

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 2025 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 38(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 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).

(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.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(c) Derivative financial instruments and hedging activities (cont'd)

(i) Cash flow hedges (cont'd)

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)).

(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.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(f) Other property, plant and equipment and depreciation (cont'd)

- (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.

(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 22 and 23)

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.

(d) Income taxes (notes 8 and 34)

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 37)

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.

NOTES TO THE FINANCIAL STATEMENTS

4. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRSs issued by the HKICPA, which are first effective for the current accounting period of the Group, to these financial statements for the current accounting period:

- Amendments to HKAS 1 - *Presentation of financial statements - Classification of liabilities as current or non-current* ("2020 amendments") and amendments to HKAS 1 - *Presentation of financial statements - Non-current liabilities with covenants* ("2022 amendments")
- Amendments to HKFRS 16 - *Leases - Lease liability in a sale and leaseback*
- Amendments to HKAS 7 - *Statement of cash flows* and HKFRS 7 - *Financial instruments: Disclosure - Supplier finance arrangements*

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

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:

	2025 US\$'000	2024 US\$'000
Revenue from sale of properties	1,183,768	1,126,478
Revenue from hospitality and leisure	1,474,357	1,333,479
Interest income	76,867	77,184
Dividend income	109,273	103,245
Rental income from properties	198,613	164,343
Revenue from sales of goods	55,843	67,228
Others	15,118	12,729
Revenue	3,113,839	2,884,686
Proceeds from sale of investments in securities	325,793	417,464
Turnover	3,439,632	3,302,150

Transaction price allocated to the remaining performance obligations

As at 30 June 2025, the amount allocated to the sale of development properties is US\$671.3 million (2024: US\$1,245.5 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

	2025 US\$'000	2024 US\$'000
Sublease income	12,371	9,189
Bass Strait oil and gas royalty	24,215	25,045
Hotel management fee	736	971
Income from forfeiture of deposit from sale of properties	4,194	1,273
Others	2,394	4,116
	43,910	40,594

(b) Other net income

	2025 US\$'000	2024 US\$'000
Net realised and unrealised gain on trading financial assets	188,152	127,982
Net realised and unrealised gain/(loss) on derivative financial instruments	1,792	(8,949)
Net gain on foreign exchange contracts	2,806	3,289
Other exchange gain	19,727	11,225
Net losses on disposal of property, plant and equipment	(8,352)	(1,616)
Net losses on disposal of intangible assets	(9)	-
Provision made during the year (note 32)	(9,353)	(2,501)
Gain/(loss) on disposal of a subsidiary (note 36)	8,511	(431)
Loss on disposal of interest in a joint venture	-	(6,663)
Gain on increase in interest in an associate (note 18)	-	10,333
Gain on extinguishment of lease liabilities in relation to surrender of leases	12,752	-
Others	6,552	6,944
	222,578	139,613

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

	2025 US\$'000	2024 US\$'000
Interest on bank loans and other borrowings	206,967	246,996
Interest on lease liabilities	56,074	50,392
Other borrowing costs	12,737	12,889
Total borrowing costs	275,778	310,277
Less: borrowing costs capitalised into:		
– development properties	(1,875)	(11,057)
– investment properties	(7,841)	(9,353)
Total borrowing costs capitalised (note)	(9,716)	(20,410)
	266,062	289,867

Note:

These borrowing costs have been capitalised at rates of 2.62% to 5.08% per annum (2024: 3.88% to 5.08%).

(b) Staff cost

	2025 US\$'000	2024 US\$'000
Salaries, wages and other benefits	483,608	424,531
Contributions to defined contribution retirement plans	16,194	14,852
Social security costs	36,479	29,362
Expenses recognised in respect of defined benefit retirement plans	409	146
Equity-settled share-based payment expenses	3,740	4,330
	540,430	473,221

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Other items

	2025 US\$'000	2024 US\$'000
Depreciation		
– other property, plant and equipment	67,676	59,826
– right-of-use assets	39,657	32,834
Net impairment losses recognised/(reversed)		
– other property, plant and equipment (note a & b)	4,578	3,304
– intangible assets (note a & c)	335	2,327
– right-of-use assets (note a & b)	(94)	3,986
– goodwill (note c)	11,752	–
– interest in an associate (note d)	–	2,976
Amortisation		
– customer relationship, licences and brand names	1,570	2,021
– casino licences and brand names	57	66
– Bass Strait oil and gas royalty	4,331	5,649
– other intangible assets	17,176	25,897
Net write down and allowance for foreseeable losses of development properties and properties held for sale (note e)	114,764	108,540
Cost of inventories recognised in cost of sales	25,856	28,129
Cost of development properties and properties held for sale recognised in cost of sales	1,026,442	920,659
Expense relating to short-term leases and other leases with remaining lease term ending within one year	273	317
Auditors' remuneration		
– audit services	4,337	4,091
– tax services	665	500
– other services	1,401	828
Donations	1,937	1,790
Gross rental income from investment properties (note 5)	(198,613)	(164,343)
Less: direct outgoings	45,550	42,341
Net rental income	(153,063)	(122,002)

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Other items (cont'd)

Notes:

- a. During the year, the Group has conducted the impairment testing of right-of-use assets, other property, plant and equipment and intangible assets of individual casino venues and clubs. Testing was carried out by allocating the carrying value of these assets to the individual venues and clubs. The recoverable amounts of individual venues and clubs have been calculated with reference to their value in use. Value in use calculations are based upon estimates of future cash flows derived from the Group's strategic plan for the following four years and are most sensitive to revenue growth, the pre-tax discount rate of 12% to 15% (2024: 13% to 14%) and growth rates of 2% to 4% (2024: 2%) used to extrapolate cash flow beyond the forecast period.

As a result of the impairment assessment, the Group recognised impairment charges on right-of-use assets of US\$2.0 million (2024: US\$13.0 million), other property, plant and equipment of US\$8.3 million (2024: US\$9.4 million) and intangible assets of US\$4.6 million (2024: US\$14.0 million) due to lower than anticipated performance in certain venues reduced forecast performance and lease events.

On the other hand, on the same basis, the Group also recognised reversals of previously impaired right-of-use assets of US\$5.3 million (2024: US\$9.0 million), other property, plant and equipment of US\$4.2 million (2024: US\$6.1 million) and intangible assets of US\$6.6 million (2024: US\$11.7 million) during the year. The reversal in the current year was driven by better than anticipated performance, improved financial forecasts and higher multiples and improved growth rates in the identified venues.

- b. During the year, 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 cash generating units ("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% (2024: 2%) and maintenance capital expenditure over a period, and discounting the income stream with a pre-tax discount rate of 9% to 16% (2024: 8% to 15%).

Based on the result of the impairment assessment as at 30 June 2025, a hotel property was written down to its recoverable amount, and accordingly, impairment losses on other property, plant and equipment of US\$0.5 million (2024: Nil) and right-of-use assets of US\$3.2 million (2024: Nil) were recognised in the year.

- c. During the year, the Group has conducted the impairment assessment on Manuka Health New Zealand Limited ("Manuka Health"). The recoverable amount of this CGU was based on value in use, estimated using discounted cash flows. The pre-tax discount rate of 14% (2024: 15%) was estimated based on the historical industry average weighted-average cost of capital assumptions and the debt structure of the CGU. The cash flow projections included specific estimates for the following five years and a terminal growth rate thereafter. Forecasted revenue was estimated taking into account past experience, adjusted for additional revenue growth opportunities from sales volume and price growth. The terminal growth rate of 2% was determined based on management's estimate of the long-term compound annual revenue growth rate which was consistent with the assumptions that a market participant would make.

As a result of the assessment, an impairment loss on goodwill of US\$11.8 million and an impairment loss on intangible assets US\$2.3 million of the CGU was recognised in the year.

- d. During the year ended 30 June 2024, the Group undertook an impairment assessment of its investment in an associate and estimated its recoverable amount, taking into consideration the fair value of the underlying properties held by the associate. Based on the assessment, the Group recognised an impairment loss of US\$3.0 million as the recoverable amount of the investment is below its carrying value.
- e. The Group recognised an allowance for foreseeable losses of US\$114.8 million (2024: US\$108.5 million) on development properties and properties held for sale, 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:

	2025 US\$'000	2024 US\$'000
Current tax - Hong Kong Profits Tax		
Under-provision in respect of prior years	-	167
	-	167
Current tax - Overseas		
Provision for the year	21,715	31,511
Pillar Two income tax	1,694	-
Under/(over)-provision in respect of prior years	193	(2,850)
Land appreciation tax	(4,255)	1,671
	19,347	30,332
Deferred tax		
Origination and reversal of temporary differences	65,726	65,369
Effect of changes in tax rate on deferred tax balances	(753)	-
	64,973	65,369
	84,320	95,868

The provision for Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year ended 30 June 2025. 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 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%.

Jersey, the jurisdiction of the UHC, will be implementing the Pillar Two model rules effective from the financial year beginning on or after 1 January 2025. Certain jurisdiction(s) in which the Group operates, i.e. Australia, New Zealand, and United Kingdom, have implemented the Pillar Two model rules earlier starting from the financial year beginning on or after 1 January 2024.

As a result of the implementation, the UHC Group has performed an assessment of the potential exposure to Pillar Two income taxes including the "Transitional CbCR Safe Harbour" based on the CbCR and financial statements information for the year ended 30 June 2024 for the constituent entities in UHC Group for Pillar Two purposes.

NOTES TO THE FINANCIAL STATEMENTS

8. TAXATION (CONT'D)

(a) Taxation in the consolidated income statement represents: (cont'd)

Except for the top up tax liability of US\$1,694,000, there is no other significant impact on the Group's tax expense for the current financial year.

The Amendments to HKAS 12 "Income Taxes – International Tax Reform – Pillar Two Model Rules" introduce a temporary mandatory exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules as well as disclosure requirements on the exposure to Pillar Two income taxes upon adoption.

Accordingly, the Group has applied the temporary mandatory exception in Amendments to HKAS 12 "International Tax Reform – Pillar Two Model Rules" retrospectively and is not accounting for deferred taxes arising from any top-up tax due to the Pillar Two model rules in the consolidated financial statements.

The UHC Group continues to monitor Pillar Two legislative developments and evaluate the potential exposure to the Pillar Two income taxes for all of its subsidiaries that operate in the same jurisdictions as the Group.

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

	2025 US\$'000	2024 US\$'000
Profit for the year before tax	670,063	565,458
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	105,756	114,486
Tax effect of non-deductible expenses	55,280	44,481
Tax effect of non-taxable income	(88,524)	(66,889)
Tax effect of unused tax losses not recognised	1,007	56
Tax effect of utilisation of tax losses not previously recognised	(81)	(3,222)
Tax effect of unrecognised deductible temporary differences	5,698	6,609
Tax effect of changes in tax rate on deferred tax balances	(753)	–
Land appreciation tax	(4,255)	1,671
Under/(over)-provision in respect of prior years	193	(2,683)
Current income tax impact arising from Pillar two model rules	1,694	–
Others	8,305	1,359
Taxation	84,320	95,868

(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 2025 and 2024.

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
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 ⁽⁵⁾	–	–	–	23
Lester G. HUANG, SBS, JP **	63	–	–	–	63
Melissa WU Mao Chin **	39 ⁽⁶⁾	–	–	–	39
	194	2,932	3,698	36	6,860

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
2024					
KWEK Leng Hai	– ⁽²⁾	1,650	1,412	–	3,062
Christian K. NOTHHAFT	– ⁽²⁾⁽³⁾	234	–	1	235
CHEW Seong Aun	– ⁽²⁾⁽⁴⁾	586	496	22	1,104
KWEK Leng San *	– ⁽²⁾	–	–	–	–
Paul J. BROUGH **	69	–	–	–	69
David M. NORMAN **	61	–	–	–	61
Lester G. HUANG, SBS, JP **	63	–	–	–	63
	193	2,470	1,908	23	4,594

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) Appointed as Executive Director on 15 April 2024

(4) Retired as Executive Director on 15 May 2024

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

(6) 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 (2024: two) are directors of the Company whose emoluments are disclosed in note 9. The emoluments of the other three (2024: three) individuals are as follows:

	2025 US\$'000	2024 US\$'000
Salaries, allowances and benefits in kind	2,223	2,022
Discretionary bonuses	1,529	620
Share-based payment expenses	654	1,843
Pension contributions	49	45
	4,455	4,530

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

US\$	2025 Number of individuals	2024 Number of individuals
800,001 – 850,000	–	1
900,001 – 950,000	1	1
1,450,001 – 1,500,000	1	–
2,050,001 – 2,100,000	1	–
2,750,001 – 2,800,000	–	1
	3	3

NOTES TO THE FINANCIAL STATEMENTS

11. DIVIDENDS

	2025 US\$'000	2024 US\$'000
Dividends payable/paid in respect of the current year:		
– Interim dividend of HK\$0.60 (2024: HK\$0.50) per ordinary share	25,113	20,783
– Proposed final dividend of HK\$2.90 (2024: HK\$2.70) per ordinary share	121,563	113,775
	146,676	134,558
Dividends paid in respect of the prior year:		
– Final dividend of HK\$2.70 (2024: HK\$2.50) per ordinary share	112,826	104,339

The final dividend for the year ended 30 June 2025 of US\$121,563,000 (2024: US\$113,775,000) is calculated based on 329,051,373 ordinary shares (2024: 329,051,373 ordinary shares) in issue as at 30 June 2025.

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\$513,472,000 (2024: US\$458,581,000) and the weighted average number of 325,224,511 ordinary shares (2024: 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 2025 and 2024.

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 2025 or 2024.

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 2023/24.

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 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
For the year ended 30 June 2024						
Turnover	569,682	1,329,921	1,335,309	-	67,238	3,302,150
Disaggregated by timing of revenue						
- Point in time	152,218	532,032	1,335,309	-	67,238	2,086,797
- Over time	-	797,889	-	-	-	797,889
Revenue from external customers	152,218	1,329,921	1,335,309	-	67,238	2,884,686
Inter-segment revenue	11,593	1,889	-	-	-	13,482
Reportable segment revenue	163,811	1,331,810	1,335,309	-	67,238	2,898,168
Reportable segment operating profit	271,478	222,213	152,341	-	30,645	676,677
Finance costs	(36,524)	(180,196)	(76,352)	-	(7,111)	(300,183)
Valuation surplus on investment properties	-	3,167	-	-	-	3,167
Share of profits of associates	-	148	-	172,933	-	173,081
Share of profits of joint ventures	1,958	10,758	-	-	-	12,716
Profit before taxation	236,912	56,090	75,989	172,933	23,534	565,458

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 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
At 30 June 2024						
Reportable segment assets	3,093,988	8,426,898	3,427,873	-	208,538	15,157,297
Interest in associates	-	60,652	-	1,617,586	-	1,678,238
Interest in joint ventures	1,647	513,608	-	-	-	515,255
Total assets	3,095,635	9,001,158	3,427,873	1,617,586	208,538	17,350,790
Reportable segment liabilities	596,039	4,804,966	1,713,349	-	112,736	7,227,090
Other information						
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
2024						
Interest income	58,960	26,700	1,830	-	10	87,500
Depreciation and amortisation	4,923	8,180	103,839	-	9,351	126,293
Additions to non-current segment assets	296	237,410	114,763	-	2,228	354,697

Major customers

During the years ended 30 June 2025 and 2024, 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

	2025 US\$'000	2024 US\$'000
Reportable segment revenue	3,125,894	2,898,168
Elimination of inter-segment revenue	(12,055)	(13,482)
Consolidated revenue (note 5)	3,113,839	2,884,686

Finance costs

	2025 US\$'000	2024 US\$'000
Reportable finance costs	274,814	300,183
Elimination of inter-segment finance costs	(8,752)	(10,316)
Consolidated finance costs (note 7(a))	266,062	289,867

Interest income

	2025 US\$'000	2024 US\$'000
Reportable interest income	85,619	87,500
Elimination of inter-segment interest income	(8,752)	(10,316)
Consolidated interest income (note 5)	76,867	77,184

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	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
The People's Republic of China				
– Hong Kong	158,672	154,172	188,931	233,132
– Mainland China	161,056	128,183	421,563	427,753
United Kingdom and Continental Europe	1,443,215	1,305,798	3,164,310	2,841,800
Singapore	1,213,223	1,153,831	5,502,844	5,054,648
Australasia and others	137,673	142,702	2,329,723	2,004,583
	3,113,839	2,884,686	11,607,371	10,561,916

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 2023	4,718,560	1,179,260	535,780	1,049,013	2,764,053	7,482,613
Additions	53,750	3,297	842	70,825	74,964	128,714
Transfer from properties held for sale (note 23)	179,745	-	2,957	-	2,957	182,702
Disposals and written off	-	(2,077)	(1,171)	(6,613)	(9,861)	(9,861)
Disposal of a subsidiary (note 36)	-	(123)	-	-	(123)	(123)
Fair value adjustments	3,167	-	-	-	-	3,167
Exchange adjustments	(2,745)	1,584	(403)	1,467	2,648	(97)
At 30 June 2024	4,952,477	1,181,941	538,005	1,114,692	2,834,638	7,787,115
Representing:						
Cost	-	1,181,941	538,005	1,114,692	2,834,638	2,834,638
Valuation - 2024	4,952,477	-	-	-	-	4,952,477
	4,952,477	1,181,941	538,005	1,114,692	2,834,638	7,787,115
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

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 2023	-	288,461	91,311	867,553	1,247,325	1,247,325
Charge for the year	-	19,143	5,780	34,903	59,826	59,826
Written back on disposals and written off	-	(1,911)	(418)	(5,858)	(8,187)	(8,187)
Net impairment loss (reversed)/recognised	-	(1,196)	-	4,500	3,304	3,304
Exchange adjustments	-	388	(50)	1,199	1,537	1,537
At 30 June 2024	-	304,885	96,623	902,297	1,303,805	1,303,805
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
Carrying amount						
At 30 June 2025	5,361,142	926,509	473,459	270,441	1,670,409	7,031,551
At 30 June 2024	4,952,477	877,056	441,382	212,395	1,530,833	6,483,310

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:

	2025 US\$'000	2024 US\$'000
In Hong Kong:		
– Leasehold with between 10 and 50 years unexpired	188,305	232,521
Outside Hong Kong:		
– Freehold	1,108,999	933,711
– Leasehold with over 50 years unexpired	5,010,639	4,649,394
– Leasehold with between 10 and 50 years unexpired	433,333	436,365
– Leasehold with less than 10 years unexpired	19,834	18,924
	6,761,110	6,270,915

- (b) Certain of the Group's properties with an aggregate carrying amount of US\$4,610.6 million (2024: US\$4,699.1 million) were pledged for bank loans.

- (c) Investment properties comprise:

	2025 US\$'000	2024 US\$'000
Completed investment properties	5,166,309	4,734,609
Investment properties under development	194,833	217,868
	5,361,142	4,952,477

- (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:

	2025 US\$'000	2024 US\$'000
Within 1 year	204,991	183,432
Between 1 and 5 years	404,711	472,821
After 5 years	285,779	293,059
	895,481	949,312

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.

	2025				2024			
	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	-	82,159	5,278,983	5,361,142	-	120,966	4,831,511	4,952,477

During the year ended 30 June 2025, there was no transfer between level 2 and level 3 (2024: Nil).

All of the Group's investment properties were revalued as at 30 June 2025. The valuations were carried out by external independent property valuers, CHFT Advisory and Appraisal Limited, CBRE, Cheston International, Savills and Rahim & Co. 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\$3,303 (2024: US\$2,218 to US\$3,039) 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% (2024: 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\$200 to US\$1,168 (2024: US\$180 to US\$733) psf	The estimated fair value increases when the sales price and gross development value increase
	- Residual land method	- Gross development value of US\$2,652 (2024: US\$2,594) psf	
Commercial properties under development	- Residual land method	- Gross development value of US\$2,652 (2024: US\$2,491 to US\$3,038) 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:

	2025 US\$'000	2024 US\$'000
Investment properties:		
At 1 July	4,831,511	4,571,377
Additions	94,493	53,750
Transfer from properties held for sale	-	179,745
Fair value adjustments	44,569	29,858
Exchange adjustments	308,410	(3,219)
At 30 June	5,278,983	4,831,511

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 2023	1,012,022	7,083	1,019,105
Additions	19,978	3,019	22,997
Disposals and written off	(8,102)	–	(8,102)
Lease modification	22,747	(563)	22,184
Exchange adjustments	1,649	(210)	1,439
At 30 June 2024	1,048,294	9,329	1,057,623
Representing:			
Cost	1,048,294	9,329	1,057,623
Valuation – 2024	–	–	–
	1,048,294	9,329	1,057,623
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

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 2023	291,965	6,882	298,847
Charge for the year	31,917	917	32,834
Written back on disposals and written off	(7,449)	–	(7,449)
Net impairment loss recognised	3,986	–	3,986
Lease modification	(15)	(728)	(743)
Exchange adjustments	434	50	484
At 30 June 2024	320,838	7,121	327,959
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
Carrying amount			
At 30 June 2025	845,064	3,624	848,688
At 30 June 2024	727,456	2,208	729,664

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

	2025 US\$'000	2024 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	610,641	554,104
– between 10 and 50 years	98,279	99,080
– less than 10 years	136,144	74,272
	845,064	727,456
Furniture, fixtures and equipment held for own use, carried at depreciated cost	3,624	2,208
	848,688	729,664

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 2023	854,825	125,248	72,409	198,752	1,251,234
Additions	–	–	619	19,665	20,284
Transfer to assets held for sale (note 29)	–	–	(428)	–	(428)
Disposals	–	–	(1,330)	(53)	(1,383)
Disposal of a subsidiary (note 36)	(91)	–	–	–	(91)
Exchange adjustments	974	454	(448)	249	1,229
At 30 June 2024	855,708	125,702	70,822	218,613	1,270,845
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
Accumulated amortisation and impairment loss					
At 1 July 2023	109,568	79,737	52,314	143,940	385,559
Charge for the year	66	5,649	2,021	25,897	33,633
Net impairment loss recognised	2,327	–	–	–	2,327
Written back on disposals	–	–	(1,330)	(53)	(1,383)
Exchange adjustments	(70)	350	(83)	292	489
At 30 June 2024	111,891	85,736	52,922	170,076	420,625
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
Carrying amount					
At 30 June 2025	809,306	34,969	15,540	42,168	901,983
At 30 June 2024	743,817	39,966	17,900	48,537	850,220

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 (2024: 2031).

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	
	2025	2024	2025	2024	2025	2024
Long term growth rate	2%-4%	0%-2%	2%	2%	2%	2%
Discount rate	12%-15%	11%-14%	10%	10%	14%	15%

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	2 shares (HK\$20)	-	100	Investment trading
Asset Nominees Limited	2 shares (HK\$2)	-	100	Provision of trustee services to a group company
BIL (Far East Holdings) Limited	635,855,324 shares (HK\$1,941,730,353)	-	100	Investment holding
GuocoEquity Assets Limited	23,000,000 shares (HK\$23,000,000) 244,700,000 redeemable preference shares (HK\$244,700,000)	100	100	Investment holding
GuoSon Assets China Limited	166,700,000 shares (S\$166,700,000)	-	67	Investment holding
Guoco Management Company Limited	2,000,000,000 shares (HK\$2,000,000,000) 4,810,030,153 redeemable preference shares (HK\$4,810,030,153)	100	100	Provision of general management services
Guoco Investments (China) Limited	1 share (HK\$1)	100	100	Investment holding

(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.	817,000,000 shares (S\$817,000,000)	-	77	Holding properties for rental
Guoco Midtown II Pte. Ltd.	5,000,000 shares (S\$5,000,000)	-	40	Holding properties for rental
GLL B Pte. Ltd.	38,000,000 shares (S\$38,000,000)	-	67	Property developer
GLL Chongqing 18 Steps Pte. Ltd.	446,600,267 shares (S\$446,600,267)	-	50	Investment holding
GLL IHT Pte. Ltd.	10,000,000 shares (S\$10,083,000)	-	67	Financial and treasury services
GLL Land Pte. Ltd.	70,000,000 shares (S\$70,000,000)	-	67	Holding properties for rental
GLL (Malaysia) Pte. Ltd.	130,147,962 shares (S\$130,147,962)	-	67	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: (cont'd)

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
GuocoLand Limited ("GuocoLand")	1,183,373,276 shares (S\$1,926,053,000)	-	67	Investment holding
GuocoLand Assets Pte. Ltd.	617,000,000 shares (S\$617,000,000)	100	100	Investment holding
GuocoLand Hotels Pte. Ltd.	260,610,000 shares (S\$260,610,000)	-	67	Investment holding and owning hotels assets
GuocoLand Management Pte. Ltd.	500,000 shares (S\$500,000)	-	67	Management services
GuocoLand Property Management Pte. Ltd.	20,000,000 shares (S\$20,000,000)	-	67	Property management, marketing and maintenance services
GuocoLand Property Maintenance Services Pte. Ltd.	1 share (S\$1)	-	67	Property management and maintenance services
GuocoLand (Singapore) Pte. Ltd.	1,190,700,000 shares (S\$1,190,700,000)	-	67	Investment holding
Lentor Central Pte. Ltd.	31,000,000 shares (S\$31,000,000)	-	67	Holding properties for rental
Lentor Mansion Pte. Ltd.	45,000,000 shares (S\$45,000,000)	-	40	Property developer
Lentor Modern Pte. Ltd.	96,000,000 shares (S\$96,000,000)	-	67	Property developer
Midtown Bay Pte. Ltd.	32,000,000 shares (S\$32,000,000)	-	77	Property developer
Midtown Modern Pte. Ltd.	115,300,000 shares (S\$115,300,000)	-	40	Property developer
TPC Commercial Pte. Ltd.	487,000,000 shares (S\$487,000,000)	-	53	Holding properties for rental
TPC Hotel Pte. Ltd.	88,000,000 shares (S\$88,000,000)	-	53	Holding & operating hotel & hotel related activities
Wallich Residence Pte. Ltd.	30,000,000 shares (S\$30,000,000)	-	53	Property developer

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	20,100,000 shares (RM20,100,000)	-	43	Property development and property investment
DC Hotel Sdn Bhd	257,763,134 shares (RM257,763,134)	-	43	Hotel operations
DC Parking Sdn Bhd	3,700,002 shares (RM3,700,002)	-	43	Car park operations and property investment
DC Town Square Sdn Bhd	96,483,487 shares (RM96,483,487)	-	43	Property investment
GLM Emerald Hills (Cheras) Sdn Bhd	10,000,000 shares (RM10,000,000)	-	43	Property development
GLM Emerald Industrial Park (Jasin) Sdn Bhd	50,600,000 shares (RM50,600,000)	-	30	Property development and operation of an oil palm estate
GLM Emerald Square (Cheras) Sdn Bhd	96,074,300 shares (RM96,074,300)	-	43	Property development
GLM Oval Sdn Bhd	11,747,100 shares (RM11,747,100)	-	43	Property investment
GLM Property Services Sdn Bhd	6,723,172 shares (RM6,723,172)	-	43	Provision of property management services
GLM IHM Sdn Bhd	7,000,000 shares (RM7,000,000)	-	43	Provision of management services
GuocoLand (Malaysia) Berhad	700,458,518 shares (RM385,318,195)	-	43	Investment holding
JB Parade Sdn Bhd	40,000,000 shares (RM40,000,000) 110,390,000 cumulative redeemable preference shares (RM110,390,000)	-	67	Investment holding and hotel operations
PD Resort Sdn Bhd	106,242,000 shares (RM106,242,000)	-	67	Property investment and development, hotel operations and provision of consultancy and training services
Titan Debut Sdn Bhd	3,000,000 shares (RM3,000,000)	-	43	Acquisition, enhancement and resale of properties

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
8Ball Games Limited	100 shares of GBP0.01 each	-	56	Marketing services
Barbican Hotel (London) Limited	326,746 shares of GBP1 each	-	100	Operation of a hotel in UK
Bloomsbury Hotel (London) Limited	4 shares of GBP1 each	-	100	Operation of a hotel in UK
Clermont Hotel Holdings Limited	6 shares of GBP1 each	-	100	Investment holding
Clermont Hotel Group Limited	310,545,215 shares of GBP0.26 each	-	100	Ownership and operation of hotels in UK
Clermont Hotel HR Limited	1,260,000 shares of GBP0.25 each	-	100	Provision of staff to the group
Grosvenor Casinos Limited	39,000,000 shares of GBP1 each	-	56	Casinos
Grosvenor Casinos (GC) Limited	10,000 shares of GBP0.01 each	-	56	Casinos
GLH IP Holdings Limited	3 shares of GBP1 each	-	100	Holding company and licensing of hotel brand intellectual property in UK
Heathrow Hotel (London) Limited	6,226,849 shares of GBP1 each	-	100	Operation of a hotel in UK
Hyde Park Hotel (London) Limited	716,713 shares of GBP1 each	-	100	Operation of a hotel in UK
Kensington Gardens Hotel (London) Limited	10,066 shares of GBP1 each	-	100	Operation of a hotel in UK
Linkco Limited	1 share of GBP1 each	-	56	Processing of credit transfers
Marble Arch Hotel (London) Limited	11,310,412 shares of GBP1 each	-	100	Operation of a hotel in UK
Mecca Bingo Limited	950,000 shares of GBP1 each and 50,000 "A" shares of GBP1 each	-	56	Social and bingo clubs
Piccadilly Hotel (London) Limited	3,519,228 shares of GBP1 each	-	100	Operation of a hotel in UK
Rank Casino Holdings Limited	100 shares of GBP1 each	-	56	Intermediary holding company
Rank Digital Limited	100,000 "A" shares of GBP0.01 each and 500,000 "B" shares of GBP0.01 each	-	56	Support services to interactive gaming
Rank Digital Holdings Limited	3,431,001 shares of GBP1 each	-	56	Intermediary holding company
Rank Group Finance Plc	200,000,000 shares of GBP1 each	-	56	Funding operations
Rank Group Gaming Division Limited	944,469 shares of GBP1 each and 55,531 "A" shares of GBP1 each	-	56	Intermediary holding and provision of property 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: (cont'd)

Name of Company	Issued and paid up share capital (note (vii))	Percentage held by the Company	Group	Principal activities
Rank Interactive Limited	500 "A" shares of GBP1 each and 500 "B" shares of GBP1 each	-	56	Marketing services
Rank Leisure Limited	1 share of GBP1 each	-	56	Adult gaming centres in Mecca Bingo and Grosvenor Casinos
Rank Leisure Holdings Limited	1,000,000 shares of GBP1 each and 1,799 preferred shares of US\$1 each	-	56	Intermediary holding and corporate activities
Rank Nemo (Twenty-Five) Limited	1 share of GBP1 each	-	56	Intermediary holding company
Rank Overseas Holdings Limited	1,000,000 shares of GBP1 each	-	56	Intermediary holding company
Spacebar Media Limited	3,334 shares of GBP0.001 each	-	56	Development and maintenance of online gaming software
The Charing Cross Hotel Limited	12,941,059 shares of GBP1 each	-	100	Operation of a hotel in UK
The Cumberland Hotel (London) Limited	42,932,770 shares of GBP0.1 each	-	100	Operation of a hotel in UK
The Grosvenor Hotel Victoria Limited	36,712,597 shares of GBP1 each	-	100	Operation of a hotel in UK
The Royal Horseguards Hotel Limited	12,468,296 shares of GBP1 each	-	100	Operation of a hotel in UK
The Strathmore Hotel (Luton) Limited	6 shares of GBP1 each	-	100	Operation of a hotel in UK
The Tower Hotel (London) Limited	55,745,451 shares of GBP1 each	-	100	Operation of a hotel in UK
The Wiltshire Hotel (Swindon) Limited	50,003 shares of GBP1 each	-	100	Operation of a hotel in UK
Trafalgar Hotel (London) Limited	2,329,593 shares of GBP1 each	-	100	Operation of a hotel in UK
The Gaming Group Limited	1 share of GBP1 each	-	56	Casinos
The Rank Group Plc ("Rank")	468,429,541 shares of GBp13 8/9 each	-	56	Investment holding of gaming business
Upperline Marketing Limited	100 shares of GBP1 each	-	56	Support services to interactive 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:

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	50,000 shares of US\$1 each and 455 redeemable preference shares (US\$455,000,000)	-	100	Investment in securities
BIL Australia Pty Limited	Australia	407,174,860 shares (A\$1)	-	100	Investment holding
BIL NZ Treasury Limited	New Zealand	200,100 shares (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 Xin Hao Ren 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	1 share of US\$1 each and 28,465 redeemable preference shares of US\$1 each	-	100	Investment holding
Clermont Hotel Management Limited (note (iv))	Scotland	150,003 shares of GBP1 each	-	100	Management of hotels in UK
Conticin S.L.	Spain	600 shares of EUR60 each	-	56	Operator of parking for social and bingo clubs
Fresco Resources Limited (note (iii))	British Virgin Islands	1 share of US\$1 each	100	100	Financing activities
GGL Assets (NZ) Limited	New Zealand	183,000,100 shares (NZ\$183,000,100) 25,000,000 redeemable preference shares (NZ\$25,000,000) 20,000,000 redeemable preference shares (US\$20,000,000)	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	5 shares of US\$0.2 each	100	100	Investment holding
Gotfor S.A.	Spain	10,000 shares of EUR6.01 each	-	56	Social and Bingo clubs
GuocoLand (China) Limited	Bermuda	20,000,000 shares of US\$1 each	-	67	Investment holding
Beijing GuoSon Investment Company Limited (previously known as "GuoSon Investment Company Limited") (notes (i) & (vi))	The People's Republic of China	US\$238,000,000 (note (ii))	-	67	Investment holding
Manuka Health Australia Pty Limited	Australia	1 share of A\$1 each	-	100	Limited risk distributor
Manuka Health New Zealand Limited	New Zealand	28,721,250 shares (NZ\$33,619,000) 25,000,000 redeemable preference shares (NZ\$25,000,000)	-	100	Apiculture, manufacture, sale and distribution of New Zealand natural healthcare products
Molokai Properties Limited	United States of America	100 shares of US\$2 each	-	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
Neuseelandhaus GmbH	Germany	1 share of EUR25,000 each	-	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	-	100	Sale and distribution of New Zealand natural healthcare products
Oceanease Limited	Cayman Islands	1 share of US\$1 each and 16,870 redeemable preference shares (US\$33,740,000)	-	100	Investment holding
Qinnacle View Limited (note (iii))	Cayman Islands	1 share of US\$1 each	100	100	Property investment
QSB Gaming Limited	Alderney	4,234 shares of GBP1 each	-	56	Intermediary holding company
Rank Assets Limited	Cayman Islands	1 share of US\$1 each and 380,295,000 redeemable preference shares of US\$1 each	100	100	Investment holding
Rank Cataluña S.A.	Spain	3,000 shares of EUR60 each	-	56	Social and bingo clubs
Rank Centro S.A.	Spain	10,000 shares of EUR6.02 each	-	56	Social and bingo clubs
Rank Digital Ceuta S.A.	Spain	60,000 shares of EUR1 each	-	56	Interactive 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 Services (Gibraltar) Limited	Gibraltar	1,000 shares of GBP1 each	-	56	Marketing services
Rank Holding España SA	Spain	150,000 shares of EUR26.02 each	-	56	Intermediary holding company
Rank Interactive (Gibraltar) Limited	Gibraltar	1,800 shares of GBP1 each	-	56	Interactive gaming
Rank Interactive Services (Mauritius) Limited	Mauritius	1 share of MUR30 each	-	56	Shared services support
Rank Stadium Andalucía, S.L.	Spain	3,000 shares of EUR1 each	-	56	Arcade and sports betting
Shanghai Xinhaolong Property Development Co., Ltd (notes (i) & (v))	The People's Republic of China	US\$126,000,000 (note (ii))	-	67	Property development
ShiftTech (PTY) Ltd.	South Africa	100 shares of no par value	-	56	Development and maintenance of online gaming software
Shanghai Xinhaolong Property Management Co., Ltd (notes (i) & (v))	The People's Republic of China	RMB3,000,000 (note (ii))	-	67	Property management
Stride Gaming Limited	Jersey	76,826,413 shares of GBP0.01 each	-	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	100 shares of GBP50 each	-	56	Intermediary holding company
Supreme Goal Investments Limited (note (iii))	British Virgin Islands	1 share of US\$1 each	100	100	Property investment
Top Rank Andalusia SA	Spain	263,932 shares of EUR6 each	-	56	Social and bingo clubs
Verdiales S.L.	Spain	5,000 shares of EUR60.1 each	-	56	Social and 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	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
NCI percentage at the end of the reporting period	33%	33%	44%	44%				
Non-current assets	6,208,793	5,741,192	1,459,187	1,272,638				
Current assets	3,344,366	3,354,313	128,042	121,471				
Non-current liabilities	(1,169,222)	(2,747,761)	(268,119)	(240,319)				
Current liabilities	(4,139,726)	(2,224,416)	(294,531)	(259,096)				
Net assets	4,244,211	4,123,328	1,024,579	894,694				
Carrying amount of NCI	1,861,746	1,888,436	436,594	380,545	(2,715)	(2,504)	2,295,625	2,266,477
Revenue	1,471,183	1,377,931	1,036,434	926,706				
Profit for the year	103,480	70,492	58,066	15,350				
Total comprehensive income	85,352	80,904	58,791	15,199				
Profit allocated to NCI	46,813	6,578	25,458	4,431	-	-	72,271	11,009
Dividend paid to NCI	20,064	20,724	4,220	-	-	-	24,284	20,724
Net cash generated from/(used in):								
- operating activities	153,578	350,086	164,201	140,246				
- investing activities	(27,536)	(192,899)	(71,387)	(59,822)				
- financing activities	(295,637)	(86,656)	(76,063)	(75,496)				
Net (decrease)/increase in cash and cash equivalents	(169,595)	70,531	16,751	4,928				

NOTES TO THE FINANCIAL STATEMENTS

18. INTEREST IN ASSOCIATES AND JOINT VENTURES

	2025 US\$'000	2024 US\$'000
Share of net assets of associates	2,004,836	1,679,134
Goodwill	2,355	2,078
Amounts due from associates	35	2
	2,007,226	1,681,214
Less: Impairment loss	(2,976)	(2,976)
Interest in associates	2,004,250	1,678,238
Share of net assets of joint ventures	105,417	91,779
Amounts due from joint ventures	401,751	423,476
Interest in joint ventures	507,168	515,255
	2,511,418	2,193,493

The market values of the listed investments in associates at 30 June 2025 was US\$1,158.5 million (2024: US\$1,070.1 million).

During the year ended 30 June 2024, the Group has subscribed the rights issue of Tower Real Estate Investment Trust ("Tower REIT") for a total consideration of US\$6.8 million. Pursuant to the rights issue, the Group recognised a gain of US\$10.3 million (note 6(b)), representing the excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment.

Tower REIT is listed on the Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Based on its closing price per unit of RM0.29 (2024: RM0.33) (Level 1 in the fair value hierarchy) at the reporting date, the value of the Group's investment in Tower REIT was US\$11.3 million (2024: 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 (2024: US\$3.0 million loss) (note 7(c)).

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	1,147,516,890 shares (RM2,267,008,045)	25	Financial services (Note 1)
Tower Real Estate Investment Trust	Malaysia	280,500,000 units (RM285,344,766)	15	Investment in real estate and real-estate related assets (Note 2)
GLM Emerald (Sepang) Sdn Bhd ("GLM Emerald")	Malaysia	140,000,000 shares (RM143,204,542)	21	Property development and operation of an oil palm estate
Joint ventures				
Carmel Development Pte. Ltd. ("Carmel")	Singapore	4,000,000 shares (S\$4,000,000)	27	Property developer
Lentor Hills Development Pte. Ltd. ("Lentor Hills")	Singapore	4,000,000 shares (S\$4,000,000)	20	Property developer
Springleaf Residence Pte. Ltd. (previously known as "Springleaf Parcel B Pte. Ltd.") ("Springleaf")	Singapore	75,000,000 shares (S\$75,000,000)	40	Property developer
Faber Residence Pte. Ltd. (previously known as "Faber Walk Residence Pte. Ltd.") ("Faber")	Singapore	34,000,000 shares (S\$34,000,000)	34	Property developer

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\$354.9 million (2024: US\$387.1 million) is interest bearing at 3.9% per annum (2024: 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	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Non-current assets	N/A	N/A	191,629	170,392	49,959	43,703		
Current assets	N/A	N/A	7,235	6,275	5,650	6,995		
Total assets	84,324,546	71,241,291	198,864	176,667	55,609	50,698		
Non-current liabilities	N/A	N/A	(61,095)	(54,415)	-	-		
Current liabilities	N/A	N/A	(3,046)	(2,075)	(2,329)	(3,003)		
Total liabilities	(73,111,831)	(61,839,628)	(64,141)	(56,490)	(2,329)	(3,003)		
Non-controlling interests	(3,580,895)	(3,025,508)	-	-	-	-		
Net assets	7,631,820	6,376,155	134,723	120,177	53,280	47,695		
Group's share of net assets	1,936,139	1,617,586	44,721	40,062	23,976	21,486	2,004,836	1,679,134
Goodwill	-	-	-	-	2,355	2,078	2,355	2,078
Amounts due from an associate	-	-	-	2	35	-	35	2
Impairment loss	-	-	(2,976)	(2,976)	-	-	(2,976)	(2,976)
Group's carrying amount	1,936,139	1,617,586	41,745	37,088	26,366	23,564	2,004,250	1,678,238
Revenue	2,051,813	1,893,241	8,884	7,221	3,248	1,434		
Profit/(loss) for the year	745,870	681,662	1,645	1,199	131	(247)		
Other comprehensive income	(133,126)	55,151	-	(665)	2,627	(517)		
Total comprehensive income	612,744	736,813	1,645	534	2,758	(764)		
Carrying amount of interest in associates at the beginning of the year	1,617,586	1,479,931	37,088	23,173	23,564	23,907	1,678,238	1,527,011
Addition	-	-	-	6,773	-	-	-	6,773
Gain on increase in interest in associates	-	-	-	10,333	-	-	-	10,333
Total comprehensive income attributable to the Group	154,266	187,124	546	39	1,241	(345)	156,053	186,818
Dividends received during the year	(37,121)	(30,711)	(592)	(65)	-	-	(37,713)	(30,776)
(Repayment from)/advance to associates	-	-	(2)	(85)	35	-	33	(85)
Impairment loss	-	-	-	(2,976)	-	-	-	(2,976)
Exchange adjustments	201,408	(18,758)	4,705	(104)	1,526	2	207,639	(18,860)
Carrying amount of interest in associates at the end of the year	1,936,139	1,617,586	41,745	37,088	26,366	23,564	2,004,250	1,678,238

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:

	Carmel		Lentor Hills		Springleaf		Faber		Other immaterial joint ventures		Total	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Non-current assets	-	-	2,210	5,788	4,647	-	773	-				
Current assets	229,795	645,354	424,425	453,462	728,840	219,716	329,978	-				
Total assets	229,795	645,354	426,635	459,250	733,487	219,716	330,751	-				
Non-current liabilities	(11,816)	(12,944)	(409,354)	(475,593)	(690,754)	(164,442)	(307,007)	-				
Current liabilities	(130,981)	(567,071)	(1,366)	(682)	(6,568)	-	(836)	-				
Total liabilities	(142,797)	(580,015)	(410,720)	(476,275)	(697,322)	(164,442)	(307,843)	-				
Net assets/(liabilities)	86,998	65,339	15,915	(17,025)	36,165	55,274	22,908	-				
Group's share of net assets	34,798	26,135	4,775	-	21,698	33,164	11,454	-				
Amount due from joint ventures	44,745	226,485	68,523	61,905	116,542	98,664	40,869	-				
Group's carrying amount	79,543	252,620	73,298	61,905	138,240	131,828	52,323	-	163,764	68,902	507,168	515,255
Profit/(loss) for the year	16,827	32,819	15,358	-	(21,893)	-	(3,639)	-				
Carrying amount of interest in joint ventures at the beginning of the year	252,620	151,671	61,905	59,538	131,828	-	-	-	68,902	122,630	515,255	333,839
Addition	-	-	-	-	-	33,164	13,339	-	2,198	884	15,537	34,048
Disposal	-	-	-	-	-	-	-	-	-	(35,845)	-	(35,845)
Total comprehensive income attributable to the Group	6,727	13,128	4,605	-	(13,131)	-	(1,818)	-	543	(412)	(3,074)	12,716
Dividend received during the year	-	-	-	-	-	-	-	-	(6,030)	(55,820)	(6,030)	(55,820)
(Repayment from)/advance to joint ventures	(196,382)	87,912	2,613	2,367	11,494	98,664	40,869	-	92,301	36,272	(49,105)	225,215
Exchange adjustments	16,578	(91)	4,175	-	8,049	-	(67)	-	5,850	1,193	34,585	1,102
Carrying amount of interest in joint ventures at the end of the year	79,543	252,620	73,298	61,905	138,240	131,828	52,323	-	163,764	68,902	507,168	515,255

NOTES TO THE FINANCIAL STATEMENTS

19. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Transaction with non-controlling interests in Rank

During the year ended 30 June 2024, the Group acquired an additional 2.82% interest in Rank for US\$11,840,000 in cash, increasing its ownership from 53.34% to 56.16%. The Group recognised a decrease in non-controlling interests of US\$24,389,000 and an increase in total equity attributable to equity shareholders of the Company of US\$12,549,000.

The following summarises the effect of changes in the Group's ownership interest in Rank:

	US\$'000
Group's ownership interest at 1 July 2023	482,564
Effect of increase in Group's ownership interest	24,389
Share of total comprehensive income	7,196
Group's ownership interest at 30 June 2024	514,149

20. EQUITY INVESTMENTS AT FVOCI

	2025 US\$'000	2024 US\$'000
Equity securities		
Listed (at market value)		
– In Hong Kong	671,588	552,931
Unlisted	78,118	73,111
	749,706	626,042

NOTES TO THE FINANCIAL STATEMENTS

21. GOODWILL

	2025 US\$'000	2024 US\$'000
At 1 July	305,229	304,937
Impairment loss recognised	(11,752)	–
Exchange adjustments	20,254	292
At 30 June	313,731	305,229

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		GuocoLand		Rank	
	2025	2024	2025	2024	2025	2024
Long term growth rate	2%	2%	4%	4%	2%	2%
Discount rate	14%	15%	8%	8%	15%	14%

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

22. DEVELOPMENT PROPERTIES

	2025 US\$'000	2024 US\$'000
Cost	5,304,749	4,479,531
Less: Progress instalments received and receivable	(3,281,322)	(2,472,778)
Allowance for foreseeable losses	(299,186)	(179,143)
	1,724,241	1,827,610

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 2025, an allowance for foreseeable losses of US\$299,186,000 (2024: US\$179,143,000) 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\$1,291.6 million (2024: US\$1,255.6 million) were pledged for bank loans.

23. PROPERTIES HELD FOR SALE

	2025 US\$'000	2024 US\$'000
At 1 July	207,870	212,616
Additions	1,927	114,284
Transfer to investment properties	-	(87,919)
Transfer to other property, plant and equipment	-	(2,957)
Disposals	(56,482)	(26,377)
	153,315	209,647
Exchange adjustments	16,278	(1,777)
At 30 June	169,593	207,870

During the year ended 30 June 2024, a high-rise office tower ("North Tower") in Guoco Changfeng City, Shanghai was transferred from properties held for sale to investment properties due to change in use to hold the asset for capital appreciation and rental income. Accordingly, the property was transferred at fair value and the fair value gain of US\$91,826,000 was recognised under cost of sales in the consolidated income statement.

NOTES TO THE FINANCIAL STATEMENTS

24. INVENTORIES

	2025 US\$'000	2024 US\$'000
Raw materials and consumables	34,481	7,780
Finished goods	19,893	47,826
Provision for inventory obsolescence	(857)	(554)
	53,517	55,052

25. 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	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	-	-	(206,565)	(126,055)
Increases due to cash received, excluding amounts recognised as revenue during the year	-	-	130,448	115,291
Contract assets reclassified to trade receivables	(871,735)	(65,217)	-	-
Change in measurement of progress	971,944	560,434	-	-
	100,209	495,217	(76,117)	(10,764)

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

26. TRADE AND OTHER RECEIVABLES

	2025 US\$'000	2024 US\$'000
Trade debtors	242,933	153,405
Other receivables, deposits and prepayments	131,989	106,645
Derivative financial instruments, at fair value	3,312	3,309
Interest receivables	8,768	11,142
	387,002	274,501

Included in the Group's trade and other receivables is US\$11.5 million (2024: US\$9.1 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:

	2025 US\$'000	2024 US\$'000
Within 1 month	233,088	134,352
1 to 3 months	6,951	10,699
More than 3 months	2,894	8,354
	242,933	153,405

(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 2025 and 2024 are not significant.

NOTES TO THE FINANCIAL STATEMENTS

27. TRADING FINANCIAL ASSETS

	2025 US\$'000	2024 US\$'000
Equity securities		
Listed (at market value)		
– In Hong Kong	554,106	579,022
– Outside Hong Kong	661,084	653,701
	1,215,190	1,232,723

Certain of the Group's trading financial assets with an aggregate book value of US\$56.6 million (2024: US\$128.3 million) were pledged for bank facilities.

28. CASH AND SHORT TERM FUNDS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2025 US\$'000	2024 US\$'000
Deposits with banks	1,599,118	1,419,194
Cash at bank and in hand	446,740	490,029
Cash and short term funds in the consolidated statement of financial position	2,045,858	1,909,223
Fixed deposits with maturity over three months	(960,212)	(359,068)
Cash collaterals (note)	(12,054)	(7,332)
Bank overdraft	–	(4,646)
Cash and cash equivalents in the consolidated statement of cash flows	1,073,592	1,538,177

Note:

Cash collaterals comprised deposits of US\$12.1 million as at 30 June 2025 (2024: US\$7.3 million) pledged with financial institutions in Singapore for bank loans.

NOTES TO THE FINANCIAL STATEMENTS

28. 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 2023	4,726,289	318,283	1,037,321	6,081,893
Changes from financing cash flows:				
Net proceeds from bank loans and other borrowings	24,381	–	–	24,381
Advance from non-controlling interests	–	42,148	–	42,148
Interest paid	(256,680)	–	–	(256,680)
Capital element of lease rentals paid	–	–	(51,448)	(51,448)
Interest element of lease rentals paid	–	–	(50,392)	(50,392)
Total changes from financing cash flows	(232,299)	42,148	(101,840)	(291,991)
Exchange adjustments	(1,399)	(386)	1,898	113
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	–	22,997	22,997
Disposal	–	–	(653)	(653)
Finance costs	239,475	11,718	50,392	301,585
Capitalised borrowing costs (note 7(a))	18,656	1,754	–	20,410
Capitalisation of shareholders' loan from non-controlling interests of a subsidiary	–	(27)	–	(27)
Lease modification	–	–	22,927	22,927
Total other changes	258,131	13,445	95,663	367,239
At 30 June 2024	4,750,722	373,490	1,033,042	6,157,254

NOTES TO THE FINANCIAL STATEMENTS

28. 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 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

29. ASSETS HELD FOR SALE

	2025 US\$'000	2024 US\$'000
Intangible assets	-	428

At 30 June 2024, Rank was in well advanced in discussions to sell its Multi-brands business to a third party. The Multi-brands business enabled customers of those brands to play real money online gambling games on third-party platforms. The sale was concluded on 18 December 2024.

The divestment was driven by the Rank's longer term strategic ambition to focus on its core brands, including Grosvenor and Mecca, which are hosted on the Rank's proprietary online platform.

30. TRADE AND OTHER PAYABLES

	2025 US\$'000	2024 US\$'000
Trade creditors	147,955	117,272
Other payables and accrued operating expenses	567,654	591,482
Derivative financial instruments, at fair value	30,746	5,730
Amounts due to fellow subsidiaries	17,448	12,646
Amounts due to associates and joint ventures	422	433
	764,225	727,563

Included in trade and other payables is US\$79.8 million (2024: US\$58.2 million) which is expected to be payable after one year.

NOTES TO THE FINANCIAL STATEMENTS

30. TRADE AND OTHER PAYABLES (CONT'D)

(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:

	2025 US\$'000	2024 US\$'000
Within 1 month	78,221	38,970
1 to 3 months	58,923	67,254
More than 3 months	10,811	11,048
	147,955	117,272

(b) Other payables and accrued operating expenses

	2025 US\$'000	2024 US\$'000
Accrued operating expenses	314,071	265,837
Real estate tax payable	8,438	61,470
Social security and gaming and other taxation	58,259	57,085
Interest payables	10,394	20,885
Deposits received	129,971	144,498
Others	46,521	41,707
	567,654	591,482

- (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

31. BANK LOANS AND OTHER BORROWINGS

	2025			2024		
	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	32,044	2,770,669	2,802,713	1,422,484	1,387,266	2,809,750
– Unsecured	1,133,596	298,880	1,432,476	378,153	968,490	1,346,643
	1,165,640	3,069,549	4,235,189	1,800,637	2,355,756	4,156,393
Unsecured medium term notes and bonds	156,919	610,700	767,619	–	573,444	573,444
	1,322,559	3,680,249	5,002,808	1,800,637	2,929,200	4,729,837

The Group's bank loans and other borrowings were repayable as follows:

	2025			2024		
	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	1,165,640	156,919	1,322,559	1,800,637	–	1,800,637
After 1 year but within 2 years	554,338	376,007	930,345	650,346	147,264	797,610
After 2 years but within 5 years	2,470,345	234,693	2,705,038	1,663,677	426,180	2,089,857
After 5 years	44,866	–	44,866	41,733	–	41,733
	3,069,549	610,700	3,680,249	2,355,756	573,444	2,929,200
	4,235,189	767,619	5,002,808	4,156,393	573,444	4,729,837

Note:

The bank loans and other loans are secured by the following:

- legal mortgages on investment properties with an aggregate book value of US\$4,291.2 million (2024: US\$4,397.5 million) (note 14);
- legal mortgages on development properties with an aggregate book value of US\$1,291.6 million (2024: US\$1,255.6 million) (note 22);
- legal mortgages on other property, plant and equipment with an aggregate book value of US\$319.4 million (2024: US\$301.6 million) (note 14); and
- certain trading financial assets with an aggregate book value of US\$56.6 million (2024: US\$128.3 million) (note 27).

NOTES TO THE FINANCIAL STATEMENTS

32. PROVISIONS AND OTHER LIABILITIES

	Pensions US\$'000	Property lease US\$'000	Others US\$'000	Total US\$'000
At 1 July 2023	(2,416)	55,648	9,029	62,261
Provisions for claims indemnities by insurance policy	-	-	4,439	4,439
Provision made during the year	187	2,015	299	2,501
Amounts settled or utilised during the year	(816)	(2,501)	(1,627)	(4,944)
Actuarial gain on defined benefit obligation	(515)	-	-	(515)
Exchange adjustments	(11)	94	8	91
At 30 June 2024	(3,571)	55,256	12,148	63,833
Provisions and other liabilities as at 30 June 2024 are disclosed as:				
Current liabilities	-	5,643	12,148	17,791
Non-current liabilities	5,772	49,613	-	55,385
Non-current assets	(9,343)	-	-	(9,343)
	(3,571)	55,256	12,148	63,833
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

NOTES TO THE FINANCIAL STATEMENTS

33. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting period:

	2025		2024	
	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	60,337	118,882	50,756	101,368
After 1 year but within 2 years	47,583	104,130	49,721	98,428
After 2 years but within 5 years	110,828	268,199	97,311	233,677
After 5 years	931,343	2,901,784	835,254	2,647,489
	1,089,754	3,274,113	982,286	2,979,594
	1,150,091	3,392,995	1,033,042	3,080,962
Less: total future interest expenses		(2,242,904)		(2,047,920)
Present value of lease liabilities		1,150,091		1,033,042

The weighted-average borrowing rate of the Group's lease liabilities was 5.78% (2024: 5.73%) per annum during the year.

NOTES TO THE FINANCIAL STATEMENTS

34. 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:	Depreciation allowance in excess of related depreciation US\$'000	Revaluation of properties US\$'000	Timing difference on development properties US\$'000	Revaluation of financial liabilities US\$'000	Revaluation of securities US\$'000	Tax losses US\$'000	Others US\$'000	Total US\$'000
At 1 July 2023	(10,761)	(6,013)	(15,424)	165	21,074	(145,229)	54,081	(102,107)
Charged to consolidated income statement	7,184	24,839	26,804	-	5,575	392	575	65,369
(Credited)/charged to other comprehensive income	-	-	-	(165)	-	-	153	(12)
Exchange adjustments	(3,577) (11)	18,826 (468)	11,380 (146)	-	26,649 82	(144,837) (366)	54,809 (7)	(36,750) (916)
At 30 June 2024	(3,588)	18,358	11,234	-	26,731	(145,203)	54,802	(37,666)
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
						2025 US\$'000	2024 US\$'000	
Net deferred tax assets recognised in the consolidated statement of financial position						(80,329)	(109,581)	
Net deferred tax liabilities recognised in the consolidated statement of financial position						103,522	71,915	
						23,193	(37,666)	

NOTES TO THE FINANCIAL STATEMENTS

34. DEFERRED TAXATION (CONT'D)

(b) Deferred tax assets not recognised

Deferred tax assets have not been recognised in respect of the following items:

	2025 US\$'000	2024 US\$'000
Deductible temporary differences	189,457	105,500
Tax losses	1,431,118	1,332,566
	1,620,575	1,438,066

(c) Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

	2025 US\$'000	2024 US\$'000
After 1 year but less than 5 years	92,554	79,480
After 5 years but less than 10 years	20,952	20,176
After 10 years	14,644	36,893
Never expire	1,302,968	1,196,017
	1,431,118	1,332,566

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 2025, the temporary differences relating to the undistributed profits of subsidiaries amounted to US\$177.2 million (2024: US\$183.1 million). Deferred tax liabilities of US\$17.7 million (2024: US\$18.3 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

35. 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 2023	164,526	10,493	3,651,361	3,826,380
Final dividend paid in respect of prior year	-	-	(105,563)	(105,563)
Interim dividend paid in respect of current year	-	-	(21,028)	(21,028)
Total comprehensive income for the year				
- Profit for the year	-	-	647,038	647,038
At 30 June 2024	164,526	10,493	4,171,808	4,346,827
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

(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.

NOTES TO THE FINANCIAL STATEMENTS

35. SHARE CAPITAL AND RESERVES (CONT'D)

(b) Nature and purpose of reserves of the Group (cont'd)

- (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 2025 amounted to US\$4,223,302,000 (2024: US\$4,167,242,000).

(c) Share capital

	2025		2024	
	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 2025, 3,826,862 (2024: 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.

NOTES TO THE FINANCIAL STATEMENTS

36. 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.

Year ended 30 June 2024

On 26 June 2024, the Group completed the sale of Passion Gaming Private Limited ("Passion Gaming") to its founders.

The major classes of assets and liabilities disposed relating to Passion Gaming for the period ending 26 June 2024 was as follows:

	2024 US\$'000
Net assets disposed of:	
Intangible assets	91
Other property, plant and equipment	123
Trade and other receivables	209
Cash and short term funds	1,247
Trade and other payables	(1,057)
Net assets disposed of	613
Loss on disposal	(431)
Consideration received	182

The consideration received on the date of disposal was US\$0.2 million and net of cash and short term funds disposed, there was a net outflow of US\$1.0 million.

NOTES TO THE FINANCIAL STATEMENTS

37. 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 111% (2024: 109%) covered by the plan assets held by the trustees.

The amounts recognised in the consolidated statement of financial position are as follows:

	2025 US\$'000	2024 US\$'000
Present value of funded obligations	92,067	89,947
Less: Fair value of plan assets	(101,761)	(98,290)
Present value of net surplus of funded plans	(9,694)	(8,343)
Employer superannuation tax payable	444	480
Present value of unfunded obligations	4,721	4,292
Net assets in the consolidated statement of financial position	(4,529)	(3,571)

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

37. 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:

	2025 US\$'000	2024 US\$'000
At 1 July	89,947	90,106
Current service costs	8	13
Interest cost	4,577	4,566
Actuarial (gain)/loss	(4,139)	82
Benefits paid	(5,539)	(4,970)
Exchange differences	7,213	150
At 30 June	92,067	89,947

(ii) Changes in the fair value of plan assets are as follows:

	2025 US\$'000	2024 US\$'000
At 1 July	(98,290)	(97,432)
Contributions from the Group	(699)	(608)
Benefits paid	5,539	4,970
Interest income	(4,442)	(4,455)
Actuarial loss/(gain)	4,158	(597)
Exchange differences	(8,027)	(168)
At 30 June	(101,761)	(98,290)

(iii) Movements in the net assets for defined benefit pension scheme recognised in the consolidated statement of financial position are as follows:

	2025 US\$'000	2024 US\$'000
At 1 July	(7,863)	(6,795)
Contributions from the Group	(699)	(608)
Expenses recognised in profit or loss	163	146
Net actuarial loss/(gain) recognised in other comprehensive income	19	(515)
Tax recognised in other comprehensive income	46	41
Tax paid during the year	(102)	(114)
Exchange differences	(814)	(18)
At 30 June	(9,250)	(7,863)

NOTES TO THE FINANCIAL STATEMENTS

37. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(a) Defined benefit retirement plans (cont'd)

(iv) (Income)/expenses recognised in consolidated income statement and consolidated statement of comprehensive income are as follows:

	2025 US\$'000	2024 US\$'000
Current service costs	8	13
Net interest expense on obligation	135	111
Tax recognised in profit or loss	20	22
Net actuarial loss/(gain) recognised	19	(515)
Tax recognised in other comprehensive income	46	41
	228	(328)

(v) Plan assets comprise of:

	2025 US\$'000	2024 US\$'000
Equity/diversified growth fund	18,482	27,272
Bond	78,520	64,602
Insurance policy	3,152	3,784
Cash	1,607	2,632
	101,761	98,290

(vi) Principal actuarial assumptions as at the reporting date (expressed as weighted averages) are as follows:

	2025	2024
Discount rate	5.72%	5.20%
Rates of increase to pensions in payment		
– Retail Price Index maximum 5% per annum	2.65%	2.85%
– Consumer Price Index maximum 3% per annum	1.95%	2.05%
– Consumer Price Index maximum 2.5% per annum	1.75%	1.80%
Rate of increase in salaries	4.00%	4.00%

NOTES TO THE FINANCIAL STATEMENTS

37. 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: (cont'd)

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
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)
2024		
Discount rate (1% movement)	(7,637)	9,032
Rate of increase to pensions in payment (1% movement)	2,160	(2,286)
Rate of increase in salaries (1% movement)	126	(126)
Future mortality (1% movement)	1,771	(1,783)

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.

Other pension commitment

Rank has an unfunded pension commitment relating to three former executives of Rank. At 30 June 2025, Rank's commitment was US\$4.7 million (2024: US\$4.3 million). Rank paid US\$0.3 million (2024: US\$0.1 million) in pension payments during the year. The actuarial loss arising on the commitment, resulting from the changes in assumptions outlined below in the year, was US\$0.1 million after taxation (2024: Nil).

Assumptions used to determine the obligations at:

	2025	2024
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.

NOTES TO THE FINANCIAL STATEMENTS

37. EMPLOYEE RETIREMENT BENEFITS (CONT'D)

(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\$16,211,000 (2024: US\$14,853,000) and forfeited contributions in the amount of US\$17,000 (2024: US\$1,000) were used to reduce current year’s contributions.

38. 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.

NOTES TO THE FINANCIAL STATEMENTS

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(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:

	2025					Carrying amount at 30 June 2025 US\$'000	2024					Carrying amount at 30 June 2024 US\$'000
	Contractual undiscounted cash flow						Contractual undiscounted cash flow					
	Within 1 year or on demand US\$'000	More than 1 year but less than 2 years US\$'000	More than 2 years but less than 5 years US\$'000	More than 5 years US\$'000	Total US\$'000		Within 1 year or on demand US\$'000	More than 1 year but less than 2 years US\$'000	More than 2 years but less than 5 years US\$'000	More than 5 years US\$'000	Total US\$'000	
Non-derivative financial liabilities												
Bank loans and other loans	(1,245,653)	(675,302)	(2,567,378)	(53,756)	(4,542,089)	(4,235,189)	(1,954,447)	(805,087)	(1,763,418)	(47,007)	(4,569,959)	(4,156,393)
Unsecured medium term notes and bonds	(191,938)	(393,055)	(241,051)	-	(826,044)	(767,619)	(20,901)	(163,839)	(441,493)	-	(626,233)	(573,444)
Trade and other payables	(612,149)	(22,419)	(32,212)	-	(666,780)	(666,780)	(545,089)	(355)	(57,832)	-	(603,276)	(603,276)
Lease liabilities	(118,882)	(104,130)	(268,199)	(2,901,784)	(3,392,995)	(1,150,091)	(101,368)	(98,428)	(233,677)	(2,647,489)	(3,080,962)	(1,033,042)
	(2,168,622)	(1,194,906)	(3,108,840)	(2,955,540)	(9,427,908)	(6,819,679)	(2,621,805)	(1,067,709)	(2,496,420)	(2,694,496)	(8,880,430)	(6,366,155)
Derivative financial liabilities												
Derivatives settled gross:												
Forward foreign exchange contracts												
- outflows	(712,663)	-	-	-	(712,663)		(488,927)	-	-	-	(488,927)	
- inflows	698,261	-	-	-	698,261		486,609	-	-	-	486,609	
	(14,402)	-	-	-	(14,402)		(2,318)	-	-	-	(2,318)	

NOTES TO THE FINANCIAL STATEMENTS

38. 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 2025, the Group had interest rate swaps with outstanding notional amount of US\$494.3 million (2024: US\$73.7 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.

	2025		2024	
	Effective interest rate	US\$'000	Effective interest rate	US\$'000
Floating rate financial liabilities				
Bank loans and other borrowings	1.48% to 7.35%	(3,933,574)	3.96% to 7.88%	(3,860,862)
		(3,933,574)		(3,860,862)
Fixed rate financial assets/(liabilities)				
Deposits with banks	0.10% to 5.14%	1,599,118	0.10% to 6.25%	1,419,194
Bank loans and other borrowings	3.29% to 5.08%	(1,069,234)	3.29% to 5.08%	(868,975)
Lease liabilities	2.80% to 7.49%	(1,150,091)	2.80% to 7.49%	(1,033,042)
		(620,207)		(482,823)
Total		(4,553,781)		(4,343,685)

(ii) Sensitivity analysis

At 30 June 2025, it is estimated that a general increase/decrease of 1 to 110 basis points (2024: 1 to 125 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\$13.4 million (2024: US\$24.0 million), but no significant effect (2024: 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 2024.

NOTES TO THE FINANCIAL STATEMENTS

38. 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.

	2025					2024				
	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	1,461	-	-	6,588	6,387	4,059	-	-	6,010	141
Trading financial assets	-	-	-	31,168	-	-	-	-	53,295	-
Cash and short term funds	1,383	392	8,373	144,585	1,621,750	255,609	434	8,502	60,226	31,495
Trade and other payables	(320)	(311)	(8,310)	(13,366)	(2,852)	-	(434)	(8,386)	(15,616)	(7,959)
Bank loans and other borrowings	-	-	-	-	(2,157,525)	-	-	-	-	(2,157,525)
Gross exposure arising from recognised assets and liabilities	2,524	81	63	168,975	(532,240)	259,668	-	116	103,915	(2,133,848)
Notional amounts of forward exchange contracts at fair value through profit or loss	69,967	9,551	(53,281)	(126,991)	(1,620,901)	(264,904)	(26,980)	-	(52,928)	-
Overall net exposure	72,491	9,632	(53,218)	41,984	(2,153,141)	(5,236)	(26,980)	116	50,987	(2,133,848)

NOTES TO THE FINANCIAL STATEMENTS

38. 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.

	2025			2024		
	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	4.0%	134	-	5.4%	(74)	-
New Zealand dollars	2.2%	213	-	3.8%	303	-
Singapore dollars	0.4%	(942)	-	2.8%	2	-
Euro dollars	0.6%	248	-	3.8%	1,930	-
Renminbi	0.5%	(1,487)	-	1.1%	(3,084)	-

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 2024.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as trading financial assets (see note 27) and equity investments at FVOCI (see note 20).

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 2025, it is estimated that an increase/decrease of 1% to 21% (2024: 3% to 14%) 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\$158.0 million (2024: US\$121.7 million) and other components of equity by US\$146.5 million (2024: US\$26.8 million). The analysis is performed on the same basis as for 2024.

NOTES TO THE FINANCIAL STATEMENTS

38. 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.

	2025				2024			
	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	671,588	-	-	671,588	552,931	-	-	552,931
– Unlisted	-	3,385	74,733	78,118	-	6,509	66,602	73,111
Trading financial assets:								
– Listed	1,215,190	-	-	1,215,190	1,232,723	-	-	1,232,723
Derivative financial instruments:								
– Interest rate swaps	-	-	-	-	-	360	-	360
– Equity swaps	-	24	-	24	-	-	-	-
– Forward exchange contracts	-	3,288	-	3,288	-	2,949	-	2,949
	1,886,778	6,697	74,733	1,968,208	1,785,654	9,818	66,602	1,862,074
Liabilities								
Derivative financial instruments:								
– Forward exchange contracts	-	17,138	-	17,138	-	3,079	-	3,079
– Interest rate swaps	-	12,223	-	12,223	-	-	-	-
– Equity swaps	-	1,385	-	1,385	-	2,651	-	2,651
	-	30,746	-	30,746	-	5,730	-	5,730

NOTES TO THE FINANCIAL STATEMENTS

38. 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 2025 and 30 June 2024, 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:

	2025 US\$'000	2024 US\$'000
Unlisted equity investments at FVOCI:		
At 1 July	66,602	84,810
Net unrealised gains/(losses) recognised in other comprehensive income during the year	6,131	(18,199)
Additions	2,866	1,879
Cash distribution	(866)	(1,888)
At 30 June	74,733	66,602

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.

(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 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(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.

39. 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:

	2025 US\$'000	2024 US\$'000
Bank loans and other loans	4,235,189	4,156,393
Other borrowings	767,619	573,444
Total borrowings	5,002,808	4,729,837
Less: Cash and short term funds	(2,045,858)	(1,909,223)
Trading financial assets	(1,215,190)	(1,232,723)
Net debt	1,741,760	1,587,891
Total equity attributable to equity shareholders of the Company	8,753,711	7,857,223
Equity-debt ratio	83 : 17	83 : 17

NOTES TO THE FINANCIAL STATEMENTS

40. COMMITMENTS

(a) Capital commitments outstanding at year end not provided for in the financial statements

	2025 US\$'000	2024 US\$'000
Authorised and contracted for	17,625	19,803
Authorised but not contracted for	35,667	17,604
	53,292	37,407

The commitment in respect of development expenditure contracted but not provided for in the financial statements by the Group was US\$521.4 million (2024: US\$433.6 million).

(b) There were also commitments in respect of foreign currency contracts relating to the normal operations as at 30 June 2025 and 30 June 2024.

41. CONTINGENT LIABILITIES

Rank

Property arrangements

Rank has certain property arrangements under which rental payments revert to Rank in the event of default by the third party. At 30 June 2025, it is not considered probable that the third party will default. As such, no provision has been recognised in relation to these arrangements. If the third party was to default on these arrangements, the obligation was to fall back to Rank and the undiscounted monthly rental for these property arrangements was GBP0.3 million (approximately US\$0.4 million) on a discounted basis.

Legal and regulatory landscape

Given the nature of the legal and regulatory landscape of the industry, from time to time Rank receives notices and communications from regulatory authorities and other parties in respect of its activities and is subject to compliance assessments of its licensed activities.

Rank recognises that there is uncertainty over any fines or charges that may be levied by regulators as a result of past events and depending on the status of such reviews, it is not always possible to reliably estimate the likelihood, timing and value of potential cash outflows.

Disposal claims

As a consequence of historic sale or closure of previously owned businesses, Rank may be liable for legacy industrial disease and personal injury claims alongside any other directly attributable costs. The nature and timing of these claims are uncertain and depending on the result of the claim's assessment review, it is not always possible to reliably estimate the likelihood, timing and value of potential cash outflows.

NOTES TO THE FINANCIAL STATEMENTS

41. CONTINGENT LIABILITIES (CONT'D)

Rank (cont'd)

Contingent consideration

On 21 April 2022, Rank completed the purchase of the remaining 50% shareholding of UK Digital Limited (previously known as Aspers Online Limited) for a total consideration of GBP1.3 million (approximately US\$1.6 million). Of this consideration, GBP0.5 million (approximately US\$0.6 million) was paid in cash on completion in lieu of the outstanding loan balance Rank owed to the seller and GBP0.8 million (approximately US\$1.0 million) in contingent consideration included in trade and other payables.

The contingent consideration is equivalent to a percentage of the net gaming revenue generated from the acquired customer database. A present value of GBP0.8 million (approximately US\$1.0 million) was recognised at 30 June 2022.

Rank settled GBP0.5 million (approximately US\$0.6 million) of the contingent consideration in the subsequent two years, leaving a balance of GBP0.3 million (approximately US\$0.4 million) as at 30 June 2024. At 30 June 2025, Rank settled a further GBP0.2 million (approximately US\$0.3 million) of the contingent consideration leaving a balance of GBP0.1 million (approximately US\$0.1 million). This balance is deemed sufficient to cover payments until the end of the 2026 financial year.

42. 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 deemed controlling shareholder of the Company, is a deemed controlling shareholder of HLCM. Companies in the HLCM Group are deemed 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

	2025 US\$'000	2024 US\$'000
Interest income	633	832

(ii) Balance as at 30 June

	2025 US\$'000	2024 US\$'000
Deposits and short term funds	26,126	13,802

NOTES TO THE FINANCIAL STATEMENTS

42. 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 regarded as a substantial shareholder of the Company. GGMC and other Hong Leong Group companies which may become service provider(s) under the Master Services Agreement are deemed 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 2025 amounted to US\$20,279,000 (2024: US\$16,922,000) and US\$655,000 (2024: US\$335,000) respectively.

(c) Investment management fees, performance fee and advisory fees

On 1 November 2022, Asia Fountain Assets Limited ("AFAL"), an indirect wholly-owned subsidiary of the Company, entered into the Investment Management Agreement with GuoLine Advisory Pte. Ltd. ("GAPL", a 50:50 joint venture company owned by GuocoEquity Assets Limited (a direct wholly-owned subsidiary of the Company) and GGMC). GAPL 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 GAPL 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 GAPL. GAPL 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.

Total amount paid or provided for in respect of investment management fees and performance fee to GAPL by AFAL for the year ended 30 June 2025 amounted to US\$3,653,000 (2024: US\$3,328,000) and US\$21,000 (2024: US\$133,000) respectively.

Total amount paid or provided for in respect of advisory fees to GAPL by GMC for the year ended 30 June 2025 amounted to US\$369,000 (2024: US\$408,000).

(d) 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:

	2025 US\$'000	2024 US\$'000
Short-term employee benefits	6,860	4,594

Total emoluments are included in "staff costs" (see note 7(b)).

NOTES TO THE FINANCIAL STATEMENTS

42. MATERIAL RELATED PARTY TRANSACTIONS (CONT'D)

(e) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of (a) banking transactions, (b) management fees and (c) investment management fees, performance fee and advisory fees above constitute continuing 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.

43. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	2025 US\$'000	2024 US\$'000
NON-CURRENT ASSETS		
Interest in subsidiaries	3,252,011	3,512,256
Interest in associated company	242,832	242,832
Intangible assets	203	203
	3,495,046	3,755,291
CURRENT ASSETS		
Trade and other receivables	8,594	10,274
Cash and short term funds	1,107,345	898,903
	1,115,939	909,177
CURRENT LIABILITIES		
Amounts due to subsidiaries	191,836	313,698
Trade and other payables	15,713	3,943
	207,549	317,641
NET CURRENT ASSETS	908,390	591,536
NET ASSETS	4,403,436	4,346,827
CAPITAL AND RESERVES		
Share capital (note 35)	164,526	164,526
Reserves (note 35)	4,238,910	4,182,301
TOTAL EQUITY	4,403,436	4,346,827

Approved and authorised for issue by the Board of Directors on 19 September 2025.

KWEK Leng Hai
Christian K. NOTHHAFT
Directors

NOTES TO THE FINANCIAL STATEMENTS

44. PARENT AND ULTIMATE HOLDING COMPANY

The directors consider the parent company at 30 June 2025 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.

45. POSSIBLE IMPACT OF NEW OR AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 30 JUNE 2025

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 2025 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates – Lack of exchangeability</i>	1 January 2025
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 new or amended standards 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.