of error or potential management bias.

How the matter was addressed in our audit

Our audit procedures to assess the valuation of development properties and properties held for sale included the following:

- evaluating the qualifications, experience and competence of certain external property valuers engaged by management and holding discussions with certain external property valuers, to understand their valuation methods;
- evaluating the Group's estimated total development costs, by comparing the costs with contracts and related agreements, taking into consideration the costs incurred to date, construction progress and any significant deviation in design plans or cost overruns; and
- assessing the Group's forecast selling prices, by comparison with recent transacted sales prices for the same project and/or comparable properties in the vicinity of the development and considering the possibility of error or management bias.

INDEPENDENT AUDITOR'S REPORT

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Board Audit and Risk Management Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

We communicate with the Board Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is HUI, Chuen Hoi (practicing certificate number: P05551).

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

28 September 2026

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 US\$'000	2025 US\$'000	2026 HK\$'000 (note 1(c))	2025 HK\$'000 (note 1(c))
Turnover	5	2,927,243	3,439,632	22,954,854	27,000,595
Revenue	5	2,808,338	3,113,839	22,022,425	24,443,169
Cost of sales		(1,742,785)	(1,873,204)	(13,666,571)	(14,704,370)
Other attributable costs		(122,922)	(128,754)	(963,930)	(1,010,700)
Other revenue	6(a)	942,631	1,111,881	7,391,924	8,728,099
Other net income	6(b)	38,174	43,910	299,353	344,687
Administrative and other operating expenses		136,782	222,578	1,072,617	1,747,204
		(788,846)	(635,103)	(6,185,973)	(4,985,463)
Profit from operations before finance costs		328,741	743,266	2,577,921	5,834,527
Finance costs	7(a)	(208,002)	(266,062)	(1,631,110)	(2,088,547)
Profit from operations		120,739	477,204	946,811	3,745,980
Valuation surplus on investment properties	14	61,749	6,106	484,223	47,931
Share of profits of associates		216,216	189,827	1,695,523	1,490,113
Share of profits/(losses) of joint ventures		27,005	(3,074)	211,768	(24,130)
Profit for the year before taxation	7	425,709	670,063	3,338,325	5,259,894
Taxation	8(a)	(53,227)	(84,320)	(417,395)	(661,899)
Profit for the year		372,482	585,743	2,920,930	4,597,995
Attributable to:					
Equity shareholders of the Company		409,818	513,472	3,213,711	4,030,678
Non-controlling interests		(37,336)	72,271	(292,781)	567,317
Profit for the year		372,482	585,743	2,920,930	4,597,995
Earnings per share		US\$	US\$	HK\$	HK\$
Basic	12	1.26	1.58	9.88	12.39
Diluted	12	1.26	1.58	9.88	12.39

The notes on pages 95 to 191 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 11.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	2026 US\$'000	2025 US\$'000	2026 HK\$'000 (note 1(c))	2025 HK\$'000 (note 1(c))
Profit for the year	372,482	585,743	2,920,930	4,597,995
Other comprehensive income for the year (after tax and reclassification adjustments)				
Items that will not be reclassified to profit or loss:				
Equity investments at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve (non-recycling)	19,836	124,559	155,550	977,769
Actuarial gain/(loss) on defined benefit obligation	1,783	(164)	13,982	(1,287)
	21,619	124,395	169,532	976,482
Items that may be reclassified subsequently to profit or loss:				
Exchange translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	3,850	579,588	30,191	4,549,679
Changes in fair value of cash flow hedge	3,678	(12,605)	28,842	(98,947)
Changes in fair value on net investment hedge	(18,496)	13,186	(145,042)	103,508
Share of other comprehensive income of associates	(2,103)	(33,774)	(16,491)	(265,121)
	(13,071)	546,395	(102,500)	4,289,119
Other comprehensive income for the year, net of tax	8,548	670,790	67,032	5,265,601
Total comprehensive income for the year	381,030	1,256,533	2,987,962	9,863,596
Total comprehensive income for the year attributable to:				
Equity shareholders of the Company	442,474	1,041,132	3,469,794	8,172,730
Non-controlling interests	(61,444)	215,401	(481,832)	1,690,866
	381,030	1,256,533	2,987,962	9,863,596

The notes on pages 95 to 191 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

	Note	2026 US\$'000	2025 US\$'000	2026 HK\$'000 (note 1(c))	2025 HK\$'000 (note 1(c))
NON-CURRENT ASSETS					
Investment properties	14	5,382,357	5,361,142	42,207,367	42,084,161
Other property, plant and equipment	14	1,613,349	1,670,409	12,651,560	13,112,460
Right-of-use assets	15	848,844	848,688	6,656,465	6,662,073
Interest in associates	18	2,186,516	2,004,250	17,146,221	15,733,062
Interest in joint ventures	18	616,768	507,168	4,836,571	3,981,193
Equity investments at FVOCI	19	773,240	749,706	6,063,593	5,885,080
Deferred tax assets	32	77,589	80,329	608,437	630,571
Intangible assets	16	743,438	901,983	5,829,892	7,080,431
Goodwill	20	262,943	313,731	2,061,946	2,462,740
Pensions surplus	30	13,024	10,617	102,132	83,342
		12,518,068	12,448,023	98,164,184	97,715,113
CURRENT ASSETS					
Development properties	21	1,152,469	1,724,241	9,037,432	13,535,033
Properties held for sale	22	141,334	169,593	1,108,313	1,331,280
Inventories	23	46,638	53,517	365,726	420,100
Contract assets	24	568,370	624,010	4,457,044	4,898,385
Trade and other receivables	25	220,343	387,002	1,727,886	3,037,908
Tax recoverable		6,103	2,952	47,859	23,173
Trading financial assets	26	1,412,659	1,215,190	11,077,789	9,539,059
Cash and short term funds	27	1,621,656	2,045,858	12,716,702	16,059,678
		5,169,572	6,222,363	40,538,751	48,844,616
CURRENT LIABILITIES					
Contract liabilities	24	196,567	130,448	1,541,439	1,023,997
Trade and other payables	28	680,472	764,225	5,336,125	5,999,052
Bank loans and other borrowings	29	666,205	1,322,559	5,224,246	10,381,890
Taxation		34,818	24,311	273,036	190,838
Provisions and other liabilities	30	31,945	16,792	250,506	131,815
Lease liabilities	31	67,963	60,337	532,952	473,636
		1,677,970	2,318,672	13,158,304	18,201,228
NET CURRENT ASSETS		3,491,602	3,903,691	27,380,447	30,643,388
TOTAL ASSETS LESS CURRENT LIABILITIES		16,009,670	16,351,714	125,544,631	128,358,501

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

	Note	2026 US\$'000	2025 US\$'000	2026 HK\$'000 (note 1(c))	2025 HK\$'000 (note 1(c))
NON-CURRENT LIABILITIES					
Bank loans and other borrowings	29	3,081,442	3,680,249	24,164,052	28,889,403
Amount due to non-controlling interests		326,001	362,356	2,556,435	2,844,440
Provisions and other liabilities	30	62,882	66,497	493,108	521,991
Deferred tax liabilities	32	114,947	103,522	901,391	812,632
Lease liabilities	31	1,092,082	1,089,754	8,563,889	8,554,405
		4,677,354	5,302,378	36,678,875	41,622,871
NET ASSETS					
		11,332,316	11,049,336	88,865,756	86,735,630
CAPITAL AND RESERVES					
Share capital	33(c)	164,526	164,526	1,290,180	1,291,504
Reserves		8,873,111	8,589,185	69,581,162	67,423,814
Total equity attributable to equity shareholders of the Company		9,037,637	8,753,711	70,871,342	68,715,318
Non-controlling interests		2,294,679	2,295,625	17,994,414	18,020,312
TOTAL EQUITY		11,332,316	11,049,336	88,865,756	86,735,630

Approved and authorised for issue by the Board of Directors on 28 September 2026.

KWEK Leng Hai
Christian K. NOTHHAFT
Directors

The notes on pages 95 to 191 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Attributable to equity shareholders of the Company												Non-controlling interests	Total equity
	Share capital US\$'000	Share premium US\$'000	Capital and other reserves US\$'000	Contributed surplus US\$'000	ESOS reserve US\$'000	Share option reserve US\$'000	Exchange translation reserve US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Revaluation reserve US\$'000	Retained profits US\$'000	Total US\$'000		
At 1 July 2025	164,526	10,493	5,232	2,806	(39,017)	2,050	(289,292)	(730,520)	17,422	46,692	9,563,319	8,753,711	2,295,625	11,049,336
Profit for the year	-	-	-	-	-	-	-	-	-	-	409,818	409,818	(37,336)	372,482
Exchange translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	-	-	-	-	-	24,247	-	-	(602)	-	23,645	(19,795)	3,850
Changes in fair value of equity investments at FVOCI	-	-	-	-	-	-	-	19,836	-	-	-	19,836	-	19,836
Changes in fair value of cash flow hedge	-	-	-	-	-	-	-	-	1,859	-	-	1,859	1,819	3,678
Changes in fair value on net investment hedge	-	-	-	-	-	-	-	-	(12,364)	-	-	(12,364)	(6,132)	(18,496)
Actuarial gain on defined benefit obligation	-	-	-	-	-	-	-	-	-	-	1,783	1,783	-	1,783
Share of other comprehensive income of associates	-	-	453	-	-	-	3,105	(5,778)	-	-	117	(2,103)	-	(2,103)
Total comprehensive income for the year	-	-	453	-	-	-	27,352	14,058	(10,505)	(602)	411,718	442,474	(61,444)	381,030
Transfer between reserves	-	-	18,507	-	-	-	-	-	-	-	(18,507)	-	-	-
Issue of perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	92,391	92,391
Distribution payment for perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	(8,544)	(8,544)
Accrued distribution for perpetual securities	-	-	-	-	-	-	-	-	-	-	(10,195)	(10,195)	10,195	-
Equity-settled share-based transactions	-	-	1,823	-	-	1,063	-	-	-	-	-	2,886	280	3,166
Purchase of shares for share option scheme by a subsidiary	-	-	(2,063)	-	-	-	-	-	-	-	-	(2,063)	-	(2,063)
Share capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(2,317)	(2,317)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(31,507)	(31,507)
Final dividend paid in respect of the prior year	-	-	-	-	-	-	-	-	-	-	(121,084)	(121,084)	-	(121,084)
Interim dividend paid in respect of the current year	-	-	-	-	-	-	-	-	-	-	(29,127)	(29,127)	-	(29,127)
Refund of undaimed dividends	-	-	-	-	-	-	-	-	-	-	1,035	1,035	-	1,035
At 30 June 2026	164,526	10,493	23,952	2,806	(39,017)	3,113	(261,940)	(716,462)	6,917	46,090	9,797,159	9,037,637	2,294,679	11,332,316

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Attributable to equity shareholders of the Company												Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Share premium US\$'000	Capital and other reserves US\$'000	Contributed surplus US\$'000	ESOS reserve US\$'000	Share option reserve US\$'000	Exchange translation reserve US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Revaluation reserve US\$'000	Retained profits US\$'000	Total US\$'000		
At 1 July 2024	164,526	10,493	(33,672)	2,806	(39,017)	850	(676,428)	(868,375)	14,987	46,692	9,234,361	7,857,223	2,266,477	10,123,700
Profit for the year	-	-	-	-	-	-	-	-	-	-	513,472	513,472	72,271	585,743
Exchange translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	-	-	-	-	-	434,569	-	-	-	-	434,569	145,019	579,588
Changes in fair value of equity investments at FVOCI	-	-	-	-	-	-	-	124,559	-	-	-	124,559	-	124,559
Changes in fair value of cash flow hedge	-	-	-	-	-	-	-	-	(6,379)	-	-	(6,379)	(6,226)	(12,605)
Changes in fair value on net investment hedge	-	-	-	-	-	-	-	-	8,814	-	-	8,814	4,372	13,186
Actuarial loss on defined benefit obligation	-	-	-	-	-	-	-	-	-	-	(129)	(129)	(35)	(164)
Share of other comprehensive income of associates	-	-	468	-	-	-	(47,433)	13,296	-	-	(105)	(33,774)	-	(33,774)
Total comprehensive income for the year	-	-	468	-	-	-	387,136	137,855	2,435	-	513,238	1,041,132	215,401	1,256,533
Transfer between reserves	-	-	36,156	-	-	-	-	-	-	-	(36,156)	-	-	-
Issue of perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	140,082	140,082
Distribution payment for perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	(14,477)	(14,477)
Accrued distribution for perpetual securities	-	-	-	-	-	-	-	-	-	-	(10,334)	(10,334)	10,334	-
Redemption of perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	(313,861)	(313,861)
Equity-settled share-based transactions	-	-	2,280	-	-	1,200	-	-	-	-	-	3,480	260	3,740
Capitalisation of shareholders' loan from non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	15,693	15,693
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(24,284)	(24,284)
Final dividend paid in respect of the prior year	-	-	-	-	-	-	-	-	-	-	(112,826)	(112,826)	-	(112,826)
Interim dividend paid in respect of the current year	-	-	-	-	-	-	-	-	-	-	(25,113)	(25,113)	-	(25,113)
Refund of unclaimed dividends	-	-	-	-	-	-	-	-	-	-	149	149	-	149
At 30 June 2025	164,526	10,493	5,232	2,806	(39,017)	2,050	(289,292)	(730,520)	17,422	46,692	9,563,319	8,753,711	2,295,625	11,049,336

The notes on pages 95 to 191 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 US\$'000	2025 US\$'000
Operating activities			
Profit for the year before taxation		425,709	670,063
Adjustments for:			
– Finance costs	7(a)	208,002	266,062
– Interest income	5	(60,389)	(76,867)
– Dividend income	5	(63,339)	(109,273)
– Depreciation charged on other property, plant and equipment	7(c)	75,415	67,676
– Depreciation charged on right-of-use assets	7(c)	46,593	39,657
– Amortisation of intangible assets	7(c)	19,709	23,134
– Equity-settled share-based payment expenses	7(b)	3,166	3,740
– Net impairment loss recognised on other property, plant and equipment	7(c)	6,477	4,578
– Net impairment loss recognised on intangible assets	7(c)	126,725	335
– Net impairment loss recognised/(reversed) on right-of-use assets	7(c)	27,531	(94)
– Impairment loss recognised on goodwill	7(c)	38,644	11,752
– Net write down and allowance for foreseeable losses of development properties and properties held for sale	7(c)	165,368	114,764
– Valuation surplus on investment properties	14	(61,749)	(6,106)
– Share of profits of associates		(216,216)	(189,827)
– Share of (profits)/losses of joint ventures		(27,005)	3,074
– Net (profits)/losses on disposal of property, plant and equipment	6(b)	(13,646)	8,352
– Net losses on disposal of intangible assets	6(b)	–	9
– Gain on disposal of a subsidiary	6(b)	–	(8,511)
– Provision made during the year	6(b)	18,610	9,353
– Gain on extinguishment of lease liabilities in relation to surrender of leases	6(b)	–	(12,752)
Operating profit before changes in working capital		719,605	819,119
Decrease/(increase) in trade and other receivables		166,270	(114,875)
(Increase)/decrease in trading financial assets		(197,469)	17,533
Decrease in development properties		380,699	102,199
Decrease in properties held for sale		30,125	54,555
Decrease/(increase) in contract assets		55,640	(66,343)
Decrease in inventories		6,879	1,535
Decrease in provisions and other liabilities		(4,636)	(6,246)
Increase/(decrease) in contract liabilities		66,119	(89,473)
(Decrease)/increase in trade and other payables		(94,487)	47,302
Cash generated from operations		1,128,745	765,306
Interest received		60,045	79,241
Dividend received from equity investments		64,072	109,273
Taxation			
– Overseas tax (paid)/refund		(36,089)	3,210
Net cash generated from operating activities		1,216,773	957,030

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 US\$'000	2025 US\$'000
Investing activities			
Net (advance to)/repayment from associates and joint ventures		(43,869)	49,072
Purchase of property, plant and equipment		(101,540)	(102,716)
Additions in investment properties under development		(4,449)	(86,652)
Purchase of intangible assets		(16,913)	(16,900)
Net cash inflows from disposal of a subsidiary		–	8,939
Proceeds from disposal of property, plant and equipment		365,988	2,486
Proceeds from disposal of intangible assets		38	–
Dividends received from associates and joint ventures		73,894	43,743
Decrease/(increase) in fixed deposits with maturity over three months		334,903	(601,144)
Capital contribution to an associate and joint ventures		(21,172)	(15,537)
Proceeds from disposal of interest in a joint venture		1,538	–
Net cash from/(used in) investing activities		588,418	(718,709)
Financing activities			
Net (repayment)/proceeds from bank loans and other borrowings		(1,255,161)	6,806
Decrease/(increase) in cash collateral		3,221	(4,722)
Distribution payment of perpetual securities		(8,544)	(14,477)
Proceeds from issue of perpetual securities		92,391	140,082
Redemption of perpetual securities		–	(313,861)
Repayment to non-controlling interests		(53,094)	(28,444)
Capital element of lease rentals paid		(59,558)	(51,656)
Interest element of lease rentals paid		(62,782)	(56,074)
Interest paid		(136,365)	(216,315)
Purchase of shares for share option scheme by a subsidiary		(2,063)	–
Capital reduction from non-controlling interests of subsidiaries		(2,317)	–
Dividends paid to non-controlling interests by subsidiaries		(31,507)	(24,284)
Dividends paid to equity shareholders of the Company		(150,211)	(137,939)
Net cash used in financing activities		(1,665,990)	(700,884)
Net increase/(decrease) in cash and cash equivalents		139,201	(462,563)
Cash and cash equivalents at beginning of year	27(a)	1,073,592	1,538,177
Effect of foreign exchange rate changes		(225,279)	(2,022)
Cash and cash equivalents at end of year	27(a)	987,514	1,073,592

The notes on pages 95 to 191 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

(a) Statement of compliance

Although not required under the Bye-Laws of the Company, these financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS Accounting Standards”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These financial statements also comply with the applicable disclosure provisions of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed.

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 4 provides information on any changes in material accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2026 comprise the Company and its subsidiaries and the Group’s interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis modified by the revaluation of investment properties and the marking to market of certain financial instruments as explained in the material accounting policies set out in note 2.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS Accounting Standards that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Hong Kong dollar amounts

The Hong Kong dollar figures shown in the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of financial position are for information only. The Company’s functional currency is United States dollars. The Hong Kong dollar figures are translated from United States dollars at the rates ruling at the respective financial year ends.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES

(a) Revenue recognition

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of properties

The Group develops and sells residential projects to customers through fixed-price contracts. Revenue is recognised when the control over the residential project has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the residential project over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The residential projects have no alternative use for the Group due to contractual restriction, and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the residential project. The measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measurement of progress and instead are expensed as incurred.

For certain contracts where the Group does not have enforceable rights to payment, revenue is recognised only when the completed residential project is delivered to the customer and the customer has accepted it in accordance with the sales contract.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Revenue recognition (Cont'd)

(i) Sale of properties (Cont'd)

Under certain payment schemes, the time when payments are made by the buyer and the transfer of control of the property to the buyer do not coincide and, where the difference between the timing of receipt of the payments and the satisfaction of a performance obligation is 12 months or more, the entity adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the entity uses a discount rate that would reflect that of a separate financing transaction between the entity and its customer at contract inception. A finance income or finance expense will be recognised depending on the arrangement.

Revenue is measured at the transaction price agreed under the contract. Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(ii) Rental income from operating leases

Rental income from operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(iii) Sales of goods and services

Revenue is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

(iv) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(v) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Revenue recognition (Cont'd)

- (vi) Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.
- (vii) Casino revenue represents the gaming win before deduction of gaming related duty.
- (viii) Revenue from hotel operations is recognised in profit or loss on an accrual basis, upon services being rendered. Revenue from hotel operations includes room rental, income earned from sales of food and beverages, rendering of laundry services and other miscellaneous income.

(b) Investments

- (i) Investments in debt and equity securities

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 36(f). These investments are subsequently accounted for as follows, depending on their classification.

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(a)(v)).
- FVOCI - recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Investments (Cont'd)

(i) Investments in debt and equity securities (Cont'd)

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 2(a)(iv).

(ii) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2 (l) or (n) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2 (k)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Investments (Cont'd)

(iii) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group or the Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An interest in an associate or a joint venture is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of those investees, until the date on which significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture, after applying the expected credit loss ("ECL") model to such other long-term interests where applicable (see note 2(k)(i)). Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

In the Company's statement of financial position, an investment in an associate or a joint venture is stated at cost less impairment losses (see note 2(k)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(c) Derivative financial instruments and hedging activities

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

(i) Cash flow hedges

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is reclassified from equity to be included in the initial cost or other carrying amount of the non-financial asset or liability.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified through other comprehensive income to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the amount that has been accumulated in the hedging reserve is reclassified through other comprehensive income to profit or loss immediately.

(ii) Hedge of net investments in foreign operations

The effective portion of any foreign exchange gain or loss on the borrowings is recognised in other comprehensive income and presented in the exchange translation reserve within equity until the disposal of the foreign operation, at which time the cumulative gain or loss is reclassified through other comprehensive income to profit or loss as a reclassification adjustment. The ineffective portion is recognised immediately in profit or loss.

(d) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 2(k)(ii)).

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(k)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(f) Other property, plant and equipment and depreciation

(i) Other property, plant and equipment are stated at cost less accumulated depreciation and impairment loss (see note 2(k)(ii)). Depreciation is calculated to write off the cost of the assets less their estimated residual value using the straight-line method over their estimated useful lives as follows:

- Freehold land is not depreciated.
- Building situated on freehold land are depreciated over their remaining useful economic lives (up to 100 years).
- Leasehold land and buildings thereon are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.

(ii) Furniture, fixtures and equipment are stated at cost less accumulated depreciation and impairment loss (see note 2(k)(ii)). Depreciation is calculated on a straight-line basis to write off the cost of the assets over their estimated useful lives, taken as being 3 to 15 years.

Depreciation methods, useful lives and residual values, are reviewed annually and adjusted if appropriate.

Any gains or losses on disposal of an item of property, plant and equipment are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Investment properties

Investment properties are initially measured at cost, and subsequently at fair value with changes therein recognised in profit or loss.

Any gain or loss on disposal of investment property is recognised in profit or loss. Rental income from investment properties is recognised in accordance with note 2(a)(ii).

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Leased assets (Cont'd)

(i) As a lessee (Cont'd)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(k)(ii)). The right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see note 2(b)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(a)(ii).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(h)(i), then the Group classifies the sub-lease as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(i) Inventories

Inventories are carried at the lower of cost and net realisable value as follows:

Property development

Cost and net realisable values are determined as follows:

– *Property under development for sale*

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 2(t)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

– *Completed property held for resale*

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group which comprise of multiple units which are sold individually, the cost of each unit is determined by apportionment of the total development costs for that development project to each unit on a per square foot basis, unless another basis is more representative of the cost of the specific unit. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Other inventories

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 2(i)), other property, plant and equipment (see note 2(f)) or intangible assets (see note 2(e)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(i) Inventories (Cont'd)

Other contract costs (Cont'd)

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised.

(j) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(a)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 2(k)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(m)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(a)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(m)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(a)).

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and amounts due from associates and joint ventures which are held for the collection of contractual cash flow which represent solely payments of principal and interest); and
- contract assets as defined in HKFRS 15.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(k) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments and contract assets (Cont'd)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables, and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days past due.

The Group considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(k) Credit losses and impairment of assets (Cont'd)

(i) Credit losses from financial instruments and contract assets (Cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset, lease receivable or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than property carried at revalued amounts, investment property, inventories and other contract costs, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flow, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or CGU.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(k) Credit losses and impairment of assets (Cont'd)

(ii) Impairment of other non-current assets (Cont'd)

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(t)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(k)(i)).

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(o) Perpetual securities

Perpetual securities do not have a maturity date and coupon payment is optional at the discretion of the Group. As the Group does not have a contractual obligation to repay the principal nor make any distributions, perpetual securities are classified as equity.

Any distributions made are treated as dividends and directly debited from equity. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, i.e. having less than three months maturity on acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(k)(i).

(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(q) Income tax (Cont'd)

Where investment properties are carried at their fair value in accordance with note 2(g), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI.
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective (see note 2(c)(ii)); and
- qualifying cash flow hedges to the extent that the hedges are effective (see note 2(c)(i)).

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into United States dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into United States dollars at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(s) Employee benefits

- (i) Short term employee benefits and contributions to defined contribution retirement plans

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

- (ii) Defined benefit retirement plan obligations

The Group's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements arising from defined benefit plans, which comprise actuarial gains and losses, the return on plan assets in pension plans (excluding interest) and the effect of any asset ceiling (excluding interest), are recognised immediately in other comprehensive income. Net interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

- (iii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured using the binomial lattice model. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(u) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value money and the risks specific to the liability.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see note 2(k)(ii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(v) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
 - (a) has control or joint control over the Group;
 - (b) has significant influence over the Group; or
 - (c) is a member of the key management personnel of the Group or the Group's parent.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(v) Related parties (Cont'd)

- (ii) An entity is related to the Group if any of the following conditions applies:
- (a) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (c) Both entities are joint ventures of the same third party.
 - (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (f) The entity is controlled or jointly controlled by a person identified in (i).
 - (g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (h) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The key assumptions concerning the future and the accounting estimates that have a significant effect on the carrying value of assets and liabilities in the statement of financial position and the profit or loss items are discussed below:

(a) Investment properties (note 14)

At the end of reporting period, investment properties are stated at fair value based on valuations performed by independent professional valuers. The valuers determine fair value based on a method of valuation which involves certain estimates. In relying on the valuation report prepared by the valuers, management has reviewed the valuation including the assumptions and estimates adopted.

(b) Impairment of assets

The Group tests at least annually whether goodwill and casino licences that have indefinite useful lives have suffered any impairment. Hotel properties, casino licences and brand names with definite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit has been determined based on value in use calculations or fair value less cost to sell. There are a number of assumptions and estimates involved in the calculations.

(c) Development properties and properties held for sale (notes 21 and 22)

The Group's development properties comprise residential properties in the course of development and properties held for sale comprise completed properties in Singapore, Malaysia and China. Development properties and properties held for sale are stated at the lower of their cost and their net realisable value. The determination of the net realisable value of a development property in the course of development is dependent on the Group's forecast selling price for the property and estimated costs to complete the development of the property. The costs to complete the development of the property is in turn derived from the Group's estimate of the total development costs of the property less the actual expenditure incurred. The determination of the net realisable value of a completed property is dependent on the Group's forecast selling price for the property.

NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(d) Income taxes (notes 8 and 32)

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on its estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences would impact the income tax and deferred tax provisions in the period in which such determination is made.

(e) Defined benefit retirement plan obligations (note 35)

The Group's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted. The calculation is performed annually using the projected unit credit method. The amount of the excess of the present value of each plan's liabilities over the fair value of that plan's assets is recognised upon notification to the Group.

The actuaries use assumptions and estimates in determining the fair value of the defined benefit retirement plans. Judgement is required to determine the principal actuarial assumptions to determine the present value of defined benefit obligations and service costs. Changes to the principal actuarial assumptions can significantly affect the present value of plan obligations and service costs in future periods.

4. CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

NOTES TO THE FINANCIAL STATEMENTS

5. TURNOVER AND REVENUE

The Company is an investment holding and investment management company. The principal activities of the subsidiaries which materially affected the results or assets of the Group during the year include principal investment, property development and investment, and hospitality and leisure businesses.

The amount of each significant category of turnover and revenue is as follows:

	2026 US\$'000	2025 US\$'000
Revenue from sale of properties	825,628	1,183,768
Revenue from hospitality and leisure	1,574,344	1,474,357
Interest income	60,389	76,867
Dividend income	63,339	109,273
Rental income from properties	210,270	198,613
Revenue from sales of goods	50,014	55,843
Others	24,354	15,118
Revenue	2,808,338	3,113,839
Proceeds from sale of investments in securities	118,905	325,793
Turnover	2,927,243	3,439,632

Transaction price allocated to the remaining performance obligations

As at 30 June 2026, the amount allocated to the sale of development properties is US\$995.4 million (2025: US\$671.3 million). This will be recognised as revenue by reference to surveys of work performed, which is expected to complete over the next four years.

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER REVENUE AND NET INCOME

(a) Other revenue

	2026 US\$'000	2025 US\$'000
Sublease income	9,169	12,371
Bass Strait oil and gas royalty	23,526	24,215
Hotel management fee	792	736
Income from forfeiture of deposit from sale of properties	3,758	4,194
Others	929	2,394
	38,174	43,910

(b) Other net income

	2026 US\$'000	2025 US\$'000
Net realised and unrealised gain on trading financial assets	125,731	188,152
Net realised and unrealised gain on derivative financial instruments	1,990	1,792
Net gain on foreign exchange contracts	11,570	2,806
Other exchange (losses)/gains	(1,037)	19,727
Net gains/(losses) on disposal of property, plant and equipment	13,646	(8,352)
Net losses on disposal of intangible assets	-	(9)
Provision made during the year (note 30)	(18,610)	(9,353)
Gain on disposal of a subsidiary (note 34)	-	8,511
Gain on extinguishment of lease liabilities in relation to surrender of leases	-	12,752
Others	3,492	6,552
	136,782	222,578

NOTES TO THE FINANCIAL STATEMENTS

7. PROFIT FOR THE YEAR BEFORE TAXATION

Profit for the year before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2026 US\$'000	2025 US\$'000
Interest on bank loans and other borrowings	135,735	206,967
Interest on lease liabilities	64,174	56,074
Other borrowing costs	10,250	12,737
Total borrowing costs	210,159	275,778
Less: borrowing costs capitalised into:		
– development properties	(1,263)	(1,875)
– investment properties	(894)	(7,841)
Total borrowing costs capitalised (note)	(2,157)	(9,716)
	208,002	266,062

Note:

These borrowing costs have been capitalised at rates of 1.07% to 5.08% per annum (2025: 2.62 to 5.08%).

(b) Staff cost

	2026 US\$'000	2025 US\$'000
Salaries, wages and other benefits	475,388	483,608
Contributions to defined contribution retirement plans	16,094	16,194
Social security costs	45,329	36,479
Expenses recognised in respect of defined benefit retirement plans	298	409
Equity-settled share-based payment expenses	3,166	3,740
	540,275	540,430

NOTES TO THE FINANCIAL STATEMENTS

7. PROFIT FOR THE YEAR BEFORE TAXATION (CONT'D)

(c) Other items

	2026 US\$'000	2025 US\$'000
Depreciation		
– other property, plant and equipment	75,415	67,676
– right-of-use assets	46,593	39,657
Net impairment losses recognised/(reversed)		
– other property, plant and equipment (note a & b)	6,477	4,578
– intangible assets (note a)	126,725	335
– right-of-use assets (note a & b)	27,531	(94)
– goodwill (note a & c)	38,644	11,752
Amortisation		
– customer relationship, licences and brand names	1,348	1,570
– casino licences and brand names	95	57
– Bass Strait oil and gas royalty	4,540	4,331
– other intangible assets	13,726	17,176
Net write down and allowance for foreseeable losses of development properties and properties held for sale (note d)	165,368	114,764
Cost of inventories recognised in cost of sales	25,235	25,856
Cost of development properties and properties held for sale recognised in cost of sales	831,583	1,026,442
Expense relating to short-term leases and other leases with remaining lease term ending within one year	265	273
Auditors' remuneration		
– audit services	4,425	4,337
– tax services	350	665
– other services	1,036	1,401
Donations	2,103	1,937
Gross rental income from investment properties (note 5)	(210,270)	(198,613)
Less: direct outgoings	50,371	45,550
Net rental income	(159,899)	(153,063)

NOTES TO THE FINANCIAL STATEMENTS

7. PROFIT FOR THE YEAR BEFORE TAXATION (CONT'D)

(c) Other items (Cont'd)

Notes:

- a. The Group identified impairment indicators in individual venues and clubs of the Rank Group Plc, notably the sustained decline in its market capitalisation and challenge from Remote Gaming Duty and increased operating costs. The recoverable amounts of the individual venues and clubs have been calculated with reference to its value-in-use. Value-in-use calculations are based upon estimates of future cash flows derived from the Group's strategic business plan, the pre-tax discount rate of 13% to 15% (2025: 12% to 15%) and growth rates of 2% to 4% (2025: 2% to 4%) used to extrapolate cash flow beyond the forecast period. Following impairment testing, the recoverable amount was determined to be lower than its carrying amount, and impairment losses on goodwill of US\$29.0 million (2025: Nil), intangible assets of US\$126.7 million (2025: US\$4.6 million), right-of-use assets of US\$14.5 million (2025: US\$2.0 million) and other property, plant and equipment of US\$0.7 million (2025: US\$8.3 million) of the cash generating units ("CGUs") were recognised respectively at the end of the reporting period.

On the other hand, on the same basis, reversals of previously impaired right-of-use assets of US\$8.0 million, other property, plant and equipment of US\$0.4 million (2025: reversals of previously impaired right-of-use assets of US\$5.3 million, other property, plant and equipment of US\$4.2 million and intangible assets of US\$6.6 million) were recognised. The reversal was driven by better than anticipated performance, improved financial forecasts and higher multiples and improved growth rates in the identified venues.

- b. The Group has conducted the impairment testing of other property, plant and equipment and right-of-use assets of individual hotels. The assets of each hotel property have been identified as individual CGUs for impairment assessment. The Group estimates the recoverable amount of assets using the value-in-use derived from discounted cash flow projections of the CGUs. The estimation of value-in-use of hotel assets involves the assumption of occupancy and room rates over the next few years, the projection of earnings before interest, taxes, depreciation and amortisation forecasts, long term revenue growth rate of 2% (2025: 2%) and maintenance capital expenditure over a period, and discounting the income stream with a pre-tax discount rate of 4% to 18% (2025: 9% to 16%).

Based on the result of the impairment assessment, a hotel property was written down to its recoverable amount, and accordingly, impairment losses on other property, plant and equipment of US\$6.2 million (2025: US\$0.5 million) and right-of-use assets of US\$21.0 million (2025: US\$3.2 million) were recognised in the year.

- c. Due to uncertainty in future performance outlook driven by multiple challenges including increased competitive pressures in key export markets and decline in international demand for premium honey products, the Group conducted an impairment assessment on Manuka Health New Zealand Limited. The recoverable amount of the CGU was determined using a value-in-use calculation, based on discounted cash flow projections covering a five-year period. Key assumptions included forecast sales growth, gross margin expectations, and a pre-tax discount rate of 14%. As a result, an impairment loss on goodwill of US\$9.6 million (2025: goodwill of US\$11.8 million and intangible assets of US\$2.3 million) was recognised.
- d. The Group recognised an allowance for foreseeable losses of US\$165.4 million (2025: US\$114.8 million) on development properties and properties held for sale, of which approximately US\$161.2 million related to its China development properties, taking into consideration the selling prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure.

NOTES TO THE FINANCIAL STATEMENTS

8. TAXATION

(a) Taxation in the consolidated income statement represents:

	2026 US\$'000	2025 US\$'000
Current tax		
Provision for the year	56,202	21,715
(Over)/under-provision in respect of prior years	(15,078)	193
Pillar Two income tax	1,827	1,694
Land appreciation tax	494	(4,255)
	43,445	19,347
Deferred tax		
Origination and reversal of temporary differences	9,782	65,726
Effect of changes in tax rate on deferred tax balances	–	(753)
	9,782	64,973
	53,227	84,320

The provision for Hong Kong Profits Tax is calculated at 16.5% (2025: 16.5%) of the estimated assessable profits for the year ended 30 June 2026. Taxation for overseas subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant countries.

Land appreciation tax is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant property development expenditures.

The ultimate holding company (“UHC”) and its subsidiaries (the “UHC Group”) of which the Group and the Company is a part of, is within the scope of the Organisation for Economic Co-operation and Development (“OECD”) Pillar Two model rules whereby top-up tax on profits is required in any jurisdictions in which it operates when the blended effective tax rate in each of those jurisdictions is lower than the minimum effective tax rate of 15%.

The tax charge for the year includes a current tax charge of US\$1,827,000 (2025: US\$1,694,000) relating to Pillar Two income taxes.

The Group has applied the temporary mandatory exception from accounting for deferred taxes arising from any top-up tax due to the Pillar Two income taxes model rules.

NOTES TO THE FINANCIAL STATEMENTS

8. TAXATION (CONT'D)

(b) Reconciliation between taxation and accounting profit at applicable tax rates:

	2026 US\$'000	2025 US\$'000
Profit for the year before tax	425,709	670,063
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	85,807	105,756
Tax effect of non-deductible expenses	35,753	55,280
Tax effect of non-taxable income	(93,392)	(88,524)
Tax effect of unused tax losses not recognised	93	1,007
Tax effect of utilisation of tax losses not previously recognised	(639)	(81)
Tax effect of unrecognised deductible temporary differences	35,918	5,698
Tax effect of changes in tax rate on deferred tax balances	-	(753)
Land appreciation tax	494	(4,255)
(Over)/under-provision in respect of prior years	(15,078)	193
Current income tax impact arising from Pillar two model rules	1,827	1,694
Others	2,444	8,305
Taxation	53,227	84,320

(c) Tax effects relating to the components of other comprehensive income:

The net tax effects relating to the components of other comprehensive income were insignificant for disclosure purpose for the years ended 30 June 2026 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

9. DIRECTORS' EMOLUMENTS

Directors' emoluments comprise payments to Directors by the Company and its subsidiaries in connection with the management of the affairs of the Company and its subsidiaries. The amounts paid and payable to each Director of the Company are as below:

Name	Fees US\$'000	Salaries, allowances and benefits in kind ⁽¹⁾ US\$'000	Discretionary bonuses US\$'000	Pension contributions US\$'000	Total emoluments US\$'000
2026					
KWEK Leng Hai	— ⁽²⁾	1,721	3,543	—	5,264
Christian K. NOTHHAFT	— ⁽²⁾	1,215	1,152	2	2,369
KWEK Leng San *	— ⁽²⁾	—	—	—	—
Paul J. BROUGH **	76	—	—	—	76
Lester G. HUANG, SBS, JP **	68	—	—	—	68
Melissa WU Mao Chin **	66	—	—	—	66
	210	2,936	4,695	2	7,843

Name	Fees US\$'000	Salaries, allowances and benefits in kind ⁽¹⁾ US\$'000	Discretionary bonuses US\$'000	Pension contributions US\$'000	Total emoluments US\$'000
2025					
KWEK Leng Hai	— ⁽²⁾	1,730	3,144	—	4,874
Christian K. NOTHHAFT	— ⁽²⁾	1,202	554	36	1,792
KWEK Leng San *	— ⁽²⁾	—	—	—	—
Paul J. BROUGH **	69	—	—	—	69
David M. NORMAN **	23 ⁽³⁾	—	—	—	23
Lester G. HUANG, SBS, JP **	63	—	—	—	63
Melissa WU Mao Chin **	39 ⁽⁴⁾	—	—	—	39
	194	2,932	3,698	36	6,860

Notes:

* Non-executive director

** Independent non-executive director

(1) Benefits in kind include insurance premium, club membership and motor vehicle expenses

(2) No directors' fees have been paid to any salaried directors employed by the Company or its related corporations

(3) Retired as Independent non-executive director on 13 November 2024

(4) Appointed as Independent non-executive director on 13 November 2024

NOTES TO THE FINANCIAL STATEMENTS

10. EMOLUMENTS OF THE FIVE HIGHEST PAID INDIVIDUALS

Among the five highest paid individuals of the Group, two (2025: two) are directors of the Company whose emoluments are disclosed in note 9. The emoluments of the other three (2025: three) individuals are as follows:

	2026 US\$'000	2025 US\$'000
Salaries, allowances and benefits in kind	2,227	2,223
Discretionary bonuses	2,052	1,529
Share-based payment expenses	1,205	654
Pension contributions	56	49
	5,540	4,455

The number of individuals whose emolument falls within the following bands are:

US\$	2026 Number of individuals	2025 Number of individuals
900,001 – 950,000	–	1
1,200,001 – 1,250,000	1	–
1,450,001 – 1,500,000	–	1
1,500,001 – 1,550,000	1	–
2,050,001 – 2,100,000	–	1
2,800,001 – 2,850,000	1	–
	3	3

NOTES TO THE FINANCIAL STATEMENTS

11. DIVIDENDS

	2026 US\$'000	2025 US\$'000
Dividends payable/paid in respect of the current year:		
– Interim dividend of HK\$0.70 (2025: HK\$0.60) per ordinary share	29,127	25,113
– Proposed final dividend of HK\$2.90 (2025: HK\$2.90) per ordinary share	121,687	121,563
	150,814	146,676
Dividends paid in respect of the prior year:		
– Final dividend of HK\$2.9 (2025: HK\$2.70) per ordinary share	121,084	112,826

The final dividend for the year ended 30 June 2026 of US\$121,687,000 (2025: US\$121,563,000) is calculated based on 329,051,373 ordinary shares (2025: 329,051,373 ordinary shares) in issue as at 30 June 2026.

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period in the financial statements.

12. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of US\$409,818,000 (2025: US\$513,472,000) and the weighted average number of 325,224,511 ordinary shares (2025: 325,224,511 ordinary shares) in issue during the year.

(b) Diluted earnings per share

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the years ended 30 June 2026 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

13. SEGMENT REPORTING

In a manner consistent with the way in which information is reported internally to the Group's senior executive management, the Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units engage in different business activities, offer different products and services and are managed separately. The following summary describes the operations in each segment:

Segment	Business activities	Operated by
Principal investment:	This segment covers debt, equity and direct investments as well as treasury operations and provision of investment advisory and management services, with trading and strategic investments in global capital markets.	Subsidiaries and joint venture
Property development and investment:	This segment involves development of residential and commercial properties and holding properties for rental income in the key geographical markets of Singapore, China, Malaysia and Hong Kong.	Subsidiaries, associates and joint ventures
Hospitality and leisure:	This segment owns, leases or manages hotels and operates gaming and leisure businesses in the United Kingdom and Spain.	Subsidiaries
Financial services:	This segment covers commercial and consumer banking, Islamic banking, investment banking, life and general insurance, Takaful insurance, fund management and unit trust, corporate advisory services and stockbroking.	Associate

Other segments include royalty entitlement from the Group's Bass Strait's oil and gas production investment and the manufacture, marketing and distribution of health products through Manuka Health New Zealand Limited. None of these segments met any of the quantitative thresholds for determining reportable segments in 2026 or 2025.

The material accounting policies of the operating segments are the same as those described in the material accounting policies in note 2. Performance is evaluated on the basis of profit or loss from operations before taxation. Inter-segment pricing is determined on an arm's length basis. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from the financial year 2024/25.

NOTES TO THE FINANCIAL STATEMENTS

13. SEGMENT REPORTING (CONT'D)

Information regarding the Group's reportable segments for the year is set out below.

(a) Reportable segment revenue and profit or loss, assets and liabilities

Segment revenue and profit or loss

	Principal investment US\$'000	Property development and investment US\$'000	Hospitality and leisure US\$'000	Financial services US\$'000	Others US\$'000	Total US\$'000
For the year ended 30 June 2026						
Turnover	219,878	1,080,867	1,576,476	–	50,022	2,927,243
Disaggregated by timing of revenue						
– Point in time	100,973	247,866	1,576,476	–	50,022	1,975,337
– Over time	–	833,001	–	–	–	833,001
Revenue from external customers	100,973	1,080,867	1,576,476	–	50,022	2,808,338
Inter-segment revenue	4,936	1,455	–	–	–	6,391
Reportable segment revenue	105,909	1,082,322	1,576,476	–	50,022	2,814,729
Reportable segment operating profit	221,446	88,795	18,392	–	3,488	332,121
Finance costs	(13,923)	(115,755)	(77,826)	–	(3,878)	(211,382)
Valuation surplus on investment properties	–	61,749	–	–	–	61,749
Share of profits of associates	–	2,564	–	213,652	–	216,216
Share of profits of joint ventures	1,743	25,262	–	–	–	27,005
Profit/(loss) before taxation	209,266	62,615	(59,434)	213,652	(390)	425,709
For the year ended 30 June 2025						
Turnover	482,588	1,424,041	1,477,144	–	55,859	3,439,632
Disaggregated by timing of revenue						
– Point in time	156,795	459,056	1,477,144	–	55,859	2,148,854
– Over time	–	964,985	–	–	–	964,985
Revenue from external customers	156,795	1,424,041	1,477,144	–	55,859	3,113,839
Inter-segment revenue	10,161	1,894	–	–	–	12,055
Reportable segment revenue	166,956	1,425,935	1,477,144	–	55,859	3,125,894
Reportable segment operating profit	336,984	192,278	215,311	–	7,445	752,018
Finance costs	(31,697)	(162,135)	(74,805)	–	(6,177)	(274,814)
Valuation surplus on investment properties	–	6,106	–	–	–	6,106
Share of profits of associates	–	605	–	189,222	–	189,827
Share of profits/(losses) of joint ventures	865	(3,939)	–	–	–	(3,074)
Profit before taxation	306,152	32,915	140,506	189,222	1,268	670,063

NOTES TO THE FINANCIAL STATEMENTS

13. SEGMENT REPORTING (CONT'D)

(a) Reportable segment revenue and profit or loss, assets and liabilities (Cont'd)

Segment assets and liabilities

	Principal investment US\$'000	Property development and investment US\$'000	Hospitality and leisure US\$'000	Financial services US\$'000	Others US\$'000	Total US\$'000
At 30 June 2026						
Reportable segment assets	3,424,764	7,770,177	3,524,502	-	164,913	14,884,356
Interest in associates	-	27,306	-	2,159,210	-	2,186,516
Interest in joint ventures	-	616,768	-	-	-	616,768
Total assets	3,424,764	8,414,251	3,524,502	2,159,210	164,913	17,687,640
Reportable segment liabilities	175,149	4,305,870	1,781,380	-	92,925	6,355,324
At 30 June 2025						
Reportable segment assets	3,439,716	8,774,802	3,784,110	-	160,340	16,158,968
Interest in associates	-	68,111	-	1,936,139	-	2,004,250
Interest in joint ventures	1,735	505,433	-	-	-	507,168
Total assets	3,441,451	9,348,346	3,784,110	1,936,139	160,340	18,670,386
Reportable segment liabilities	588,853	5,143,223	1,799,288	-	89,686	7,621,050

Other information

2026						
Interest income	40,639	20,937	2,132	-	61	63,769
Depreciation and amortisation	4,944	1,302	128,570	-	6,901	141,717
Additions to non-current segment assets	37	12,676	113,111	-	1,079	126,903
2025						
Interest income	55,902	26,914	2,787	-	16	85,619
Depreciation and amortisation	4,920	8,458	109,799	-	7,290	130,467
Additions to non-current segment assets	110	98,570	115,149	-	1,184	215,013

Major customers

During the years ended 30 June 2026 and 2025, there is no major customer accounting for more than 10% of the total revenue of the Group.

NOTES TO THE FINANCIAL STATEMENTS

13. SEGMENT REPORTING (CONT'D)

(b) Reconciliations of reportable segment revenue, finance costs and interest income

Revenue

	2026 US\$'000	2025 US\$'000
Reportable segment revenue	2,814,729	3,125,894
Elimination of inter-segment revenue	(6,391)	(12,055)
Consolidated revenue (note 5)	2,808,338	3,113,839

Finance costs

	2026 US\$'000	2025 US\$'000
Reportable finance costs	211,382	274,814
Elimination of inter-segment finance costs	(3,380)	(8,752)
Consolidated finance costs (note 7(a))	208,002	266,062

Interest income

	2026 US\$'000	2025 US\$'000
Reportable interest income	63,769	85,619
Elimination of inter-segment interest income	(3,380)	(8,752)
Consolidated interest income (note 5)	60,389	76,867

NOTES TO THE FINANCIAL STATEMENTS

13. SEGMENT REPORTING (CONT'D)

(c) Geographical information

The following table illustrates the geographical location of the Group's revenue from external customers and non-current assets other than financial instruments, deferred tax assets and pensions surplus ("specified non-current assets"). The geographical information is classified by reference to the location of the income generating entities.

	Revenue from external customers		Specified non-current assets	
	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000
The People's Republic of China				
– Hong Kong	86,164	158,672	181,988	188,931
– China	200,654	161,056	430,053	421,563
United Kingdom and Continental Europe	1,530,625	1,443,215	2,955,343	3,164,310
Singapore	795,370	1,213,223	5,567,220	5,502,844
Australasia and others	195,525	137,673	2,519,611	2,329,723
	2,808,338	3,113,839	11,654,215	11,607,371

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

	Investment properties US\$'000	Interests in leasehold land and buildings US\$'000	Freehold land and buildings US\$'000	Furniture, fixtures and equipment US\$'000	Other property, plant and equipment US\$'000	Total US\$'000
Cost or valuation						
At 1 July 2024	4,952,477	1,181,941	538,005	1,114,692	2,834,638	7,787,115
Additions	94,493	8,536	1,414	92,981	102,931	197,424
Disposals and written off	-	(12,518)	(5,341)	(33,748)	(51,607)	(51,607)
Fair value adjustments	6,106	-	-	-	-	6,106
Exchange adjustments	308,066	86,526	44,678	89,376	220,580	528,646
At 30 June 2025	5,361,142	1,264,485	578,756	1,263,301	3,106,542	8,467,684
Representing:						
Cost	-	1,264,485	578,756	1,263,301	3,106,542	3,106,542
Valuation – 2025	5,361,142	-	-	-	-	5,361,142
	5,361,142	1,264,485	578,756	1,263,301	3,106,542	8,467,684
At 1 July 2025	5,361,142	1,264,485	578,756	1,263,301	3,106,542	8,467,684
Additions	5,343	19,077	5,993	76,470	101,540	106,883
Disposals and written off	-	(129,509)	(6,066)	(300,754)	(436,329)	(436,329)
Fair value adjustments	61,749	-	-	-	-	61,749
Exchange adjustments	(45,877)	44,644	(10,317)	196,996	231,323	185,446
At 30 June 2026	5,382,357	1,198,697	568,366	1,236,013	3,003,076	8,385,433
Representing:						
Cost	-	1,198,697	568,366	1,236,013	3,003,076	3,003,076
Valuation – 2026	5,382,357	-	-	-	-	5,382,357
	5,382,357	1,198,697	568,366	1,236,013	3,003,076	8,385,433

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Investment properties US\$'000	Interests in leasehold land and buildings US\$'000	Freehold land and buildings US\$'000	Furniture, fixtures and equipment US\$'000	Other property, plant and equipment US\$'000	Total US\$'000
Accumulated depreciation and impairment loss						
At 1 July 2024	-	304,885	96,623	902,297	1,303,805	1,303,805
Charge for the year	-	20,325	5,942	41,409	67,676	67,676
Written back on disposals and written off	-	(7,756)	(4,166)	(28,847)	(40,769)	(40,769)
Net impairment loss (reversed)/recognised	-	(1,782)	30	6,330	4,578	4,578
Exchange adjustments	-	22,304	6,868	71,671	100,843	100,843
At 30 June 2025	-	337,976	105,297	992,860	1,436,133	1,436,133
At 1 July 2025	-	337,976	105,297	992,860	1,436,133	1,436,133
Charge for the year	-	22,254	6,464	46,697	75,415	75,415
Written back on disposals and written off	-	(29,072)	(812)	(54,103)	(83,987)	(83,987)
Net impairment loss recognised	-	2,877	78	3,522	6,477	6,477
Exchange adjustments	-	(9,421)	(2,144)	(32,746)	(44,311)	(44,311)
At 30 June 2026	-	324,614	108,883	956,230	1,389,727	1,389,727
Carrying amount						
At 30 June 2026	5,382,357	874,083	459,483	279,783	1,613,349	6,995,706
At 30 June 2025	5,361,142	926,509	473,459	270,441	1,670,409	7,031,551

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) The analysis of the carrying amount of properties is as follows:

	2026 US\$'000	2025 US\$'000
In Hong Kong:		
– Leasehold with between 10 and 50 years unexpired	181,448	188,305
Outside Hong Kong:		
– Freehold	1,308,691	1,108,999
– Leasehold with over 50 years unexpired	4,739,701	5,010,639
– Leasehold with between 10 and 50 years unexpired	436,824	433,333
– Leasehold with less than 10 years unexpired	49,259	19,834
	6,715,923	6,761,110

- (b) Certain of the Group's properties with an aggregate carrying amount of US\$4,306.9 million (2025: US\$4,610.6 million) were pledged for bank loans.

- (c) Investment properties comprise:

	2026 US\$'000	2025 US\$'000
Completed investment properties	5,382,357	5,166,309
Investment properties under development	–	194,833
	5,382,357	5,361,142

- (d) The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 5 years.

- (e) Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	2026 US\$'000	2025 US\$'000
Within 1 year	211,583	204,991
Between 1 and 5 years	388,669	404,711
After 5 years	280,271	285,779
	880,523	895,481

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(f) Fair value measurement of properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

	2026				2025			
	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Recurring fair value measurements								
Investment properties	-	80,014	5,302,343	5,382,357	-	82,159	5,278,983	5,361,142

During the year ended 30 June 2026, there was no transfer between level 2 and level 3 (2025: Nil).

All of the Group's investment properties were revalued as at 30 June 2026. The valuations were carried out by external independent property valuers, CHFT Advisory and Appraisal Limited, CBRE, Cheston International and Savills. which have appropriate recognised professional qualifications and recent experience in the locations and categories of property being valued. The valuers have considered valuation techniques including the direct comparison method, income capitalisation method and residual land method in determining the open market values. The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations. Management has discussions with the valuers on the valuation assumptions and valuation results when the valuation is performed at each annual reporting date.

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(f) Fair value measurement of properties (Cont'd)

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair values of investment properties in Level 2 are determined using market comparison approach by reference to the recent sales price of comparable properties on a price per square feet basis using market data which is publicly available.

(iii) Information about Level 3 fair value measurements

Type of investment properties	Valuation method	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties	– Direct comparison method	– Sales prices of US\$2,363 to US\$3,263 (2025: US\$2,363 to US\$3,303) per square feet ("psf")	The estimated fair value increases when the sales price increases
	– Income capitalisation method	– Capitalisation rate of 3.3% to 6.0% (2025: 3.3% to 6.0%)	The estimated fair value increases when the capitalisation rate decreases
Reversionary interest in freehold land and commercial properties	– Direct comparison method	– Sales prices of US\$209 to US\$1,243 (2025: US\$200 to US\$1,168) psf	The estimated fair value increases when the sales price and gross development value increase
	– Residual land method	– Gross development value of US\$2,781 (2025: US\$2,652) psf	
Commercial properties under development	– Residual land method	– Gross development value of Nil (2025: US\$2,652) psf	The estimated fair value increases when the gross development value increases

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(f) Fair value measurement of properties (Cont'd)

(iii) Information about Level 3 fair value measurements (Cont'd)

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

	2026 US\$'000	2025 US\$'000
Investment properties:		
At 1 July	5,278,983	4,831,511
Additions	5,343	94,493
Fair value adjustments	63,988	44,569
Exchange adjustments	(45,971)	308,410
At 30 June	5,302,343	5,278,983

Fair value adjustment of investment properties is recognised in the line item "Valuation surplus on investment properties" on the face of the consolidated income statement.

NOTES TO THE FINANCIAL STATEMENTS

15. RIGHT-OF-USE ASSETS

	Interests in leasehold land and buildings US\$'000	Furniture, fixtures and equipment US\$'000	Total US\$'000
Cost or valuation			
At 1 July 2024	1,048,294	9,329	1,057,623
Additions	522	167	689
Disposals and written off	(3,317)	(173)	(3,490)
Lease modification	96,318	3,389	99,707
Exchange adjustments	88,507	880	89,387
At 30 June 2025	1,230,324	13,592	1,243,916
Representing:			
Cost	1,230,324	13,592	1,243,916
Valuation – 2025	–	–	–
	1,230,324	13,592	1,243,916
At 1 July 2025	1,230,324	13,592	1,243,916
Additions	2,758	349	3,107
Disposals and written off	(30,035)	(1,874)	(31,909)
Lease modification	55,959	56,949	112,908
Exchange adjustments	(41,841)	(1,302)	(43,143)
At 30 June 2026	1,217,165	67,714	1,284,879
Representing:			
Cost	1,217,165	67,714	1,284,879
Valuation – 2026	–	–	–
	1,217,165	67,714	1,284,879

NOTES TO THE FINANCIAL STATEMENTS

15. RIGHT-OF-USE ASSETS (CONT'D)

	Interests in leasehold land and buildings US\$'000	Furniture, fixtures and equipment US\$'000	Total US\$'000
Accumulated depreciation and impairment loss			
At 1 July 2024	320,838	7,121	327,959
Charge for the year	37,981	1,676	39,657
Written back on disposals and written off	(1,866)	(149)	(2,015)
Net impairment loss (reversed)/recognised	(565)	471	(94)
Lease modification	88	–	88
Exchange adjustments	28,784	849	29,633
At 30 June 2025	385,260	9,968	395,228
At 1 July 2025	385,260	9,968	395,228
Charge for the year	38,290	8,303	46,593
Written back on disposals and written off	(24,374)	(52)	(24,426)
Net impairment loss recognised	12,977	14,554	27,531
Lease modification	1,672	3,157	4,829
Exchange adjustments	(13,448)	(272)	(13,720)
At 30 June 2026	400,377	35,658	436,035
Carrying amount			
At 30 June 2026	816,788	32,056	848,844
At 30 June 2025	845,064	3,624	848,688

The analysis of the carrying amount of right-of-use assets by class of underlying asset is as follows:

	2026 US\$'000	2025 US\$'000
Ownership interests in leasehold land and buildings held for own use, carried at net book value outside Hong Kong, with remaining unexpired lease term		
– 50 years or more	571,878	610,641
– between 10 and 50 years	85,089	98,279
– less than 10 years	159,821	136,144
	816,788	845,064
Furniture, fixtures and equipment held for own use, carried at depreciated cost	32,056	3,624
	848,844	848,688

NOTES TO THE FINANCIAL STATEMENTS

16. INTANGIBLE ASSETS

	Casino licences and brand names US\$'000	Bass Strait oil and gas royalty US\$'000	Customer relationship, licences and brand names US\$'000	Others US\$'000	Total US\$'000
Cost					
At 1 July 2024	855,708	125,702	70,822	218,613	1,270,845
Additions	486	–	159	16,255	16,900
Disposals	(20)	–	(4,005)	(5,384)	(9,409)
Exchange adjustments	73,017	(1,969)	1,247	16,560	88,855
At 30 June 2025	929,191	123,733	68,223	246,044	1,367,191
At 1 July 2025	929,191	123,733	68,223	246,044	1,367,191
Additions	346	–	1,303	15,264	16,913
Disposals	(353)	–	–	(88,626)	(88,979)
Exchange adjustments	(31,614)	6,502	(3,850)	(7,494)	(36,456)
At 30 June 2026	897,570	130,235	65,676	165,188	1,258,669
Accumulated amortisation and impairment loss					
At 1 July 2024	111,891	85,736	52,922	170,076	420,625
Charge for the year	57	4,331	1,570	17,176	23,134
Net impairment loss (reversed)/ recognised	(2,472)	–	2,613	194	335
Written back on disposals	(11)	–	(4,005)	(5,384)	(9,400)
Exchange adjustments	10,420	(1,303)	(417)	21,814	30,514
At 30 June 2025	119,885	88,764	52,683	203,876	465,208
At 1 July 2025	119,885	88,764	52,683	203,876	465,208
Charge for the year	95	4,540	1,348	13,726	19,709
Net impairment loss recognised	126,725	–	–	–	126,725
Written back on disposals	(327)	–	–	(88,614)	(88,941)
Exchange adjustments	(4,176)	4,725	(1,926)	(6,093)	(7,470)
At 30 June 2026	242,202	98,029	52,105	122,895	515,231
Carrying amount					
At 30 June 2026	655,368	32,206	13,571	42,293	743,438
At 30 June 2025	809,306	34,969	15,540	42,168	901,983

NOTES TO THE FINANCIAL STATEMENTS

16. INTANGIBLE ASSETS (CONT'D)

The Bass Strait oil and gas royalty represents the Group's interest in the Bass Strait's oil and gas production in Australia. It is stated at cost less accumulated amortisation and impairment losses. The cost is amortised on a straight-line basis so that the amortisation charge for the year is included in administrative and other operating expenses in the consolidated income statement so as to write off the cost over its estimated useful life to 2033 (2025: 2033).

The Group capitalises acquired casino and other gaming licences and concessions. Management believes that licences have indefinite lives as there is no foreseeable limit to the period over which the licences are expected to generate net cash inflows and each licence holds a value outside the property in which it resides. Each licence is reviewed annually for impairment.

The customer relationship, licences and brand name represents the Group's interest in the manufacture, marketing and distribution of health products. The customer relationship and licences are amortised on a straight-line basis over their estimated useful lives (4 to 20 years). Acquired brand names are recorded at fair value on acquisition. Where the brand names have a substantial and long term sustainable value and continued investment is made in the brand, the brand is deemed to have an indefinite life and is therefore not amortised. Brand names are reviewed annually for impairment or whenever events or changes in circumstances indicate the carrying value of the brand names may be impaired.

Included in other intangible assets are acquired computer software licences, costs that are directly associated with the production and development of identifiable and unique software products controlled by the Group, and computer software development costs which are amortised over their estimated useful lives (3 to 5 years).

The recoverable amounts of the intangible assets are estimated based on value in use models. These calculations use cash flow projections based on financial budgets approved by management covering a 3 to 5-year period. Subsequent to the cash flow projections period, the growth rates used to extrapolate the cash flow projections are stated below. The growth rate does not exceed the long term average growth rate for the relevant businesses.

The key assumptions used for value in use calculations are as follows:

	Casino licences and brand names		Bass Strait oil and gas royalty		Customer relationship, licences and brand name	
	2026	2025	2026	2025	2026	2025
Long term growth rate	2%-3%	2%-4%	2%	2%	2%	2%
Discount rate	13%-15%	12%-15%	10%	10%	14%	14%

For casino licences and brand names of Rank, the assumptions in the calculation of value in use are customer visits, win margins, spend per visit, casino duty, machine games duty, bingo duty adjusted for expected socioeconomic regulatory or tax changes and planned business initiatives and the discount rate. For Bass Strait oil and gas royalty, the assumptions in the calculation of value in use are oil and gas production, oil and gas price, exchange rate and general inflation. For customer relationship, licences and brand name, the assumptions in the calculation of value in use are honey production, honey price, exchange rate and general inflation. The long term growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES

(a) Details of the principal subsidiaries incorporated and operating in Hong Kong are as follows:

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Asia Fountain Investment Company Limited	HK\$20	–	100	Investment in securities
Asset Nominees Limited	HK\$2	–	100	Provision of trustee services to a group company
BIL (Far East Holdings) Limited	HK\$1,941,730,353	–	100	Investment holding
GuocoEquity Assets Limited	HK\$23,000,000 ordinary shares and HK\$244,700,000 redeemable preference shares	100	100	Investment holding
GuoSon Assets China Limited	S\$166,700,000	–	67	Investment holding
Guoco Management Company Limited	HK\$2,000,000,000 ordinary shares and HK\$4,810,030,153 redeemable preference shares	100	100	Provision of management services, trading in securities and investment holding
Guoco Investments (China) Limited	HK\$1	100	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

(b) Details of the principal subsidiaries incorporated and operating in Singapore are as follows:

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Guoco Midtown Pte. Ltd.	S\$817,000,000	-	77	Holding properties for rental
Guoco Midtown II Pte. Ltd.	S\$5,000,000	-	40	Holding properties for rental
GLL Chongqing 18 Steps Pte. Ltd.	S\$446,600,267	-	50	Investment holding
GLL IHT Pte. Ltd.	S\$10,083,000	-	67	Financial and treasury services
GLL Land Pte. Ltd.	S\$70,000,000	-	67	Holding properties for rental
GuocoLand Limited ("GuocoLand")	S\$1,926,053,440	-	67	Investment holding
GuocoLand Assets Pte. Ltd.	S\$595,500,000	100	100	Investment holding
GuocoLand Hotels Pte. Ltd.	S\$260,610,000	-	67	Investment holding and owning hotels assets
GuocoLand Management Pte. Ltd.	S\$500,000	-	67	Management services
GuocoLand Property Management Pte. Ltd.	S\$10,000,000	-	67	Property management, marketing and maintenance services
GuocoLand Property Maintenance Services Pte. Ltd.	S\$1	-	67	Property management and maintenance services
GuocoLand (Singapore) Pte. Ltd.	S\$1,190,700,000	-	67	Investment holding
Lentor Central Pte. Ltd.	S\$38,000,000	-	67	Holding properties for rental
Lentor Mansion Pte. Ltd.	S\$45,000,000	-	40	Property developer
Lentor Modern Pte. Ltd.	S\$96,000,000	-	67	Property developer
Midtown Bay Pte. Ltd.	S\$32,000,000	-	77	Property developer
Midtown Modern Pte. Ltd.	S\$115,300,000	-	40	Property developer
River Modern Pte. Ltd. (previously known as "GLL B Pte. Ltd.")	S\$38,000,000	-	67	Property developer
TPC Commercial Pte. Ltd.	S\$487,000,000	-	53	Holding properties for rental
TPC Hotel Pte. Ltd.	S\$188,000,000	-	53	Holding & operating hotel & hotel related activities

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

(c) Details of the principal subsidiaries incorporated and operating in Malaysia are as follows:

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Damansara City Sdn Bhd	RM20,100,000	–	43	Property development and property investment
DC Hotel Sdn Bhd	RM262,763,134	–	43	Hotel operations
DC Parking Sdn Bhd	RM3,700,002	–	43	Car park operations and property investment
DC Town Square Sdn Bhd	RM98,483,487	–	43	Property investment
GLM Emerald Hills (Cheras) Sdn Bhd	RM10,000,000	–	43	Property development
GLM Emerald Industrial Park (Jasin) Sdn Bhd	RM50,600,000	–	30	Property development and operation of an oil palm estate
GLM Emerald Square (Cheras) Sdn Bhd	RM96,074,300	–	43	Property development
GLM Property Services Sdn Bhd	RM6,723,172	–	43	Provision of property management services
GLM IHM Sdn Bhd	RM7,000,000	–	43	Provision of management services
GLM REIT Management Sdn Bhd	RM1,500,100	–	43	Provision of management services
GuocoLand (Malaysia) Berhad	RM385,318,195	–	43	Investment holding
PD Resort Sdn Bhd	RM106,242,000	–	67	Property investment and development, hotel operations and provision of consultancy and training services

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

(d) Details of the principal subsidiaries incorporated and operating in the United Kingdom are as follows:

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Barbican Hotel (London) Limited	GBP326,747	-	100	Operation of a hotel in UK
Bloomsbury Hotel (London) Limited	GBP4	-	100	Operation of a hotel in UK
Clermont Hotel Holdings Limited	GBP6	-	100	Investment holding
Clermont Hotel Group Limited	GBP80,741,756	-	100	Ownership and operation of hotels in UK
Clermont Hotel HR Limited	GBP315,000	-	100	Provision of staff to the group
Grosvenor Casinos Limited	GBP39,000,000	-	56	Casinos
Grosvenor Casinos (GC) Limited	GBP100	-	56	Casinos
GLH IP Holdings Limited	GBP3	-	100	Holding company and licensing of hotel brand intellectual property in UK
Heathrow Hotel (London) Limited	GBP6,226,849	-	100	Operation of a hotel in UK
Kensington Gardens Hotel (London) Limited	GBP10,066	-	100	Operation of a hotel in UK
Linkco Limited	GBP1	-	56	Processing of credit transfers
Marble Arch Hotel (London) Limited	GBP11,310,412	-	100	Operation of a hotel in UK
Mecca Bingo Limited	GBP950,000 ordinary shares and GBP50,000 "A" shares	-	56	Social and bingo clubs
Piccadilly Hotel (London) Limited	GBP3,519,228	-	100	Operation of a hotel in UK
Rank Casino Holdings Limited	GBP100	-	56	Intermediary holding company
Rank Digital Limited	GBP1,000 "A" shares and GBP5,000 "B" shares	-	56	Support services to interactive gaming
Rank Digital Holdings Limited	GBP3,431,001	-	56	Intermediary holding company
Rank Group Finance Plc	GBP200,000,000	-	56	Funding operations for the group

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

(d) Details of the principal subsidiaries incorporated and operating in the United Kingdom are as follows: (Cont'd)

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Rank Group Gaming Division Limited	GBP944,469 ordinary shares and GBP55,531 "A" shares	-	56	Intermediary holding and provision of property services
Rank Interactive Limited	GBP500 "A" shares and GBP500 "B" shares	-	56	Interactive gaming
Rank Leisure Limited	GBP1	-	56	Adult gaming centres in Mecca and Grosvenor Casinos venues
Rank Leisure Holdings Limited	GBP1,000,000 ordinary shares and US\$1,799 preferred shares	-	56	Intermediary holding and corporate activities
Rank Nemo (Twenty-Five) Limited	GBP1	-	56	Intermediary holding company
Rank Overseas Holdings Limited	GBP1,000,000	-	56	Intermediary holding company
Spacebar Media Limited	GBP3.33	-	56	Development and maintenance of online gaming software
The Charing Cross Hotel Limited	GBP12,941,059	-	100	Operation of a hotel in UK
The Cumberland Hotel (London) Limited	GBP4,293,277	-	100	Operation of a hotel in UK
The Grosvenor Hotel Victoria Limited	GBP36,712,597	-	100	Operation of a hotel in UK
The Royal Horseguards Hotel Limited	GBP12,468,296	-	100	Operation of a hotel in UK
The Strathmore Hotel (Luton) Limited	GBP6	-	100	Operation of a hotel in UK
The Tower Hotel (London) Limited	GBP55,745,451	-	100	Operation of a hotel in UK
The Wiltshire Hotel (Swindon) Limited	GBP50,003	-	100	Operation of a hotel in UK
Trafalgar Hotel (London) Limited	GBP2,329,593	-	100	Operation of a hotel in UK
The Gaming Group Limited	GBP1	-	56	Casinos
The Rank Group Plc ("Rank")	GBP65,064,863	-	56	Investment holding of gaming business
Upperline Marketing Limited	GBP100	-	56	Marketing services

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

(e) Details of the principal subsidiaries incorporated and operating in other countries are as follows:

Name of Company	Country of incorporation and operation	Issued and paid up share capital (note (vii))	Percentage held by the Company Group		Principal activities
Asia Fountain Assets Limited	Cayman Islands	US\$50,000 ordinary shares and US\$455,000,000 redeemable preference shares	–	100	Investment in securities
Bingsoft Plc	Malta	EUR176,169	–	56	Interactive gaming and support services
BIL Australia Pty Limited	Australia	A\$1	–	100	Investment holding
BIL NZ Treasury Limited	New Zealand	NZ\$200,100,000	–	100	Investment holding
Chongqing Yuzhong Xin Hao Jun Real Estate Development Co., Ltd. (notes (i) & (vi))	The People's Republic of China	RMB3,762,123,420.57 (note (ii))	–	50	Property development
Chongqing Xinhaoren Real Estate Development Co. Ltd. (notes (i) & (vi))	The People's Republic of China	RMB1,302,880,000 (note (ii))	–	50	Property development
Clermont Group (Cayman) Limited (note (iv))	Cayman Island	US\$1 ordinary share and US\$260,210,000 redeemable preference shares	–	100	Investment holding
Clermont Hotel Management Limited (note (iv))	Scotland	GBP150,003	–	100	Management of hotels in UK
Conticin S.L.	Spain	EUR36,000	–	56	Operator of parking for social and bingo clubs
Daub Alderney Limited	Alderney	GBP267 ordinary shares and GBP55 redeemable shares	–	56	Intermediary holding company
Fresco Resources Limited (note (iii))	British Virgin Islands	US\$1	100	100	Provide funding to group companies
GGL Assets (NZ) Limited	New Zealand	NZ\$183,000,100 ordinary shares, NZ\$25,000,000 redeemable preference shares and US\$20,000,000 redeemable preference shares	100	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

- (e) Details of the principal subsidiaries incorporated and operating in other countries are as follows: (Cont'd)

Name of Company	Country of incorporation and operation	Issued and paid up share capital (note (vii))	Percentage held by the Company Group		Principal activities
GL Limited (note (iii))	Bermuda	US\$1	100	100	Investment holding
Gotfor S.A.	Spain	EUR60,101	–	56	Social and Bingo clubs
GuocoLand (China) Limited	Bermuda	US\$20,000,000	–	67	Investment holding
Beijing GuoSon Investment Company Limited (notes (i) & (vi))	The People's Republic of China	US\$210,000,000 (note (ii))	–	67	Investment holding
Manuka Health Australia Pty Limited	Australia	A\$1	–	100	Limited risk distributor
Manuka Health New Zealand Limited	New Zealand	33,619,000 ordinary shares and NZ\$25,000,000 redeemable preference shares	–	100	Apiculture, manufacture, sale and distribution of New Zealand natural healthcare products
Molokai Properties Limited	United States of America	US\$200	–	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

- (e) Details of the principal subsidiaries incorporated and operating in other countries are as follows: (Cont'd)

Name of Company	Country of incorporation and operation	Issued and paid up share capital (note (vii))	Percentage held by the Company	Percentage held by the Group	Principal activities
Neuseelandhaus GmbH	Germany	EUR25,000	–	100	Sale and distribution of New Zealand natural healthcare products
Manuka Health Trading (Shanghai) Limited (notes (i) & (v))	The People's Republic of China	RMB8,500,000 (note (ii))	–	100	Sale and distribution of New Zealand natural healthcare products
Oceanease Limited	Cayman Islands	US\$1 ordinary share and US\$33,740,000 redeemable preference shares	–	100	Investment holding
Qinnacle View Limited (note (iii))	Cayman Islands	US\$1	100	100	Property investment
QSB Gaming Limited	Alderney	GBP4,234	–	56	Intermediary holding company
Rank Assets Limited	Cayman Islands	US\$1 ordinary share and US\$380,295,000 redeemable preference shares	100	100	Investment holding
Rank Cataluña S.A.	Spain	EUR180,000	–	56	Bingo clubs
Rank Centro S.A.	Spain	EUR60,200	–	56	Bingo clubs
Rank Digital Ceuta S.A.	Spain	EUR60,000	–	56	Digital gaming

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

- (e) Details of the principal subsidiaries incorporated and operating in other countries are as follows: (Cont'd)

Name of Company	Country of incorporation and operation	Issued and paid up share capital (note (vii))	Percentage held by the Company Group		Principal activities
Rank Digital Gaming (Alderney) Limited	Alderney	GBP1	–	56	Intermediary holding company
Rank Digital Services (Gibraltar) Limited	Gibraltar	GBP1,000	–	56	Support services to interactive gaming
Rank Holding España S.A.	Spain	EUR3,903,000	–	56	Intermediary holding company
Rank Interactive (Gibraltar) Limited	Gibraltar	GBP1,800	–	56	Interactive gaming
Rank Interactive Services (Mauritius) Limited	Mauritius	MUR30	–	56	Shared services support
ShiftTech (PTY) Ltd.	South Africa	ZAR777,299	–	56	Development and maintenance of online gaming software
Shanghai Xinhaolong Property Development Co., Ltd (notes (i) & (v))	The People's Republic of China	US\$126,000,000 (note (ii))	–	67	Property development
Shanghai Xinhaolong Property Management Co., Ltd (notes (i) & (v))	The People's Republic of China	RMB3,000,000 (note (ii))	–	67	Property management
Shanghai Xinhaojia Property Development Co., Ltd (notes (i) & (v))	The People's Republic of China	RMB1,000,000 (note (ii))	50	100	Property development
Stride Gaming Limited	Jersey	GBP768,264	–	56	Intermediary holding company

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (CONT'D)

- (e) Details of the principal subsidiaries incorporated and operating in other countries are as follows: (Cont'd)

Name of Company	Country of incorporation and operation	Issued and paid up share capital (note (vii))	Percentage held by the Company	Percentage held by the Group	Principal activities
Stride Investments	Mauritius	GBP5,000	–	56	Intermediary holding company
Supreme Goal Investments Limited (note (iii))	British Virgin Islands	US\$1	100	100	Property investment
Top Rank Andalucia S.A.	Spain	EUR1,583,592	–	56	Bingo clubs
Verdiales S.L.	Spain	EUR300,500	–	56	Bingo clubs

Notes:

- (i) These companies have a financial year end of 31 December.
- (ii) These comprise capital contribution to the companies. These companies have a defined period of existence.
- (iii) These companies are operating in Hong Kong.
- (iv) These companies are operating in the United Kingdom.
- (v) These companies are foreign investment enterprises.
- (vi) These companies are sino-foreign equity joint venture enterprises.
- (vii) The share(s) is/are issued and paid up ordinary share capital unless otherwise specified.

NOTES TO THE FINANCIAL STATEMENTS

17. INTEREST IN SUBSIDIARIES (Cont'd)

(f) Material non-controlling interests

The following table lists out the information relating to each subsidiary of the Group which has material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

	GuocoLand		Rank		Immaterial		Total	
	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000
NCI percentage at the end of the reporting period	33%	33%	44%	44%				
Non-current assets	6,273,912	6,208,793	1,452,998	1,459,187				
Current assets	2,512,180	3,344,366	139,460	128,042				
Non-current liabilities	(3,379,372)	(1,169,222)	(310,186)	(268,119)				
Current liabilities	(1,098,799)	(4,139,726)	(283,811)	(294,531)				
Net assets	4,307,921	4,244,211	998,461	1,024,579				
Carrying amount of NCI	1,925,908	1,861,746	371,393	436,594	(2,622)	(2,715)	2,294,679	2,295,625
Revenue	1,129,456	1,471,183	1,074,356	1,036,434				
Profit for the year	59,436	103,480	27,867	58,066				
Total comprehensive income	126,675	85,352	26,322	58,791				
Profit allocated to NCI	3,143	46,813	(40,479)	25,458	-	-	(37,336)	72,271
Dividend paid to NCI	23,509	20,064	7,998	4,220	-	-	31,507	24,284
Net cash generated from/(used in):								
– operating activities	935,501	153,578	160,568	164,201				
– investing activities	(9,616)	(27,536)	(62,184)	(71,387)				
– financing activities	(939,110)	(295,637)	(83,703)	(76,063)				
Net (decrease)/increase in cash and cash equivalents	(13,225)	(169,595)	14,681	16,751				

NOTES TO THE FINANCIAL STATEMENTS

18. INTEREST IN ASSOCIATES AND JOINT VENTURES

	2026 US\$'000	2025 US\$'000
Share of net assets of associates	2,184,059	2,004,836
Goodwill	2,430	2,355
Amounts due from associates	27	35
	2,186,516	2,007,226
Less: Impairment loss	-	(2,976)
Interest in associates	2,186,516	2,004,250
Share of net assets of joint ventures	168,606	105,417
Amounts due from joint ventures	448,162	401,751
Interest in joint ventures	616,768	507,168
	2,803,284	2,511,418

The market values of the listed investments in associates at 30 June 2026 was US\$1,313.6 million (2025: US\$1,158.5 million).

Following to change in control in the manager of Tower Real Estate Investment Trust ("Tower REIT"), the Group reassessed its control and concluded that it has joint control of Tower REIT on 25 June 2026, as the decisions over its relevant activities require unanimous consent or joint approval among joint venture partners. The Group retains joint control and rights to its share of Tower REIT's net assets, the retained interests have been transferred from associates to joint ventures and continuously accounted for using the equity method in the year.

Tower REIT is listed on the Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Based on its closing price per unit of RM0.30 (2025: RM0.29) (Level 1 in the fair value hierarchy) at the reporting date, the value of the Group's investment in Tower REIT was US\$12.0 million (2025: US\$11.3 million). The Group undertook an impairment assessment of its investment in Tower REIT and estimated its recoverable amount, taking into consideration the fair value of the underlying properties held by Tower REIT. Based on the assessment, the recoverable amount of the investment properties approximates its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

18. INTEREST IN ASSOCIATES AND JOINT VENTURES (CONT'D)

The details of significant associates and joint ventures are as follows:

Name of Company	Country of incorporation and operation	Issued and paid up ordinary share capital	Effective percentage held by the Group	Principal activities
Associates				
Hong Leong Financial Group Berhad ("HLFG")	Malaysia	RM2,267,008,045	25	Financial services (Note 1)
GLM Emerald (Sepang) Sdn Bhd ("GLM Emerald")	Malaysia	RM143,204,542	21	Property development and operation of an oil palm estate
Joint ventures				
Carmel Development Pte. Ltd.	Singapore	S\$4,000,000	27	Property developer
Faber Residence Pte. Ltd.	Singapore	S\$34,000,000	34	Property developer
Lentor Central Park Pte. Ltd.	Singapore	S\$4,000,000	20	Property developer
Lentor Hills Development Pte. Ltd.	Singapore	S\$4,000,000	20	Property developer
Margaret Rise Development Pte. Ltd.	Singapore	S\$4,000,000	20	Property developer
Springleaf Residence Pte. Ltd. ("Springleaf")	Singapore	S\$75,000,000	40	Property developer
Tengah Garden Development Pte. Ltd.	Singapore	S\$4,000,000	13	Property developer
TGA Development Pte. Ltd.	Singapore	S\$4,000,000	13	Holding properties for rental
Tower Real Estate Investment Trust	Malaysia	RM285,344,766	15	Investment in real estate and real-estate related assets (Note 2)

Note 1: HLFG is an integrated financial services group and is listed on Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Its businesses cover commercial banking, Islamic banking services, insurance and takaful business, investment banking, futures and stockbroking and asset management business.

Note 2: Tower REIT is listed on Bursa Malaysia. Its investment portfolio comprises 3 prime commercial buildings in Kuala Lumpur.

All of the associates and joint ventures are accounted for using the equity method in the consolidated financial statements.

Included in amounts due from joint ventures of US\$448.2 million (2025: US\$354.9 million) is interest bearing at 3.2% per annum (2025: 3.9%) and is repayable at the discretion of the board of the joint venture.

NOTES TO THE FINANCIAL STATEMENTS

18. INTEREST IN ASSOCIATES AND JOINT VENTURES (CONT'D)

Summarised financial information of the material associates, adjusted for any differences in material accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

	HLFG		Tower REIT		GLM Emerald		Total	
	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000
Non-current assets	N/A	N/A	-	191,629	50,185	49,959		
Current assets	N/A	N/A	-	7,235	7,307	5,650		
Total assets	90,693,662	84,324,546	-	198,864	57,492	55,609		
Non-current liabilities	N/A	N/A	-	(61,095)	-	-		
Current liabilities	N/A	N/A	-	(3,046)	(2,273)	(2,329)		
Total liabilities	(78,243,246)	(73,111,831)	-	(64,141)	(2,273)	(2,329)		
Non-controlling interests	(3,939,436)	(3,580,895)	-	-	-	-		
Net assets	8,510,980	7,631,820	-	134,723	55,219	53,280		
Group's share of net assets	2,159,210	1,936,139	-	44,721	24,849	23,976	2,184,059	2,004,836
Goodwill	-	-	-	-	2,430	2,355	2,430	2,355
Amounts due from an associate	-	-	-	-	27	35	27	35
Impairment loss	-	-	-	(2,976)	-	-	-	(2,976)
Group's carrying amount	2,159,210	1,936,139	-	41,745	27,306	26,366	2,186,516	2,004,250
Revenue	2,184,535	2,051,813	-	8,884	1,886	3,248		
Profit/(loss) for the year	842,894	745,870	-	1,645	(131)	131		
Other comprehensive income	(8,288)	(133,126)	-	-	3,153	2,627		
Total comprehensive income	834,606	612,744	-	1,645	3,022	2,758		
Carrying amount of interest in associates at the beginning of the year	1,936,139	1,617,586	41,745	37,088	26,366	23,564	2,004,250	1,678,238
Total comprehensive income attributable to the Group	211,549	154,266	2,621	546	(57)	1,241	214,113	156,053
Dividends received during the year	(52,169)	(37,121)	-	(592)	-	-	(52,169)	(37,713)
(Repayment from)/advance to associates	-	-	-	(2)	(8)	35	(8)	33
Transfer to joint venture	-	-	(46,995)	-	-	-	(46,995)	-
Exchange adjustments	63,691	201,408	2,629	4,705	1,005	1,526	67,325	207,639
Carrying amount of interest in associates at the end of the year	2,159,210	1,936,139	-	41,745	27,306	26,366	2,186,516	2,004,250

NOTES TO THE FINANCIAL STATEMENTS

18. INTEREST IN ASSOCIATES AND JOINT VENTURES (CONT'D)

Summarised financial information of the material joint ventures, adjusted for any differences in material accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

	Springleaf		Other immaterial joint ventures		Total	
	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000
Non-current assets	2,317	4,647				
Current assets	754,124	728,840				
Total assets	756,441	733,487				
Non-current liabilities	(564,837)	(690,754)				
Current liabilities	(144,986)	(6,568)				
Total liabilities	(709,823)	(697,322)				
Net assets	46,618	36,165				
Group's share of net assets	27,970	21,698				
Amount due from joint ventures	126,035	116,542				
Group's carrying amount	154,005	138,240	462,763	368,928	616,768	507,168
Profit/(loss) for the year	21,712	(21,893)				
Carrying amount of interest in joint ventures at the beginning of the year	138,240	131,828	368,928	383,427	507,168	515,255
Addition	-	-	21,172	15,537	21,172	15,537
Disposal	-	-	(1,538)	-	(1,538)	-
Total comprehensive income attributable to the Group	13,027	(13,131)	13,978	10,057	27,005	(3,074)
Dividend received during the year	-	-	(21,725)	(6,030)	(21,725)	(6,030)
Advance to/(repayment from) joint ventures	4,948	11,494	38,929	(60,599)	43,877	(49,105)
Transfer from associate	-	-	46,995	-	46,995	-
Exchange adjustments	(2,210)	8,049	(3,976)	26,536	(6,186)	34,585
Carrying amount of interest in joint ventures at the end of the year	154,005	138,240	462,763	368,928	616,768	507,168

NOTES TO THE FINANCIAL STATEMENTS

19. EQUITY INVESTMENTS AT FVOCI

	2026 US\$'000	2025 US\$'000
Equity/fund securities		
Listed (at market value)		
– In Hong Kong	695,612	671,588
Unlisted	77,628	78,118
	773,240	749,706

20. GOODWILL

	2026 US\$'000	2025 US\$'000
At 1 July	313,731	305,229
Impairment loss recognised	(38,644)	(11,752)
Exchange adjustments	(12,144)	20,254
At 30 June	262,943	313,731

In accordance with the Group's accounting policy, the carrying value of goodwill is tested for impairment annually, based on value in use models. For impairment testing purposes, each subsidiary group acquired is treated as a single cash generating unit. The recoverable amount of goodwill is determined by discounting the future cash flows to be generated from the CGU based on the financial budgets approved by management covering a 3 to 5-year period. Cash flows beyond the period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations are as follows:

	Manuka Health		Rank	
	2026	2025	2026	2025
Long term growth rate	2%	2%	2%	2%
Discount rate	14%	14%	15%	15%

The long term growth rates used are consistent with the forecasts included in industry reports and do not exceed the long-term average growth rates for the business in which the CGU operates. The discount rates used are pre-tax and reflect specific risks relating to the relevant businesses.

NOTES TO THE FINANCIAL STATEMENTS

21. DEVELOPMENT PROPERTIES

	2026 US\$'000	2025 US\$'000
Cost	5,326,779	5,304,749
Less: Progress instalments received and receivable	(3,699,160)	(3,281,322)
Allowance for foreseeable losses	(475,150)	(299,186)
	1,152,469	1,724,241

The Group recognises an allowance for foreseeable losses on development properties taking into consideration the selling prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions may, however, change which may affect the future selling prices of the remaining unsold residential units of the development properties and accordingly, the carrying value of development properties for sale may have to be written down in future periods. As at 30 June 2026, an allowance for foreseeable losses of US\$475,150,000 (2025: US\$299,186,000) has been made in respect of the Group's development properties.

Certain of the Group's development properties with an aggregate book value of US\$877.3 million (2025: US\$1,291.6 million) were pledged for bank loans.

22. PROPERTIES HELD FOR SALE

	2026 US\$'000	2025 US\$'000
At 1 July	169,593	207,870
Transfer from development properties	9,308	1,927
Disposals	(39,433)	(56,482)
	139,468	153,315
Exchange adjustments	1,866	16,278
At 30 June	141,334	169,593

NOTES TO THE FINANCIAL STATEMENTS

23. INVENTORIES

	2026 US\$'000	2025 US\$'000
Raw materials and consumables	31,047	34,481
Finished goods	19,912	19,893
Provision for inventory obsolescence	(4,321)	(857)
	46,638	53,517

24. CONTRACT ASSETS/LIABILITIES

(i) Contract assets

Contract assets relate primarily to the Group's right to consideration for work completed but not billed at the reporting date in respect of its property development business. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

(ii) Contract liabilities

Contract liabilities relate primarily to advance consideration received from customers and progress billings issued in excess of the Group's rights to the consideration. The contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer.

The significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	Contract Assets		Contract Liabilities	
	2026 US\$'000	2025 US\$'000	2026 US\$'000	2025 US\$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	–	–	(233,857)	(206,565)
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	167,738	130,448
Contract assets reclassified to trade receivables	(529,406)	(871,735)	–	–
Change in measurement of progress	473,766	971,944	–	–
	(55,640)	100,209	(66,119)	(76,117)

The changes in contract assets and contract liabilities are due to the differences between the agreed payment schedule and progress of the construction work.

NOTES TO THE FINANCIAL STATEMENTS

25. TRADE AND OTHER RECEIVABLES

	2026 US\$'000	2025 US\$'000
Trade debtors	94,419	242,933
Other receivables, deposits and prepayments	109,594	131,989
Derivative financial instruments, at fair value	7,906	3,312
Interest receivables	8,424	8,768
	220,343	387,002

Included in the Group's trade and other receivables is US\$8.8 million (2025: US\$11.5 million) which is expected to be recovered after one year.

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

	2026 US\$'000	2025 US\$'000
Within 1 month	72,492	233,088
1 to 3 months	16,354	6,951
More than 3 months	5,573	2,894
	94,419	242,933

(b) Impairment of trade debtors, other receivables and deposits, and interest receivables

Impairment losses in respect of trade debtors, other receivables and deposits, and interest receivables are recorded using an allowance account based on expected credit losses. Given the Group has not experienced any significant credit losses in the past, the allowance for expected credit losses is therefore insignificant.

The balance and the movement of the allowance for bad and doubtful debts as at 30 June 2026 and 2025 are not significant.

NOTES TO THE FINANCIAL STATEMENTS

26. TRADING FINANCIAL ASSETS

	2026 US\$'000	2025 US\$'000
Equity securities		
Listed (at market value)		
– In Hong Kong	582,441	554,106
– Outside Hong Kong	782,669	661,084
	1,365,110	1,215,190
Debt securities		
Listed (at market value)		
– In Hong Kong	4,463	–
– Outside Hong Kong	43,086	–
	47,549	–
	1,412,659	1,215,190

Certain of the Group's trading financial assets with an aggregate book value of US\$104.4 million (2025: US\$56.6 million) were pledged for bank facilities.

27. CASH AND SHORT TERM FUNDS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2026 US\$'000	2025 US\$'000
Deposits with banks	1,084,593	1,599,118
Cash at bank and in hand	537,063	446,740
Cash and short term funds in the consolidated statement of financial position	1,621,656	2,045,858
Fixed deposits with maturity over three months	(625,309)	(960,212)
Cash collaterals (note)	(8,833)	(12,054)
Cash and cash equivalents in the consolidated statement of cash flows	987,514	1,073,592

Note:

Cash collaterals comprised deposits of US\$8.8 million as at 30 June 2026 (2025: US\$12.1 million) pledged with financial institutions in Singapore for bank loans.

NOTES TO THE FINANCIAL STATEMENTS

27. CASH AND SHORT TERM FUNDS AND OTHER CASH FLOW INFORMATION (CONT'D)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank loans and other borrowings and interest payable US\$'000	Amount due to non- controlling interests US\$'000	Lease liabilities US\$'000	Total US\$'000
At 1 July 2024	4,750,722	373,490	1,033,042	6,157,254
Changes from financing cash flows:				
Net proceeds from bank loans and other borrowings	6,806	–	–	6,806
Net repayment to non-controlling interests	–	(28,444)	–	(28,444)
Interest paid	(216,315)	–	–	(216,315)
Capital element of lease rentals paid	–	–	(51,656)	(51,656)
Interest element of lease rentals paid	–	–	(56,074)	(56,074)
Total changes from financing cash flows	(209,509)	(28,444)	(107,730)	(345,683)
Exchange adjustments	267,460	17,828	82,624	367,912
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	–	689	689
Extinguishment of lease liabilities in relation to surrender of leases	–	–	(14,227)	(14,227)
Finance costs	194,813	15,175	56,074	266,062
Capitalised borrowing costs (note 7(a))	9,716	–	–	9,716
Capitalisation of shareholders' loan from non-controlling interests of a subsidiary	–	(15,693)	–	(15,693)
Lease modification	–	–	99,619	99,619
Total other changes	204,529	(518)	142,155	346,166
At 30 June 2025	5,013,202	362,356	1,150,091	6,525,649

NOTES TO THE FINANCIAL STATEMENTS

27. CASH AND SHORT TERM FUNDS AND OTHER CASH FLOW INFORMATION (CONT'D)

(b) Reconciliation of liabilities arising from financing activities (Cont'd)

	Bank loans and other borrowings and interest payable US\$'000	Amount due to non- controlling interests US\$'000	Lease liabilities US\$'000	Total US\$'000
At 1 July 2025	5,013,202	362,356	1,150,091	6,525,649
Changes from financing cash flows:				
Net repayment of bank loans and other borrowings	(1,255,161)	–	–	(1,255,161)
Net repayment to non-controlling interests	–	(53,094)	–	(53,094)
Interest paid	(136,365)	–	–	(136,365)
Capital element of lease rentals paid	–	–	(59,558)	(59,558)
Interest element of lease rentals paid	–	–	(62,782)	(62,782)
Total changes from financing cash flows	(1,391,526)	(53,094)	(122,340)	(1,566,960)
Exchange adjustments	1,591	4,070	(37,273)	(31,612)
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	–	3,107	3,107
Extinguishment of lease liabilities in relation to surrender of leases	–	–	(5,793)	(5,793)
Finance costs	131,159	12,669	64,174	208,002
Capitalised borrowing costs (note 7(a))	2,157	–	–	2,157
Lease modification	–	–	108,079	108,079
Total other changes	133,316	12,669	169,567	315,552
At 30 June 2026	3,756,583	326,001	1,160,045	5,242,629

NOTES TO THE FINANCIAL STATEMENTS

28. TRADE AND OTHER PAYABLES

	2026 US\$'000	2025 US\$'000
Trade creditors	106,640	147,955
Other payables and accrued operating expenses	548,335	567,654
Derivative financial instruments, at fair value	9,872	30,746
Amounts due to fellow subsidiaries	15,128	17,448
Amounts due to associates and joint ventures	497	422
	680,472	764,225

Included in trade and other payables is US\$74.7 million (2025: US\$79.8 million) which is expected to be payable after one year.

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2026 US\$'000	2025 US\$'000
Within 1 month	80,811	78,221
1 to 3 months	13,753	58,923
More than 3 months	12,076	10,811
	106,640	147,955

(b) Other payables and accrued operating expenses

	2026 US\$'000	2025 US\$'000
Accrued operating expenses	286,576	314,071
Real estate tax payable	1,084	8,438
Social security and gaming and other taxation	77,011	58,259
Interest payables	8,936	10,394
Deposits received	125,126	129,971
Others	49,602	46,521
	548,335	567,654

(c) The amounts due to fellow subsidiaries, associates and joint ventures are unsecured, interest free and have no fixed repayment terms.

NOTES TO THE FINANCIAL STATEMENTS

29. BANK LOANS AND OTHER BORROWINGS

	2026			2025		
	Current portion US\$'000	Non- current portion US\$'000	Total US\$'000	Current portion US\$'000	Non- current portion US\$'000	Total US\$'000
Bank loans						
– Secured	19,055	2,176,451	2,195,506	32,044	2,770,669	2,802,713
– Unsecured	276,639	435,651	712,290	1,133,596	298,880	1,432,476
	295,694	2,612,102	2,907,796	1,165,640	3,069,549	4,235,189
Unsecured medium term notes and bonds	370,511	469,340	839,851	156,919	610,700	767,619
	666,205	3,081,442	3,747,647	1,322,559	3,680,249	5,002,808

The Group's bank loans and other borrowings were repayable as follows:

	2026			2025		
	Bank loans and other loans US\$'000	Other borrowings US\$'000	Total US\$'000	Bank loans and other loans US\$'000	Other borrowings US\$'000	Total US\$'000
Within 1 year or on demand	295,694	370,511	666,205	1,165,640	156,919	1,322,559
After 1 year but within 2 years	759,667	154,227	913,894	554,338	376,007	930,345
After 2 years but within 5 years	1,821,563	315,113	2,136,676	2,470,345	234,693	2,705,038
After 5 years	30,872	–	30,872	44,866	–	44,866
	2,612,102	469,340	3,081,442	3,069,549	610,700	3,680,249
	2,907,796	839,851	3,747,647	4,235,189	767,619	5,002,808

Note:

The bank loans and other loans are secured by the following:

- legal mortgages on investment properties with an aggregate book value of US\$4,020.0 million (2025: US\$4,291.2 million) (note 14);
- legal mortgages on development properties with an aggregate book value of US\$877.3 million (2025: US\$1,291.6 million) (note 21);
- legal mortgages on other property, plant and equipment with an aggregate book value of US\$286.9 million (2025: US\$319.4 million) (note 14); and
- certain trading financial assets with an aggregate book value of US\$104.4 million (2025: US\$56.6 million) (note 26).

NOTES TO THE FINANCIAL STATEMENTS

30. PROVISIONS AND OTHER LIABILITIES

	Pensions US\$'000	Property lease US\$'000	Others US\$'000	Total US\$'000
At 1 July 2024	(3,571)	55,256	12,148	63,833
Addition related to dilapidation asset	–	215	–	215
Provision made during the year	409	7,126	1,818	9,353
Amounts settled or utilised during the year	(1,102)	(4,648)	(496)	(6,246)
Actuarial loss on defined benefit obligation	143	–	–	143
Exchange adjustments	(408)	5,022	760	5,374
At 30 June 2025	(4,529)	62,971	14,230	72,672
Provisions and other liabilities as at 30 June 2025 are disclosed as:				
Current liabilities	–	3,185	13,607	16,792
Non-current liabilities	6,088	59,786	623	66,497
Non-current assets	(10,617)	–	–	(10,617)
	(4,529)	62,971	14,230	72,672
At 1 July 2025	(4,529)	62,971	14,230	72,672
Provision made during the year	562	7,156	10,892	18,610
Amounts settled or utilised during the year	(1,151)	(2,407)	(1,078)	(4,636)
Actuarial gain on defined benefit obligation	(2,456)	–	–	(2,456)
Exchange adjustments	288	(2,259)	(416)	(2,387)
At 30 June 2026	(7,286)	65,461	23,628	81,803
Provisions and other liabilities as at 30 June 2026 are disclosed as:				
Current liabilities	–	8,432	23,513	31,945
Non-current liabilities	5,738	57,029	115	62,882
Non-current assets	(13,024)	–	–	(13,024)
	(7,286)	65,461	23,628	81,803

NOTES TO THE FINANCIAL STATEMENTS

31. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period:

	2026		2025	
	Present value of the minimum lease payments US\$'000	Total minimum lease payments US\$'000	Present value of the minimum lease payments US\$'000	Total minimum lease payments US\$'000
Within 1 year	67,963	118,195	60,337	118,882
After 1 year but within 2 years	57,650	108,738	47,583	104,130
After 2 years but within 5 years	129,570	282,854	110,828	268,199
After 5 years	904,862	2,827,283	931,343	2,901,784
	1,092,082	3,218,875	1,089,754	3,274,113
	1,160,045	3,337,070	1,150,091	3,392,995
Less: Total future interest expenses		(2,177,025)		(2,242,904)
Present value of lease liabilities		1,160,045		1,150,091

The weighted-average borrowing rate of the Group's lease liabilities was 5.83% (2025: 5.78%) per annum during the year.

NOTES TO THE FINANCIAL STATEMENTS

32. DEFERRED TAXATION

(a) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:	Temporary difference in depreciation and tax allowance US\$'000	Revaluation of properties US\$'000	Timing difference on development properties US\$'000	Revaluation of securities US\$'000	Tax losses US\$'000	Others US\$'000	Total US\$'000
At 1 July 2024	(3,588)	18,358	11,234	26,731	(145,203)	54,802	(37,666)
(Credited)/charged to consolidated income statement	(6,921)	(4,611)	38,227	7,974	25,185	5,872	65,726
Effect on changes in tax rate deferred tax balances	-	-	-	-	-	(753)	(753)
Charged to other comprehensive income	-	-	-	-	-	21	21
Exchange adjustments	(10,509) (735)	13,747 (2,963)	49,461 1,091	34,705 (199)	(120,018) (5,235)	59,942 3,906	27,328 (4,135)
At 30 June 2025	(11,244)	10,784	50,552	34,506	(125,253)	63,848	23,193
At 1 July 2025	(11,244)	10,784	50,552	34,506	(125,253)	63,848	23,193
(Credited)/charged to consolidated income statement	(2,416)	4,457	3,367	3,780	1,475	(881)	9,782
Charged to other comprehensive income	-	-	-	-	-	1,164	1,164
Exchange adjustments	(13,660) 495	15,241 2,154	53,919 648	38,286 20	(123,778) 2,268	64,131 (2,366)	34,139 3,219
At 30 June 2026	(13,165)	17,395	54,567	38,306	(121,510)	61,765	37,358

	2026 US\$'000	2025 US\$'000
Net deferred tax assets recognised in the consolidated statement of financial position	(77,589)	(80,329)
Net deferred tax liabilities recognised in the consolidated statement of financial position	114,947	103,522
	37,358	23,193

NOTES TO THE FINANCIAL STATEMENTS

32. DEFERRED TAXATION (CONT'D)

(b) Deferred tax assets not recognised

Deferred tax assets have not been recognised in respect of the following items:

	2026 US\$'000	2025 US\$'000
Deductible temporary differences	204,555	189,457
Tax losses	1,354,429	1,431,118
	1,558,984	1,620,575

(c) Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	2026 US\$'000	2025 US\$'000
After 1 year but less than 5 years	152,216	92,554
After 5 years but less than 10 years	23,518	20,952
After 10 years	17,246	14,644
Never expire	1,161,449	1,302,968
	1,354,429	1,431,118

The Group has not recognised deferred tax assets in respect of tax losses for certain group companies as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

(d) Deferred tax liabilities not recognised

At 30 June 2026, the temporary differences relating to the undistributed profits of subsidiaries amounted to US\$174.2 million (2025: US\$177.2 million). Deferred tax liabilities of US\$17.4 million (2025: US\$17.7 million) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that the profits will not be distributed in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

33. SHARE CAPITAL AND RESERVES

(a) Movements in components of equity

Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital US\$'000	Share premium US\$'000	Retained profits US\$'000	Total equity US\$'000
The Company				
At 1 July 2024	164,526	10,493	4,171,808	4,346,827
Final dividend paid in respect of prior year	–	–	(114,154)	(114,154)
Interim dividend paid in respect of current year	–	–	(25,406)	(25,406)
Total comprehensive income for the year				
– Profit for the year	–	–	196,169	196,169
At 30 June 2025	164,526	10,493	4,228,417	4,403,436
At 1 July 2025	164,526	10,493	4,228,417	4,403,436
Final dividend paid in respect of prior year	–	–	(122,509)	(122,509)
Interim dividend paid in respect of current year	–	–	(29,466)	(29,466)
Total comprehensive income for the year				
– Profit for the year	–	–	141,277	141,277
At 30 June 2026	164,526	10,493	4,217,719	4,392,738

NOTES TO THE FINANCIAL STATEMENTS

33. SHARE CAPITAL AND RESERVES (CONT'D)

(b) Nature and purpose of reserves of the Group

- (i) The application of share premium account is governed by Section 40 of the Companies Act 1981 of Bermuda.
- (ii) The capital and other reserves have been set up and will be dealt with in accordance with the Group's material accounting policies. The purchase consideration for issued shares of the subsidiaries acquired for the purpose of satisfying outstanding share options granted by the subsidiaries is included in the capital reserve. It also comprises statutory and regulatory reserves maintained by HLF's banking subsidiary companies in Malaysia and Vietnam.
- (iii) The contributed surplus is governed by Section 54 of the Companies Act 1981 of Bermuda.

The contributed surplus is available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:
 - (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
 - (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (iv) The ESOS reserve comprises the purchase consideration for issued shares of the Company acquired for the Executive Share Scheme for the purpose of satisfying the exercise of share options to be granted to eligible employees.
- (v) The share option reserve comprises the cumulative value of employee services received for the issue of share options.
- (vi) The exchange translation reserve comprises:
 - (a) the foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries, associates and joint ventures whose functional currencies are different from the functional currency of the Company.
 - (b) the exchange differences on monetary items which form part of the Group's net investment in the foreign subsidiaries, associates and joint ventures.
- (vii) Fair value reserve comprises unrealised gain or loss arising from changes in fair value of equity investments at FVOCI.
- (viii) Hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.
- (ix) Revaluation reserve comprises increase in fair value of other property, plant and equipment and development properties from acquired subsidiaries.
- (x) Distributable reserves of the Company at 30 June 2026 amounted to US\$4,214,851,000 (2025: US\$4,223,302,000).

NOTES TO THE FINANCIAL STATEMENTS

33. SHARE CAPITAL AND RESERVES (CONT'D)

(c) Share capital

	2026		2025	
	No. of shares '000	US\$'000	No. of shares '000	US\$'000
Authorised:				
Ordinary shares of US\$0.50 each	800,000	400,000	800,000	400,000
Issued and fully paid:				
As at 1 July and 30 June	329,051	164,526	329,051	164,526

Note: As at 30 June 2026, 3,826,862 (2025: 3,826,862) ordinary shares were acquired by the Group to reserve for the Executive Share Scheme for the purpose of satisfying the exercise of share options and/or vesting of free shares to be granted to eligible participants.

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Disposal of a subsidiary

Year ended 30 June 2025

The Group completed the sale of its Multi-Brands (non-proprietary) business to a third party on 18 December 2024.

The major classes of assets and liabilities disposed relating to the Multi-brands business for the period ending 18 December 2024 was as follows:

	2025 US\$'000
Net assets disposed of:	
Assets held for sale	428
Gain on disposal	8,511
Consideration received	8,939

The consideration received on the date of disposal was US\$8.9 million comprised US\$5.1 million in cash consideration and US\$3.8 million in other receivables.

NOTES TO THE FINANCIAL STATEMENTS

35. EMPLOYEE RETIREMENT BENEFITS

(a) Defined benefit retirement plans

The Group has several defined benefit pension schemes, all of which are closed to new members and their assets are held in separate funds administered by independent trustees. Actuarial valuations are carried out at least once every three years. The Group has set aside sufficient funds to fund the schemes.

These defined benefit pension schemes expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The plans are funded by contributions from the Group's subsidiaries in accordance with the schedule of contributions between the trustees and the Group's subsidiaries following each triennial actuarial valuation carried out by independent actuaries, using the projected unit credit method. The latest independent actuarial valuations of the plans in the United Kingdom were at 1 May 2023 and were prepared by qualified staff of Aon Hewitt Limited, who are members of the Institute and Faculty of Actuaries. The latest independent actuarial valuations of the plans in New Zealand were at 31 March 2024 and were prepared by qualified staff of MCA NZ Limited, who are fellow members of the New Zealand Society of Actuaries. The actuarial valuations indicate that the Group's combined obligations under these defined benefit retirement plans are 114% (2025: 111%) covered by the plan assets held by the trustees.

The amounts recognised in the consolidated statement of financial position are as follows:

	2026 US\$'000	2025 US\$'000
Present value of funded obligations	85,171	92,067
Less: Fair value of plan assets	(97,431)	(101,761)
Present value of net surplus of funded plans	(12,260)	(9,694)
Employer superannuation tax payable	367	444
Present value of unfunded obligations	4,607	4,721
Net assets in the consolidated statement of financial position	(7,286)	(4,529)

A portion of the above net assets is expected to be settled after more than one year. However, it is not practicable to segregate this amount from the amounts payable in the next twelve months, as future contributions will also relate to future services rendered and future changes in actuarial assumptions and market conditions.

NOTES TO THE FINANCIAL STATEMENTS

35. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(a) Defined benefit retirement plans (cont'd)

(i) Changes in the present value of the defined benefit obligation are as follows:

	2026 US\$'000	2025 US\$'000
At 1 July	92,067	89,947
Current service costs	8	8
Interest cost	4,749	4,577
Actuarial gain	(1,848)	(4,139)
Benefits paid	(6,661)	(5,539)
Exchange differences	(3,144)	7,213
At 30 June	85,171	92,067

(ii) Changes in the fair value of plan assets are as follows:

	2026 US\$'000	2025 US\$'000
At 1 July	(101,761)	(98,290)
Contributions from the Group	(727)	(699)
Benefits paid	6,661	5,539
Interest income	(4,474)	(4,442)
Actuarial (gain)/loss	(608)	4,158
Exchange differences	3,478	(8,027)
At 30 June	(97,431)	(101,761)

NOTES TO THE FINANCIAL STATEMENTS

35. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(a) Defined benefit retirement plans (cont'd)

- (iii) Movements in the net assets for defined benefit pension scheme recognised in the consolidated statement of financial position are as follows:

	2026 US\$'000	2025 US\$'000
At 1 July	(9,250)	(7,863)
Contributions from the Group	(727)	(699)
Expenses recognised in profit or loss	298	163
Net actuarial (gain)/loss recognised in other comprehensive income	(2,456)	19
Tax recognised in other comprehensive income	37	46
Tax paid during the year	(129)	(102)
Exchange differences	334	(814)
At 30 June	(11,893)	(9,250)

- (iv) (Income)/expenses recognised in consolidated income statement and consolidated statement of comprehensive income are as follows:

	2026 US\$'000	2025 US\$'000
Current service costs	8	8
Net interest expense on obligation	275	135
Tax recognised in profit or loss	15	20
Net actuarial (gain)/loss recognised	(2,456)	19
Tax recognised in other comprehensive income	37	46
	(2,121)	228

- (v) Plan assets comprise of:

	2026 US\$'000	2025 US\$'000
Equity/diversified growth fund	30,593	18,482
Bond	63,570	78,520
Insurance policy	2,127	3,152
Cash	1,141	1,607
	97,431	101,761

NOTES TO THE FINANCIAL STATEMENTS

35. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(a) Defined benefit retirement plans (cont'd)

(vi) Principal actuarial assumptions as at the reporting date (expressed as weighted averages) are as follows:

	2026	2025
Discount rate	6.14%	5.72%
Rates of increase to pensions in payment		
– Retail Price Index maximum 5% per annum	2.65%	2.65%
– Consumer Price Index maximum 3% per annum	1.95%	1.95%
– Consumer Price Index maximum 2.5% per annum	1.75%	1.75%
Rate of increase in salaries	4.00%	4.00%

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Increase US\$'000	Decrease US\$'000
2026		
Discount rate (1% movement)	(7,054)	8,381
Rate of increase to pensions in payment (1% movement)	2,259	(2,127)
Rate of increase in salaries (1% movement)	132	(132)
Future mortality (1% movement)	1,438	(1,447)
2025		
Discount rate (1% movement)	(7,861)	9,236
Rate of increase to pensions in payment (1% movement)	2,477	(2,477)
Rate of increase in salaries (1% movement)	137	(137)
Future mortality (1% movement)	1,915	(1,790)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

NOTES TO THE FINANCIAL STATEMENTS

35. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(a) Defined benefit retirement plans (cont'd)

Other pension commitment

Rank has an unfunded pension commitment relating to three former executives of Rank. At 30 June 2026, Rank's commitment was US\$4.6 million (2025: US\$4.7 million). Rank paid US\$0.3 million (2025: US\$0.3 million) in pension payments during the year. No actuarial difference arises on the commitment, resulting from the changes in assumptions outlined below in the year (2025: An actuarial loss of US\$0.1 million after taxation).

Assumptions used to determine the obligations at:

	2026	2025
Discount rate per annum	5.1%	5.1%
Pension increases per annum	5.0%	5.0%

The obligation has been calculated using the S2 mortality tables with a 1.5% per annum improvement in life expectancy.

(b) Defined contribution retirement plans

The Company and its subsidiaries in Hong Kong operate a Mandatory Provident Fund Scheme ("MPF Scheme") which has been established under the Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance in December 2000. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the Group's contribution is 10 percent or 5 percent of employees' monthly salaries and is expensed as incurred.

Subsidiaries in Singapore operate a Central Provident Fund Scheme ("CPF Scheme") which is a defined contribution scheme. Under this CPF Scheme, the subsidiary's contribution is 7.5 percent to 17 percent of employees' monthly salaries and is expensed as incurred.

During the year, the Group's costs incurred on employees pension schemes were US\$16,267,000 (2025: US\$16,211,000) and forfeited contributions in the amount of US\$173,000 (2025: US\$17,000) were used to reduce current year's contributions.

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

These risks are managed by the Group's financial risk management policies and practices described below.

(a) Credit risk

The Group's credit risks are primarily attributable to bank deposits, debt securities, derivative financial instruments and trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group's bank deposits are only placed in and debt securities are only purchased from counterparties which have high credit quality. Transactions involving derivative financial instruments are with counterparties with sound credit ratings. The Group has limits for exposures to individual counterparties and countries to manage concentration risk.

The Group's credit exposure in the property business is minimal as customers fund their purchases of residential housing units with mortgaged home loans from independent financial institutions. The hotel business has its own credit policy to allow credit periods of up to 60 days for certain of its customers. Sales to gaming retail customers are settled in cash or using major credit cards. The Group has no significant concentrations of credit risks. The Group does not hold any collateral over the receivables balances.

The Group measures loss allowance for trade debtors in accordance with accounting policy in note 2(k)(i). The allowance for expected credit losses is insignificant.

The maximum exposure to credit risk at the end of the reporting period without taking into account of any collateral held is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated statement of financial position after deducting any impairment allowance.

(b) Liquidity risk

Liquidity is managed on a daily basis by the treasury and finance departments. They are responsible for ensuring that the Group has adequate liquidity for all operations, ensuring that the funding mix is appropriate so as to avoid maturity mismatches. The Group manages liquidity risk by holding sufficient liquid assets of appropriate quality to ensure that short term funding requirements are covered within prudent limits.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates prevailing at the end of the reporting period) and the earliest date the Group can be required to pay:

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(b) Liquidity risk (cont'd)

	2026						2025					
	Contractual undiscounted cash flow					Carrying amount at 30 June 2026 US\$'000	Contractual undiscounted cash flow					Carrying amount at 30 June 2025 US\$'000
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Non-derivative financial liabilities												
Bank loans and other loans	(596,243)	(786,615)	(1,878,830)	(35,500)	(3,297,188)	(2,907,796)	(1,245,653)	(675,302)	(2,567,378)	(53,756)	(4,542,089)	(4,235,189)
Unsecured medium term notes and bonds	(392,584)	(165,494)	(326,086)	-	(884,164)	(839,851)	(191,938)	(393,055)	(241,051)	-	(826,044)	(767,619)
Trade and other payables	(527,708)	(74,669)	-	-	(602,377)	(602,377)	(612,149)	(22,419)	(32,212)	-	(666,780)	(666,780)
Lease liabilities	(118,195)	(108,738)	(282,854)	(2,827,283)	(3,337,070)	(1,160,045)	(118,882)	(104,130)	(268,199)	(2,901,784)	(3,392,995)	(1,150,091)
	(1,634,730)	(1,135,516)	(2,487,770)	(2,862,783)	(8,120,799)	(5,510,069)	(2,168,622)	(1,194,906)	(3,108,840)	(2,955,540)	(9,427,908)	(6,819,679)
Derivative financial liabilities												
Derivatives settled gross:												
Forward foreign exchange contracts												
- outflows	(515,725)	-	-	-	(515,725)		(712,663)	-	-	-	(712,663)	
- inflows	532,618	-	-	-	532,618		698,261	-	-	-	698,261	
	16,893	-	-	-	16,893		(14,402)	-	-	-	(14,402)	

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(c) Interest rate risk

The Group's interest rate risk arises from treasury activities and borrowings. The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to changes in interest rates. The Group uses interest rate swaps to manage its interest rate exposure as appropriate. As at 30 June 2026, the Group had interest rate swaps with outstanding notional amount of US\$606.0 million (2025: US\$494.3 million).

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest earning financial assets and interest bearing financial liabilities at the end of the reporting period.

	2026		2025	
	Effective interest rate	US\$'000	Effective interest rate	US\$'000
Floating rate financial liabilities				
Bank loans and other borrowings	1.70% to 6.49%	(2,871,210)	1.48% to 7.35%	(3,933,574)
		(2,871,210)		(3,933,574)
Fixed rate financial assets/(liabilities)				
Deposits with banks	1.01% to 4.23%	1,084,593	0.10% to 5.14%	1,599,118
Bank loans and other borrowings	2.30% to 4.40%	(876,437)	3.29% to 5.08%	(1,069,234)
Lease liabilities	4.83% to 7.49%	(1,160,045)	2.80% to 7.49%	(1,150,091)
		(951,889)		(620,207)
Total		(3,823,099)		(4,553,781)

(ii) Sensitivity analysis

At 30 June 2026, it is estimated that a general increase/decrease of 25 to 75 basis points (2025: 1 to 110 basis points) in interest rates in respect of the Group's various currencies, mainly United States dollars, Pound sterling, Hong Kong dollars, Singapore dollars and Malaysian ringgit, with all other variables held constant, would have decreased/increased the Group's profit by approximately US\$9.1 million (2025: US\$13.4 million), but no significant effect (2025: Nil) on other components of equity.

The sensitivity analysis above indicates the instantaneous change in the Group's profit or loss and other components of equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit or loss and other components of equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as for 2025.

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(d) Foreign currency risk

Structural foreign currency positions arise mainly on overseas investments in Singapore, Malaysia, China and the United Kingdom. Currency exposure to these overseas investments is managed primarily at the Group level with the principal objective of ensuring that the Group's reserves are protected from exchange rate fluctuations.

The Group from time to time enters into foreign exchange contracts, which are primarily over-the-counter derivatives, principally for hedging foreign currency exposures and investments.

(i) Exposure to foreign currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency and exposure arising from inter-company balances which are considered to be in the nature of interest in subsidiaries are excluded.

	2026					2025				
	Australian dollars '000	New Zealand dollars '000	Singapore dollars '000	Euro dollars '000	Renminbi '000	Australian dollars '000	New Zealand dollars '000	Singapore dollars '000	Euro dollars '000	Renminbi '000
Trade and other receivables	1,108	-	-	7,129	4,463	1,461	-	-	6,588	6,387
Trading financial assets	-	-	-	63,054	-	-	-	-	31,168	-
Cash and short term funds	843	18,126	6,408	96,423	21,994	1,383	392	8,373	144,585	1,621,750
Trade and other payables	(215)	-	(6,365)	(13,761)	(1,428)	(320)	(311)	(8,310)	(13,366)	(2,852)
Bank loans and other borrowings	-	-	-	-	(3,277,135)	-	-	-	-	(2,157,525)
Gross exposure arising from recognised assets and liabilities	1,736	18,126	43	152,845	(3,252,106)	2,524	81	63	168,975	(532,240)
Notional amounts of forward exchange contracts at fair value through profit or loss	12,600	2,000	-	(85,420)	-	69,967	9,551	(53,281)	(126,991)	(1,620,901)
Overall net exposure	14,336	20,126	43	67,425	(3,252,106)	72,491	9,632	(53,218)	41,984	(2,153,141)

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(d) Foreign currency risk (cont'd)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit or loss and other components of equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	2026			2025		
	Increase in foreign exchange rates	Effect on profit or loss US\$'000	Effect on other components of equity US\$'000	Increase in foreign exchange rates	Effect on profit or loss US\$'000	Effect on other components of equity US\$'000
Australian dollars	6.1%	117	-	4.0%	134	-
New Zealand dollars	7.9%	813	-	2.2%	213	-
Singapore dollars	2.8%	1	-	0.4%	(942)	-
Euro dollars	3.6%	3,265	-	0.6%	248	-
Renminbi	1.3%	(6,087)	-	0.5%	(1,487)	-

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit or loss and other components of equity measured in the respective functional currencies, translated into United States dollars at the exchange rate ruling at the end of the reporting period for presentation purpose.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis as for 2025.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as trading financial assets (see note 26) and equity investments at FVOCI (see note 19).

The Group maintains an investment portfolio which comprises listed and unlisted equities. Investments are chosen to enhance creation of capital value for trading purpose as well as for long term potential growth. Equity investments are subject to asset allocation limits to control appropriate risks. The portfolio size is regularly reviewed and the price movements are closely monitored by the investment committee, who will take appropriate actions when required.

At 30 June 2026, it is estimated that an increase/decrease of 7% to 18% (2025: 1% to 21%) in the market value of the Group's global listed trading securities and equity investments at FVOCI, with all other variables held constant, would have increased/decreased the Group's profit by US\$161.9 million (2025: US\$158.0 million) and other components of equity by US\$135.1 million (2025: US\$146.5 million). The analysis is performed on the same basis as for 2025.

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(f) Fair values measurement

(i) Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

	2026				2025			
	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Recurring fair value measurements								
Assets								
Equity investments at FVOCI:								
– Listed	695,612	–	–	695,612	671,588	–	–	671,588
– Unlisted	–	727	76,901	77,628	–	3,385	74,733	78,118
Trading financial assets:								
– Listed	1,412,659	–	–	1,412,659	1,215,190	–	–	1,215,190
Derivative financial instruments:								
– Equity swaps	–	1,451	–	1,451	–	24	–	24
– Forward exchange contracts	–	6,455	–	6,455	–	3,288	–	3,288
	2,108,271	8,633	76,901	2,193,805	1,886,778	6,697	74,733	1,968,208
Liabilities								
Derivative financial instruments:								
– Forward exchange contracts	–	131	–	131	–	17,138	–	17,138
– Interest rate swaps	–	8,356	–	8,356	–	12,223	–	12,223
– Equity swaps	–	1,385	–	1,385	–	1,385	–	1,385
	–	9,872	–	9,872	–	30,746	–	30,746

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(f) Fair values measurement (cont'd)

(i) Financial assets and liabilities measured at fair value (cont'd)

During the years ended 30 June 2026 and 30 June 2025, there were no transfers between Level 1 and Level 2. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of forward exchange contracts is determined based on quotes from market makers or alternative market participants supported by observable inputs including spot and forward exchange rates. The fair value of other derivative financial instruments is determined based on the amount that the Group would receive or pay to terminate the contracts with the independent counterparties at the end of the reporting period, taking into account current observable inputs. The fair value of the unlisted equity investment at FVOCI in Level 2 is determined using a valuation technique based on the net asset value approach, which takes into consideration the fair value of the underlying assets and liabilities of the unlisted equity investment at FVOCI. The assets held by the unlisted equity investment at FVOCI consist of a publicly traded investment in an active market which is reported at the market closing price.

Information about Level 3 fair value measurements

Other unlisted equity investments at FVOCI carried at fair value are categorised within Level 3 of the fair value hierarchy. The fair values are determined using a valuation technique or based on the net asset value approach, which takes into consideration the fair value of the underlying assets and liabilities of the investee fund.

The movements during the year in the balance of Level 3 fair value measurements are as follows:

	2026 US\$'000	2025 US\$'000
Unlisted equity investments at FVOCI:		
At 1 July	74,733	66,602
Net unrealised (losses)/gains recognised in other comprehensive income during the year	(840)	6,131
Additions	3,131	2,866
Cash distribution	(123)	(866)
At 30 June	76,901	74,733

The net unrealised gains or losses arising from the remeasurement of the unlisted equity investments at FVOCI are recognised in fair value reserve (non-recycling) in other comprehensive income. Upon disposal of the equity investments, the amount accumulated in other comprehensive income is transferred directly to retained profits.

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(f) Fair values measurement (cont'd)

- (ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2026 and 2025.

(g) Financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association ("ISDA") master agreements providing offsetting mechanism under certain circumstances. At the end of the reporting period, the Group and the counterparties have not exercised their rights to offset the financial instruments and the derivatives are settled at gross amount.

37. CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure by reviewing its equity-debt ratio and cashflow requirements, taking into account of its future financial obligations and commitments. For this purpose, the Group defines equity-debt ratio as the ratio of the total equity attributable to equity shareholders of the Company to net debt. Net debt comprises total borrowings less cash and short term funds as well as trading financial assets.

The equity-debt ratio at the end of the reporting period is as follows:

	2026 US\$'000	2025 US\$'000
Bank loans and other loans	2,907,796	4,235,189
Other borrowings	839,851	767,619
Total borrowings	3,747,647	5,002,808
Less: Cash and short term funds	(1,621,656)	(2,045,858)
Trading financial assets	(1,412,659)	(1,215,190)
Net debt	713,332	1,741,760
Total equity attributable to equity shareholders of the Company	9,037,637	8,753,711
Equity-debt ratio	93 : 7	83 : 17

NOTES TO THE FINANCIAL STATEMENTS

38. COMMITMENTS

(a) Capital commitments outstanding at year end not provided for in the financial statements

	2026 US\$'000	2025 US\$'000
Authorised and contracted for	9,429	17,625
Authorised but not contracted for	51,951	35,667
	61,380	53,292

The commitment in respect of development expenditure contracted but not provided for in the financial statements by the Group was US\$562.2 million (2025: US\$521.4 million).

(b) There were also commitments in respect of foreign currency contracts relating to the normal operations as at 30 June 2026 and 30 June 2025.

39. MATERIAL RELATED PARTY TRANSACTIONS

(a) Banking transactions

Transactions with companies in the Hong Leong Company (Malaysia) Berhad ("HLCM") Group:

During the year, the Group entered into a number of transactions in the normal course of business with companies in the HLCM Group including deposits and correspondent banking transactions. The transactions were priced based on the relevant market rates at the time of each transaction, and were under the same terms as those available to the independent counterparties and customers.

Mr. QUEK Leng Chan, being a controlling shareholder of the Company, is a controlling shareholder of HLCM. Companies in the HLCM Group are related parties to the Group.

Information relating to interest income from these transactions during the year and balance outstanding at the end of the reporting period is set out below:

(i) Income for the year ended 30 June

	2026 US\$'000	2025 US\$'000
Interest income	788	633

(ii) Balance as at 30 June

	2026 US\$'000	2025 US\$'000
Deposits and short term funds	27,405	26,126

NOTES TO THE FINANCIAL STATEMENTS

39. MATERIAL RELATED PARTY TRANSACTIONS (CONT'D)

(b) Management fees

On 30 June 2023, the Company entered into the Master Services Agreement with GuoLine Group Management Company Pte. Ltd. ("GGMC") for three financial years from 1 July 2023 to 30 June 2026. GGMC or other Hong Leong Group company(ies) (comprising GuoLine Capital Assets Limited ("GCAL") and HLCM and their subsidiaries) as may be agreed by the parties from time to time may become service provider(s) under the Master Services Agreement.

GGMC is a wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company. Mr QUEK Leng Chan, being a controlling shareholder of GCAL and HLCM, is a substantial shareholder of the Company. Subsidiaries under GCAL and HLCM which may become service provider(s) under the Master Services Agreement are related parties to the Group.

Total amount paid or provided for in respect of management fees to GGMC and HL Management Co Sdn Bhd for the year ended 30 June 2026 amounted to US\$18,835,000 (2025: US\$20,279,000) and US\$536,000 (2025: US\$655,000) respectively.

(c) Investment management fees, performance fee and advisory fees

On 1 August 2025, Asia Fountain Assets Limited ("AFAL"), an indirect wholly-owned subsidiary of the Company, entered into the Investment Management Agreement with Jia Investment Alliance Pte. Ltd. ("JIAPL", formerly known as GuoLine Advisory Pte. Ltd.) for a term commenced from 1 August 2025 and ending on 30 June 2028 (both dates inclusive). JIAPL provides AFAL with discretionary fund management services in relation to all the investment assets (including monies and other investment products) of AFAL, proceeds therefrom and dividend income, other than those which may be designated by AFAL as not forming part of the mandate of JIAPL under the Investment Management Agreement in accordance with the terms and conditions of the Investment Management Agreement.

On 1 November 2022, Guoco Management Company Limited ("GMC"), a direct wholly-owned subsidiary of the Company, entered into the Investment Advisory and Management Agreement with JIAPL and renewed by way of a letter agreement dated 1 August 2025. JIAPL provides GMC, Asia Fountain Investment Company Limited (an indirect wholly-owned subsidiary of the Company) and other relevant wholly-owned subsidiaries of the Company with investment advisory services in accordance with the terms and conditions of the Investment Advisory and Management Agreement.

JIAPL was a 50:50 joint venture owned by GuocoEquity Assets Limited ("GEAL", a wholly-owned subsidiary of the Company) and GGMC. Following the transfer of equity interests held by GEAL and GGMC in JIAPL to GCAL on 30 June 2026, JIAPL became a direct wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company. JIAPL is a related party to the Group.

Total amount paid or provided for in respect of investment management fees and performance fee to JIAPL by AFAL for the year ended 30 June 2026 amounted to US\$4,034,000 (2025: US\$3,653,000) and US\$150,000 (2025: US\$21,000) respectively.

Total amount paid or provided for in respect of advisory fees to JIAPL by GMC for the year ended 30 June 2026 amounted to US\$322,000 (2025: US\$369,000).

NOTES TO THE FINANCIAL STATEMENTS

39. MATERIAL RELATED PARTY TRANSACTIONS (CONT'D)

(d) Project Management and Services Agreements

- (i) Project Management and Services Agreement between GuocoLand Property Management Pte. Ltd. ("GPML") and Springleaf Residence Pte. Ltd.

A project management and services agreement dated 15 July 2024 (the "SPB Agreement") was entered into by GuocoLand Property Management Pte. Ltd. ("GPML", a wholly-owned subsidiary of GuocoLand Limited ("GuocoLand")) with Springleaf Residence Pte. Ltd. ("SPB"), a 60:40 joint venture owned by GuocoLand (Singapore) Pte. Ltd. ("GLS") and Intrepid Investments Pte. Ltd. ("Intrepid") respectively for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to SPB.

Intrepid is an indirect subsidiary of Hong Leong Investment Holdings Pte. Ltd. ("HLInv"), a substantial shareholder of the Company. SPB is regarded as a related party to the Group.

The aggregate SPB Service Fees paid and payable by SPB to GPML under the SPB Agreement for the year were US\$10,613,000 (2025: US\$252,000).

- (ii) Project Management and Services Agreement between GPML and Faber Residence Pte. Ltd.

A project management and services agreement dated 24 February 2025 (the "FWR Agreement") was entered into by GPML with Faber Residence Pte. Ltd. ("FWR"), a joint venture owned as to 50% by GLS, 40% by TID Residential Pte. Ltd. ("TIDR") and 10% by Intrepid for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to FWR.

TIDR and Intrepid are indirect subsidiaries of HLInv, a substantial shareholder of the Company. FWR is regarded as a related party to the Group.

The aggregate FWR Service Fees paid and payable by FWR to GPML under the FWR Agreement for the year were US\$4,710,000 (2025: Nil).

- (iii) Project Management and Services Agreement between GPML and Lentor Central 2026 Pte. Ltd.

A project management and services agreement dated 3 June 2026 (the "LCPL Agreement") was entered into by GPML with Lentor Central 2026 Pte. Ltd. ("LCPL"), a joint venture owned as to 50% by GLS, 40% by Intrepid and 10% by TIDR for the provision of project management, financial coordination, residential marketing, management (e.g. corporate secretarial and accounting) and related ancillary services to LCPL.

TIDR and Intrepid are indirect subsidiaries of HLInv, a substantial shareholder of the Company. LCPL is regarded as a related party to the Group.

The aggregate LCPL Service Fees paid and payable by LCPL to GPML under the LCPL Agreement for the period from 3 June 2026 to 30 June 2026 were US\$196,000.

NOTES TO THE FINANCIAL STATEMENTS

39. MATERIAL RELATED PARTY TRANSACTIONS (CONT'D)

(e) Joint Venture Agreement for the Lentor Central Land Parcel Project in Singapore

On 3 June 2026, a joint venture agreement (the “LCL Agreement”) was entered into by GLS, Intrepid, TIDR (collectively the “LCL Shareholders”) and LCPL, whereby the LCL Shareholders agreed to jointly participate in development of all that parcel of land known as Lot 05664W of Mukim 20 and situated at Lentor Central, Singapore with a site area of 15,925.8 square meters (the “LCL Property”). The agreed shareholding proportions in LCPL held by GLS, Intrepid and TIDR are 50%, 40% and 10% respectively.

Pursuant to the LCL Agreement, LCPL is the joint venture project company to undertake the acquisition and development of the LCL Property (the “LCL Project”), including, among other things, the completion of the acquisition of the LCL Property, implementation and construction of the LCL Project, management, operation and maintenance of the LCL Property and the LCL Project (including marketing for sale of the residential units) and funding for and dealing with the LCL Property and the LCL Project. The LCL Property was won through a tender accepted by the Urban Redevelopment Authority of Singapore.

TIDR and Intrepid are indirect subsidiaries of HLIInv, a substantial shareholder of the Company. LCPL is regarded as a related party to the Group.

The total funding contribution of GLS is US\$91 million comprising share capital of US\$21 million and a loan of US\$70 million.

(f) Key management personnel information

Emoluments for key management personnel, including amounts paid to the Company’s directors as disclosed in note 9, is as follows:

	2026 US\$'000	2025 US\$'000
Short-term employee benefits	7,843	6,860

Total emoluments are included in “staff costs” (see note 7(b)).

(g) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of (a) banking transactions, (b) management fees, (c) investment management fees, performance fee and advisory fees, (d) project management and services agreement and (e) joint venture agreement for the Lentor Central land parcel project in Singapore above constitute connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section “INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS” of the Report of the Directors.

NOTES TO THE FINANCIAL STATEMENTS

40. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	2026 US\$'000	2025 US\$'000
NON-CURRENT ASSETS		
Interest in subsidiaries	3,505,262	3,252,011
Interest in a associated company	242,832	242,832
Intangible assets	203	203
	3,748,297	3,495,046
CURRENT ASSETS		
Trade and other receivables	10,602	8,594
Cash and short term funds	642,540	1,107,345
	653,142	1,115,939
CURRENT LIABILITIES		
Amounts due to subsidiaries	6,884	191,836
Trade and other payables	1,817	15,713
	8,701	207,549
NET CURRENT ASSETS	644,441	908,390
NET ASSETS	4,392,738	4,403,436
CAPITAL AND RESERVES		
Share capital (note 33)	164,526	164,526
Reserves (note 33)	4,228,212	4,238,910
TOTAL EQUITY	4,392,738	4,403,436

Approved and authorised for issue by the Board of Directors on 28 September 2026.

KWEK Leng Hai
Christian K. NOTHHAFT
Directors

NOTES TO THE FINANCIAL STATEMENTS

41. PARENT AND ULTIMATE HOLDING COMPANY

The directors consider the parent company at 30 June 2026 to be GuoLine Overseas Limited, which is incorporated in Bermuda and the ultimate holding company to be GuoLine Capital Assets Limited, which is incorporated in Jersey. These entities do not produce financial statements available for public use.

42. POSSIBLE IMPACT OF NEW OR AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 30 JUNE 2026

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 30 June 2026 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

MAJOR DEVELOPMENT PROPERTIES AND PROPERTIES HELD FOR SALE OF THE SUBSIDIARIES

Property	Existing/ Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") date	Site area sq.m	Gross floor area sq.m	Group's interest %
Singapore						
Guoco Midtown situated at Beach Road	Residential/ Commercial/ Office [#]	Completed		22,202	90,029	47
Guoco Midtown II situated at Tan Quee Lan Street	Office/Residential	Completed		11,531	48,430	40
Lentor Mansion situated at Lentor Gardens	Residential	100%	August 2026	21,867	45,921	40
Lentor Modern situated at Lentor Central	Residential/ Commercial/ Retail	Completed		17,280	60,480	67
Springleaf Residence situated at Upper Thomson Road	Residential	16%	2 nd Half 2029	32,024	80,060	40
Faber Residence situated at Faber Walk	Residential	12%	1 st Half 2029	25,796	36,114	33
River Modern situated at River Vallery Green	Residential/ Commercial/ Retail	3%	2 nd Half 2030	11,736	40,676	67
Lentor Hills Residences situated at Lentor Hills Road	Residential	89%	2 nd Half 2026	17,137	51,411	20
Lentor Central Residences situated at Lentor Central	Residential	41%	2 nd Half 2027	14,703	41,169	20
Penrith situated at Margaret Drive	Residential	10%	1 st Half 2029	9,522	39,994	20
Tengah Garden Residences situated at Tengah Garden Avenue	Residential	6%	1 st Half 2029	25,458	76,376	13
Lentor Central Site situated at Lentor Central	Residential	Planning	*	15,926	51,409	33

MAJOR DEVELOPMENT PROPERTIES AND PROPERTIES HELD FOR SALE OF THE SUBSIDIARIES

Property	Existing/ Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") date	Site area sq.m	Gross floor area sq.m	Group's interest %
Malaysia						
Emerald 9 situated at Lots 809 and 810, Cheras Batu 8 ^{1/4} and 8 ^{1/2} , Jalan Cheras, Daerah Hulu Langat, Selangor	Residential/ Hotel/ Commercial/ Retail	Phase 1, 2 and 4: 100%	Completed	41,010	287,235	45
		Phase 3: 73%	2 nd Half 2027			
Vacant Agriculture Land situated at Mukim of Jasin, Melaka Darul Amin	Residential	Planning	*	7,153,439	*	31
The People's Republic of China						
Guoco Changfeng City situated at Putuo District, Shanghai	Office#/Retail#	Completed		43,500	133,065	67
Guoco 18T situated at Yuzhong District, Chongqing	Residential/ Commercial	Plot 1 and 2: 100%	Completed	48,961	341,080	50
		Plot 3 and 4: Planning	*			
Guoco Central Park situated at Liangjiang District, Chongqing	Residential/ Commercial	Plot 1 and 2: Planning	*	141,958	197,600	50
		Plot 3 and 4: 86%	In phases from 4 th Quarter 2024 to 2 nd Quarter 2027			

* Not available as these developments have not commenced construction or have not been launched yet.

The carrying value is included in Investment Properties.

MAJOR PROPERTIES OF THE SUBSIDIARIES HELD FOR INVESTMENT

Location	Existing Use	Tenure of Land
Singapore		
20 Collyer Quay Singapore 049319	Office building	999 years lease with effect from 5 November 1862
Lots 99951A, 99952K and 99953N Part of 61 Robinson Road Singapore 068893	Reversionary interests in freehold land	(Note)
Guoco Tower 1/3/5/7/9 Wallich Street Singapore	Office building and retail mall	99 years lease with effect from 21 February 2011
Guoco Midtown Beach Road	Office building and retail mall	99 years lease with effect from 2 January 2018
Guoco Midtown II Tan Quee Lan Street	Office building and retail mall	99 years lease with effect from 10 December 2019
Lentor Modern Lentor Central	Commercial building and retail mall	99 years lease with effect from 26 October 2021
Lentor Mansion Lentor Gardens	Residential	99 years lease with effect from 11 July 2023
Springleaf Residence Upper Thomson Road	Residential	99 years lease with effect from 15 July 2024
Faber Residence Faber Walk	Residential	99 years lease with effect from 24 February 2025
River Modern River Valley Green	Residential and Commercial	99 years lease with effect from 13 May 2025
Lentor Hills Residences Lentor Hills Road	Residential	99 years lease with effect from 25 April 2022
Lentor Central Residences Lentor Central	Residential	99 years lease with effect from 18 December 2023
Penrith Margaret Drive	Residential	99 years lease with effect from 4 November 2024
Tengah Garden Residences Tengah Garden Avenue	Residential	99 years lease with effect from 21 April 2025
Lentor Central Site Lentor Central	Residential	99 years lease with effect from 3 June 2026

Note: The Group disposed of its interests in a 98-year lease (with effect from 19 March 1998) in the freehold land to a third party. Accordingly, the Group recognised its reversionary interests in the freehold land.

MAJOR PROPERTIES OF THE SUBSIDIARIES HELD FOR INVESTMENT

Location	Existing Use	Tenure of Land
Malaysia		
Damansara City Lot 58303 Bukit Damansara Kuala Lumpur	Retail mall and hotel	Freehold
The People's Republic of China		
Guoco Changfeng City No. 452 Daduhe Road Shanghai	Commercial building and retail mall	50 years land use rights with effect from 11 December 2005
Hong Kong		
The Center 12 th & 15 th Floors 99 Queen's Road Central Hong Kong	Office building	From 24 November 1995 to 30 June 2047

TEN-YEAR SUMMARY

US\$'000

Years	Total assets	Total liabilities	Total equity attributable to equity shareholders of the Company	Profit/(loss) for the year attributable to equity shareholders of the Company	Dividend per ordinary share US\$
2017	16,483,381	6,577,487	7,934,057	784,639	0.51
2018	16,809,305	6,022,532	8,344,386	624,297	0.51
2019	16,000,870	5,615,500	7,572,112	431,501	0.51
2020	16,423,552	6,873,157	7,241,321	(112,607)	0.32
2021	16,968,465	7,052,475	7,699,465	322,103	0.26
2022	16,602,327	7,000,306	7,357,199	249,863	0.25
2023	16,947,263	7,055,833	7,594,831	438,974	0.38
2024	17,350,790	7,227,090	7,857,223	458,581	0.41
2025	18,670,386	7,621,050	8,753,711	513,472	0.45
2026	17,687,640	6,355,324	9,037,637	409,818	0.46

HK\$'000

Years	Total assets	Total liabilities	Total equity attributable to equity shareholders of the Company	Profit/(loss) for the year attributable to equity shareholders of the Company	Dividend per ordinary share HK\$
2017	128,657,732	51,339,258	61,927,695	6,124,343	4.00
2018	131,902,616	47,258,808	65,478,397	4,898,859	4.00
2019	124,917,992	43,839,928	59,115,100	3,368,708	4.00
2020	127,284,169	53,267,653	56,120,962	(872,716)	2.50
2021	131,753,344	54,759,648	59,783,266	2,501,001	2.00
2022	130,246,086	54,917,751	57,717,594	1,960,186	2.00
2023	132,798,754	55,289,508	59,513,096	3,439,799	3.00
2024	135,487,981	56,434,539	61,355,090	3,580,943	3.20
2025	146,559,729	59,824,099	68,715,318	4,030,678	3.50
2026	138,702,935	49,837,179	70,871,342	3,213,711	3.60



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