

**CapitaLand Group Pte. Ltd. and its Subsidiaries**  
**Registration Number: 198900036N**

Annual Report  
Year ended 31 December 2025

## **Directors' Statement**

We are pleased to submit this annual report to the member of the Company, together with the audited financial statements for the financial year ended 31 December 2025.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS130 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and the cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) (SFRS(I)) and IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). SFRS(I) are issued by the Accounting Standards Committee and comprise standards and interpretations that are equivalent to IFRS Accounting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

## **Directors**

The directors in office at the date of this statement are as follows:

Wong Kan Seng  
Ko Kai Kwun Miguel  
Ong Yew Huat  
Lee Ching Yen Stephen  
Lee Chee Koon  
Professor Cheong Koon Hean  
Leong Wai Leng  
Teo Juet Sim Juliet  
Yap Neng Tong

## **Directors' Interests in Shares or Debentures**

Pursuant to the Companies (Relief for Company Directors under section 202(2) of the Act) Order 2024, the Company has obtained the sole member's consent for the non-disclosure of particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, options and share awards of the Company and its related corporations in this statement.

## **Arrangements to enable directors to acquire shares and debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those disclosed under Share Plans section below.

## **Share Plans - Performance Share Plans and Restricted Share Plans**

### **Share Plans of CapitaLand Investment Limited (CLI)**

The Executive Resource and Compensation Committee (ERCC) of CLI has been designated as the Committee responsible for the administration of the Share Plans.

The CLI Performance Share Plan 2021 (CLI PSP 2021) and CLI Restricted Share Plan 2021 (CLI RSP 2021) were approved by the Company, the immediate holding company of CLI on 17 July 2021. The duration of each share plan is ten years commencing on 1 September 2021.

The ERCC of CLI has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI Performance Share Plans and CLI Restricted Share Plans. Under these guidelines, members of senior management are required to retain a portion of the total number of CLI shares received under the aforementioned share plans, which varies according to their respective job grades and salaries.

The total number of new shares which may be allotted, issued and/or delivered pursuant to awards granted under the share plans on any date, when aggregated with existing shares (including treasury shares and cash equivalents) delivered and/or to be delivered, pursuant to the CLI Share Plans and all shares, options or awards granted under any other share schemes of CLI then in force, shall not exceed 8% of the total number of issued shares (excluding treasury shares) from time to time.

Details of awards granted under each CLI Share Plan are provided in the following sections:

#### **(a) Awards under the CLI Performance Share Plan (CLI PSP)**

Under the CLI PSP, the awards granted are conditional on performance targets set based on medium-term corporate objectives. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon CLI Group achieving prescribed performance target(s).

## Share Plans - Performance Share Plans and Restricted Share Plans (continued)

### Share Plans of CapitaLand Investment Limited (CLI) (continued)

#### (a) Awards under the CLI Performance Share Plan (CLI PSP) (continued)

The ERCC of CLI grants an initial number of shares (baseline award) which are conditional on targets set for a performance period, currently prescribed to be a three-year performance period. A specified number of shares will only be released by the ERCC of CLI to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released depends on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. The ERCC of CLI has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients receive fully paid shares delivered in a combination of 75% in ordinary shares and 25% in their equivalent cash value, at no cost.

Performance conditions	Final number of shares to be released
1. CLI Group's absolute total shareholder return measured as a multiple of cost of equity	0% to 300% of baseline award
2. CLI Group's relative total shareholder return ranking against a peer group of selected companies	
3. CLI Group's return on equity	
4. Group's carbon emissions intensity reduction performance	

Details of the movement in the awards of CLI during the year are as follows:

Year of award	Balance as at 1 January 2025		<---- Movements during the year ---->			Balance as at 31 December 2025	
	No. of holders	No. of shares	Granted No. of shares	Released No. of shares	Lapsed/Cancelled No. of shares	No. of holders	No. of shares
2022	51	2,680,315	–	(1,322,104)	(1,358,211)	–	–
2023	72	3,243,390	–	–	(276,154)	61	2,967,236
2024	136	4,925,975	–	–	(321,861)	123	4,604,114
2025	–	–	6,194,386	–	(263,457)	165	5,930,929
		<u>10,849,680<sup>^</sup></u>	<u>6,194,386</u>	<u>(1,322,104)</u>	<u>(2,219,683)</u>		<u>13,502,279<sup>^</sup></u>

<sup>^</sup> All shares were granted to employees of the CLI Group.

## Share Plans - Performance Share Plans and Restricted Share Plans (continued)

### Share Plans of CapitaLand Investment Limited (CLI) (continued)

#### (b) Special CLI Founders Performance Share Plan Award (Special PSP)

Pursuant to the CLI PSP, the Special PSP award granted to selected key executives of the CLI Group, its immediate holding company and its related corporations are conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of performance shares after the end of the performance period conditional on achievement of performance conditions.

The ERCC of CLI grants an initial number of shares (baseline award) which are conditional on the target of the CLI's share price expressed as a multiple of the CLI Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the ERCC of CLI to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year (Interim Vesting). After the end of the five-year performance period, the final number of shares based on the final achievement factor, less any shares released as part of the Interim Vesting, will be released after the fifth year. The ERCC of CLI has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

As a hiring strategy, a one-time special contingent award may (at the discretion of the ERCC of CLI) also be extended to key executives joining the CLI Group, its immediate holding company and its related corporations on a date after 1 October 2021 but not later than 19 September 2022.

As the performance conditions for an Interim Vesting were satisfied, the ERCC of CLI approved the release of a percentage of the baseline contingent award to the participants in 2024.

Details of the movement in the baseline awards of CLI during the year are as follows:

Year of award	Balance as at 1 January 2025		Movements during the year	Balance as at 31 December 2025	
	No. of holders	No. of shares	Lapsed/ Cancelled No. of shares	No. of holders	No. of shares
2021	95	11,300,398	(879,408)	86	10,420,990
2022	4	407,366	(106,269)	3	301,097
		<u>11,707,764<sup>^</sup></u>	<u>(985,677)</u>		<u>10,722,087<sup>^</sup></u>

<sup>^</sup> Comprised 9,204,065 (2024: 10,053,480) shares granted to the employees of the CLI Group and 1,518,022 (2024: 1,654,284) shares granted to the employees of its immediate holding company and its related corporations.

## Share Plans - Performance Share Plans and Restricted Share Plans (continued)

### Share Plans of CapitaLand Investment Limited (CLI) (continued)

#### (c) Awards under the CLI Restricted Share Plans (CLI RSP)

Under the CLI RSP, awards granted to eligible participants vest only after the satisfactory completion of time-based service conditions or where the award is performance-related, after a further period of service beyond the performance target completion date (performance-based restricted awards). In addition, the plans also enable grants of fully paid shares to be made to non-executive directors as part of their remuneration in respect of their office as such in lieu of cash.

With effect from 2023, the RSP awards have been incorporated into the annual performance bonus where a part of the bonus declared is delivered in the form of deferred shares. Such deferred shares will be granted to eligible employees after the end of the financial year under review pursuant to the CLI RSP. One-third of the award will vest as soon as practicable, and the remaining two-thirds of the award will vest over the following two years in equal annual tranches, subject to service conditions. Participants receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

Time-based RSP awards were granted in 2025 to selected new hires as part of their remuneration package. The shares were granted pursuant to the CLI RSP and shall vest over two or three years, subject to service conditions. Participants will receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

Details of the movement in the awards of CLI during the year are as follows:

Year of award	Balance as at		<---- Movements during the year ---->			Balance as at	
	1 January 2025		Granted	Released	Lapsed/ Cancelled	31 December 2025	
	No. of holders	No. of shares	No. of shares	No. of shares	No. of shares	No. of holders	No. of shares
2022	917	1,800,168	545,973	(2,315,856)	(30,285)	–	–
2023	3	287,671	–	(234,389)	–	2	53,282
2024	509	4,918,900	–	(2,377,317)	(193,404)	461	2,348,179
2025	–	–	6,335,046	(2,263,103)	(263,707)	431	3,808,236
		<u>7,006,739<sup>#</sup></u>	<u>6,881,019<sup>^</sup></u>	<u>(7,190,665)<sup>+</sup></u>	<u>(487,396)</u>		<u>6,209,697<sup>#</sup></u>

<sup>^</sup> Comprised 6,607,271 shares granted to employees of the CLI Group, 3,773 shares granted to employees of its related corporations and 269,975 shares granted to its non-executive directors.

<sup>+</sup> Included 760,937 shares which were cash-settled.

<sup>#</sup> Comprised 6,207,761 (2024: 6,995,614) shares granted to employees of the CLI Group and 1,936 (2024: 11,125) shares granted to employees of its related corporations.

## **Share Options**

During the financial year, there were:

- (i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

## **Auditors**

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



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**Wong Kan Seng**  
*Director*



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**Yap Neng Tong**  
*Director*

**Singapore**  
31 March 2026



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## Independent auditors' report

To the Member of CapitaLand Group Pte. Ltd.

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of CapitaLand Group Pte. Ltd. (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS130.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), Singapore Financial Reporting Standards (International) (SFRS(I)) and IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

#### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other information*

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

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

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

#### *Responsibilities of management and directors for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I) and IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Group's financial reporting process.

#### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.



**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

A handwritten signature in black ink, appearing to read 'KPMG up', with a stylized flourish at the end.

**KPMG LLP**  
*Public Accountants and*  
*Chartered Accountants*

**Singapore**  
31 March 2026

**Balance Sheets**  
**As at 31 December 2025**

	Note	The Group		The Company	
		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
		\$'M	\$'M	\$'M	\$'M
<b>Non-current assets</b>					
Property, plant and equipment	3	786	905	2	2
Intangible assets	4	1,328	1,182	#	#
Investment properties	5	9,567	10,621	–	–
Subsidiaries	6	–	–	14,974	15,148
Associates	7	12,156	12,217	–	–
Joint ventures	8	4,753	4,932	–	–
Deferred tax assets	9	404	450	#	#
Other non-current assets	10(a)	2,358	2,000	–	–
		31,352	32,307	14,976	15,150
<b>Current assets</b>					
Development properties for sale and stocks	11	4,361	5,179	–	–
Trade and other receivables	12	2,052	2,064	477	498
Other current assets	10(b)	327	264	146	134
Assets held for sale	15	44	383	–	–
Cash and cash equivalents	16	3,755	4,475	#	#
		10,539	12,365	623	632
<b>Less: current liabilities</b>					
Trade and other payables	17	3,794	3,973	198	195
Contract liabilities	26(c)	520	769	–	–
Short term borrowings	19	732	1,793	–	–
Current portion of debt securities	20	75	350	–	–
Current tax payable		1,595	1,752	3	2
Liabilities held for sale	15	–	253	–	–
		6,716	8,890	201	197
<b>Net current assets</b>		3,823	3,475	422	435
<b>Less: non-current liabilities</b>					
Long term borrowings	19	10,052	9,834	–	–
Debt securities	20	4,221	4,075	–	–
Deferred tax liabilities	9	556	572	–	–
Other non-current liabilities	21	490	451	5,346	5,456
		15,319	14,932	5,346	5,456
<b>Net assets</b>		19,856	20,850	10,052	10,129
Representing:					
Share capital	23	3,468	3,468	3,468	3,468
Revenue reserve		10,580	10,981	6,583	6,660
Other reserves	24	(1,174)	(936)	1	1
<b>Equity attributable to owners of the Company</b>		12,874	13,513	10,052	10,129
Non-controlling interests	6	6,982	7,337	–	–
<b>Total equity</b>		19,856	20,850	10,052	10,129

# Less than \$1 million

The accompanying notes form an integral part of these financial statements.

**Consolidated Income Statement**  
**Year Ended 31 December 2025**

	Note	The Group	
		2025 \$'M	2024 \$'M
<b>Revenue</b>	26	3,914	5,372
Cost of sales		(2,622)	(3,443)
Gross profit		1,292	1,929
Other operating income	27(a)	318	256
Administrative expenses		(653)	(688)
Other operating expenses		(165)	(252)
<b>Profit from operations</b>		792	1,245
<b>Finance costs</b>	27(d)	(589)	(836)
<b>Share of results (net of tax) of:</b>			
- associates		229	501
- joint ventures		108	383
		337	884
<b>Profit before tax</b>	27	540	1,293
<b>Tax expense</b>	28	(219)	(403)
<b>Profit for the year</b>		321	890
<b>Attributable to:</b>			
Owners of the Company		239	449
Non-controlling interests		82	441
<b>Profit for the year</b>		321	890

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Comprehensive Income  
Year Ended 31 December 2025**

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Profit for the year	321	890
<b>Other comprehensive income:</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	(271)	(150)
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss	46	619
Effective portion of change in fair value of cash flow hedges	(50)	(19)
Recognition of hedging reserve in profit or loss	(19)	(5)
Share of other comprehensive income of associates and joint ventures	(93)	(36)
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Change in fair value of equity investments at fair value through other comprehensive income	22	(10)
<b>Total other comprehensive income for the year, net of tax</b>	<u>(365)</u>	<u>399</u>
<b>Total comprehensive income for the year</b>	<u><u>(44)</u></u>	<u><u>1,289</u></u>
<b>Attributable to:</b>		
Owners of the Company	(23)	473
Non-controlling interests	(21)	816
<b>Total comprehensive income for the year</b>	<u><u>(44)</u></u>	<u><u>1,289</u></u>

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Changes in Equity**  
**Year ended 31 December 2025**

	Attributable to owners of the Company						Total \$'M	Non- controlling interests \$'M	Total equity \$'M
	Share capital \$'M	Revenue reserve \$'M	Capital reserve \$'M	Hedging reserve \$'M	Fair value reserve \$'M	Foreign currency translation reserve \$'M			
<b>The Group</b>									
<b>At 1 January</b>	3,468	10,981	413	10	8	(1,367)	13,513	7,337	20,850
<b>Total comprehensive income</b>									
Profit for the year	–	239	–	–	–	–	239	82	321
<b>Other comprehensive income</b>									
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	(217)	(217)	(54)	(271)
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss	–	–	–	–	–	37	37	9	46
Effective portion of change in fair value of cash flow hedges	–	–	–	(31)	–	–	(31)	(19)	(50)
Recognition of hedging reserve in profit or loss	–	–	–	(10)	–	–	(10)	(9)	(19)
Share of other comprehensive income of associates and joint ventures	–	–	–	(51)	1	(8)	(58)	(35)	(93)
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	17	–	17	5	22
<b>Total other comprehensive income, net of tax</b>	–	–	–	(92)	18	(188)	(262)	(103)	(365)
<b>Total comprehensive income</b>	–	239	–	(92)	18	(188)	(23)	(21)	(44)

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Changes in Equity (continued)**  
**Year ended 31 December 2025**

	Attributable to owners of the Company						Total \$'M	Non- controlling interests \$'M	Total equity \$'M
	Share capital \$'M	Revenue reserve \$'M	Capital reserve \$'M	Hedging reserve \$'M	Fair value reserve \$'M	Foreign currency translation reserve \$'M			
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Contributions from non-controlling interests (net)	–	–	–	–	–	–	–	163	163
Dividends paid (Note 29)	–	(589)	–	–	–	–	(589)	(478)	(1,067)
Share-based payments	–	–	14	–	–	–	14	12	26
<b>Total contributions by and distributions to owners</b>	<b>–</b>	<b>(589)</b>	<b>14</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(575)</b>	<b>(303)</b>	<b>(878)</b>
<b>Changes in ownership interests in subsidiaries and other capital transactions</b>									
Changes in ownership interests in subsidiaries with a change in control	–	7	#	–	–	–	7	#	7
Changes in ownership interests in subsidiaries with no change in control	–	(33)	(#)	(#)	(#)	6	(27)	(28)	(55)
Share of reserves of associates and joint ventures	–	(10)	5	–	–	–	(5)	(4)	(9)
Others	–	(15)	(1)	–	–	–	(16)	1	(15)
<b>Total changes in ownership interests in subsidiaries and other capital transactions</b>	<b>–</b>	<b>(51)</b>	<b>4</b>	<b>(#)</b>	<b>(#)</b>	<b>6</b>	<b>(41)</b>	<b>(31)</b>	<b>(72)</b>
<b>Total transactions with owners</b>	<b>–</b>	<b>(640)</b>	<b>18</b>	<b>(#)</b>	<b>(#)</b>	<b>6</b>	<b>(616)</b>	<b>(334)</b>	<b>(950)</b>
<b>At 31 December 2025</b>	<b>3,468</b>	<b>10,580</b>	<b>431</b>	<b>(82)</b>	<b>26</b>	<b>(1,549)</b>	<b>12,874</b>	<b>6,982</b>	<b>19,856</b>

# *Less than \$1 million*

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Changes in Equity (continued)**  
**Year ended 31 December 2025**

	Attributable to owners of the Company						Total \$'M	Perpetual securities \$'M	Non- controlling interests \$'M	Total equity \$'M
	Share capital \$'M	Revenue reserve \$'M	Capital reserve \$'M	Hedging reserve \$'M	Fair value reserve \$'M	Foreign currency translation reserve \$'M				
<b>The Group</b>										
<b>At 1 January 2024</b>	3,468	10,935	368	28	16	(1,411)	13,404	897	10,745	25,046
<b>Total comprehensive income</b>										
Profits for the year	–	449	–	–	–	–	449	–	441	890
<b>Other comprehensive income</b>										
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	(95)	(95)	–	(55)	(150)
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss	–	–	–	–	–	157	157	–	462	619
Effective portion of change in fair value of cash flow hedges	–	–	–	(15)	–	–	(15)	–	(4)	(19)
Recognition of hedging reserve in profit or loss	–	–	–	8	–	–	8	–	(13)	(5)
Share of other comprehensive income of associates and joint ventures	–	–	–	(16)	(4)	(3)	(23)	–	(13)	(36)
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	(8)	–	(8)	–	(2)	(10)
<b>Total other comprehensive income, net of tax</b>	–	–	–	(23)	(12)	59	24	–	375	399
<b>Total comprehensive income</b>	–	449	–	(23)	(12)	59	473	–	816	1,289

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Changes in Equity (continued)**  
**Year ended 31 December 2025**

	Attributable to owners of the Company						Total \$'M	Perpetual securities \$'M	Non- controlling interests \$'M	Total equity \$'M
	Share capital \$'M	Revenue reserve \$'M	Capital reserve \$'M	Hedging reserve \$'M	Fair value reserve \$'M	Foreign currency translation reserve \$'M				
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Contributions from non-controlling interests (net)	–	–	–	–	–	–	–	(60)	(60)	
Dividends paid/payable	–	(415)	–	–	–	–	(415)	–	(894)	
Reclassification of equity compensation reserve	–	(4)	4	–	–	–	–	–	–	
Distribution attributable to perpetual securities	–	(17)	–	–	–	–	(17)	29	(12)	
Distribution paid to perpetual securities	–	–	–	–	–	–	–	(32)	–	
Issue of perpetual securities (net)	–	–	–	–	–	–	–	152	–	
Redemption of perpetual securities	–	(3)	–	–	–	–	(3)	(650)	–	
Share-based payments	–	–	9	–	–	–	9	–	8	
<b>Total contributions by and distributions to owners</b>	–	(439)	13	–	–	–	(426)	(501)	(543)	
<b>Changes in ownership interests in subsidiaries and other capital transactions</b>										
Changes in ownership interests in subsidiaries with a change in control	–	(16)	3	–	–	–	(13)	(396)	(3,220)	
Changes in ownership interests in subsidiaries with no change in control	–	111	11	–	#	(15)	107	–	(444)	
Share of reserves of associates and joint ventures	–	(7)	(1)	5	–	–	(3)	–	(4)	
Others	–	(52)	19	–	4	–	(29)	–	(13)	
<b>Total changes in ownership interests in subsidiaries and other capital transactions</b>	–	36	32	5	4	(15)	62	(396)	(3,681)	
<b>Total transactions with owners</b>	–	(403)	45	5	4	(15)	(364)	(897)	(4,224)	
<b>At 31 December 2024</b>	3,468	10,981	413	10	8	(1,367)	13,513	–	7,337	
	<u>20,850</u>								<u>20,850</u>	

# Less than \$1 million

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Cash Flows**  
**Year ended 31 December 2025**

	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
<b>Cash flows from operating activities</b>		
Profit for the year	321	890
Adjustments for:		
Allowance / (Reversal of allowance) for:		
- impairment loss on receivables	(11)	5
- foreseeable losses (net of utilisation)	172	258
- impairment on investment in a joint venture	#	3
Amortisation of intangible assets	21	21
Depreciation of property, plant and equipment and right-of-use assets	162	176
Dividend income	(5)	(5)
Finance costs	589	836
Gain on disposal of equity investment fair value through profit or loss	(7)	–
(Gain)/loss on disposal of investment properties	(9)	33
Interest income	(97)	(133)
Loss/(Gain) on disposal and write off of property, plant and equipment	#	(16)
Gain on right-of-use assets lease remeasurement/modification	(9)	(20)
Net change in fair value of investment properties	122	79
Net change in fair value of derivative instruments	4	16
Net change in fair value of financial assets designated as fair value through profit or loss	7	5
Net (gain)/loss from change of ownership interests in subsidiaries, associates and joint ventures	(88)	51
Share of results of associates and joint ventures	(337)	(884)
Share-based expenses	50	22
Tax expense	219	403
	<u>783</u>	<u>850</u>
<b>Operating profit before working capital changes carried forward</b>	<b>1,104</b>	<b>1,740</b>

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Cash Flows**  
**Year ended 31 December 2025**

	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
<b>Operating profit before working capital changes brought forward</b>	1,104	1,740
Changes in working capital:		
Trade and other receivables	(175)	(182)
Development properties for sale	441	838
Contract assets	(55)	347
Trade and other payables	(60)	(176)
Contract liabilities	(240)	(83)
Loans to credit customers	–	(77)
Loans from banks	–	43
Restricted bank deposits	1	39
	(88)	749
Cash generated from operations	1,016	2,489
Taxation paid	(296)	(969)
<b>Net cash generated from operating activities</b>	<b>720</b>	<b>1,520</b>
<b>Cash flows from investing activities</b>		
Acquisition/Development expenditure of investment properties	(135)	(370)
Acquisition of subsidiaries, net of cash acquired	30 (b) (347)	(144)
Debt investments	10 (418)	–
Deposits placed for new investments	(99)	–
Deposits received for disposal of investment properties	–	24
Disposal of subsidiaries, net of cash disposed of	30 (d) 952	1,274
Dividends received from associates, joint ventures and other investments	546	649
Interest income received	63	82
Net increase in investment or loans to associates, joint ventures and other investments	(269)	(419)
Investments in other financial assets	(104)	(167)
Proceeds from disposal of other financial assets	175	–
Proceeds from disposal of assets held for sale	–	310
Proceeds related to property, plant and equipment from the disposal of assets held for sale	–	94
Proceeds from disposal of investment properties	315	1,428
Purchase of intangible assets and property, plant and equipment	(31)	(122)
Settlement of hedging instruments	(11)	20
Repayment of loans by non-controlling interests	6	78
<b>Net cash from investing activities</b>	<b>643</b>	<b>2,737</b>

The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Cash Flows**  
**Year ended 31 December 2025**

	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
<b>Cash flows from financing activities</b>		
Proceeds from loans from non-controlling interests	–	2
Repayment of loans from non-controlling interests	(8)	–
Contributions / (Return of capital) from non-controlling interests	163	(60)
Purchase of treasury shares of a subsidiary by the subsidiary	(7)	(358)
Dividends paid to non-controlling interests	(328)	(479)
Distributions to perpetual securities holders	–	(29)
Dividends paid to shareholders	(589)	(415)
Interest expense paid	(569)	(841)
Proceeds from loans from associates and joint ventures	200	–
Repayment of loans from associates and joint ventures	(70)	(108)
Payment for acquisition of ownership interests in subsidiaries with no change in control	(33)	(25)
(Placement) / Receipt of bank deposits pledged for bank facilities	(1)	6
Proceeds from bank borrowings	6,925	8,512
Proceeds from issuance of debt securities	213	1,269
Repayments of lease liabilities	(134)	(137)
Repayments of bank borrowings	(7,215)	(10,560)
Repayments of debt securities	(350)	(747)
Repayment of bank borrowings classified as liabilities held for sale	(219)	(234)
Redemption of perpetual securities by a subsidiary	–	(500)
<b>Net cash used in financing activities</b>	<b>(2,022)</b>	<b>(4,704)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(659)</b>	<b>(447)</b>
Cash and cash equivalents at beginning of the year	4,453	4,951
Effect of exchange rate changes on cash balances held in foreign currencies	(62)	(51)
<b>Cash and cash equivalents at end of the year</b>	<b>3,732</b>	<b>4,453</b>

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The accompanying notes form an integral part of these financial statements.

**Consolidated Statement of Cash Flows (continued)**  
**Year ended 31 December 2025**

**Significant non-cash transactions**

In May 2025, a subsidiary of the Company completed a distribution *in specie* of 154,968,032 units in CapitaLand Integrated Commercial Trust (CICT) to its shareholders based on 0.031077 CICT units per ordinary share held. Based on the closing market price of CICT units on 9 May 2025 of \$2.10, the distribution *in specie* amounted to \$325 million.

In 2024, the Group participated in the distribution reinvestment plans (DRP) of CapitaLand Integrated Commercial Trust and CapitaLand China Trust to receive units in lieu of cash in respect of their distribution for the period from 1 July 2023 to 31 December 2023. The total value of the Group's participation in the above DRP amounted to \$95 million.

The accompanying notes form an integral part of these financial statements.

## **Notes to the Financial Statements**

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 31 March 2026.

### **1 Domicile and Activities**

CapitaLand Group Pte. Ltd. (the Company) is incorporated in the Republic of Singapore and has its registered office at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

The Company's immediate and ultimate holding companies are CLA Real Estate Holdings Pte. Ltd. (CLA) and Temasek Holdings (Private) Limited respectively. Both companies are incorporated in the Republic of Singapore.

The principal activities of the Company during the financial year are those relating to investment holding and consultancy services as well as the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the significant subsidiaries included in these consolidated financial statements are those relating to investment holding, real estate development, investment in real estate financial products and real estate assets, investment advisory and management services as well as management of real estate assets.

The consolidated financial statements relate to the Company and its subsidiaries (the Group) and the Group's interests in associates and joint ventures.

### **2 Material Accounting Policies**

#### **2.1 *Basis of preparation***

##### **(a) *Statement of compliance***

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)) and IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). SFRS(I) are issued by the Accounting Standards Committee and comprise standards and interpretations that are equivalent to IFRS Accounting Standards. All references to SFRS(I) and IFRS Accounting Standards are subsequently referred to as SFRS(I) in these financial statements unless otherwise stated.

##### **(b) *Basis of measurement***

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

**(c) *Functional and presentation currency***

These financial statements are presented in Singapore Dollars, which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest million, unless otherwise stated.

**(d) *Use of estimates and judgements***

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions about the future including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 6	consolidation; whether the Group has control over an investee
Note 9	recognition of deferred tax assets
Note 2.2 (a), Note 31	accounting for acquisitions as business combinations or asset acquisitions

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 4	measurement of recoverable amounts of goodwill
Note 5, Note 33	determination of fair value of investment properties
Note 11	determination of the net realisable values of completed units and properties under development
Note 31	determination of fair value of assets, liabilities and contingent liabilities acquired in business combinations
Note 33	determination of fair value of financial instruments

The accounting policies set out below have been applied consistently by the Group entities to all periods presented in these financial statements, except as explained in note 37 which addresses changes in accounting policies.

## **2.2 Basis of consolidation**

### **(a) Business combinations and property acquisitions**

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets or acquisition of a property is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill arising from business combinations are measured as described in note 2.5(a).

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree’s net assets in the event of liquidation are measured either at fair value or at the non-controlling interests’ proportionate share of the recognised amounts of the acquiree’s identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition date fair value, unless another measurement basis is required by SFRS(I). If the business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is re-measured to fair value at each acquisition date and any changes are taken to profit or loss.

When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

**(b) Subsidiaries**

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 that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset at fair value through profit or loss depending on the level of influence retained.

**(c) Associates and joint ventures**

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. Joint ventures are entities over whose activities the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates and joint ventures are accounted for using the equity method (collectively referred to as "equity-accounted investees") and are recognised initially at cost which includes transaction costs. The Group's investments in equity-accounted investees include goodwill identified on acquisition, net of any accumulated impairment losses. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. Dividends received reduce the carrying amount of investment.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2.11. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

**(d) *Transactions eliminated on consolidation***

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. 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 that there is no evidence of impairment.

**(e) *Acquisition under common control***

Business combinations arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within the Group equity and any gain/loss arising is recognised directly in equity as reserve on consolidation.

**2.3 *Foreign currencies***

***Foreign currency transactions***

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency).

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to the functional currency at the exchange rate prevailing at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising from translation are recognised in profit or loss, except for differences arising from the translation of monetary items that in substance form part of the Group's net investment in a foreign operation, financial assets fair value through other comprehensive income, financial liabilities designated as hedges of net investment in a foreign operation (note 2.8) or qualifying cash flow hedges to the extent such hedges are effective, which are recognised in other comprehensive income.

### ***Foreign operations***

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated to Singapore Dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore Dollars at exchange rates prevailing at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or a joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

### ***Net investment in a foreign operation***

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income and are presented in the translation reserve in equity.

## **2.4 *Property, plant and equipment***

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Certain of the Group's property, plant and equipment acquired through interests in subsidiaries, are accounted for as acquisition of assets (note 2.2(a)).

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset if it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use. Freehold land has unlimited useful life and therefore is not depreciated. Depreciation on property, plant and equipment is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

Leasehold land and buildings	1 to 50 years
Plant, machinery and improvements	1 to 20 years
Motor vehicles	5 to 6 years
Furniture, fittings and equipment	1 to 10 years

Assets under construction are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed and ready to use.

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if appropriate.

## **2.5 Intangible assets**

### **(a) Goodwill**

For business combinations, the Group measures goodwill as at acquisition date based on the fair value of the consideration transferred (including the fair value of any pre-existing equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the amount is negative, a gain on bargain purchase is recognised in profit or loss. Goodwill is subsequently measured at cost less accumulated impairment losses.

Goodwill arising from the acquisition of subsidiaries is included in intangible assets. Goodwill arising from the acquisition of associates and joint ventures is presented together with interests in associates and joint ventures.

Goodwill is tested annually for impairment as described in note 2.11.

### **(b) Other intangible assets**

Other intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. These are amortised in profit or loss on a straight-line basis over their estimated useful lives of one to eighteen years, from the date on which the assets are available for use.

Other intangible assets with indefinite useful lives are not amortised and are measured at cost less accumulated impairment losses.

## **2.6 Investment properties and investment properties under development**

Investment properties are properties held either to earn rental or for capital appreciation or both. Investment properties under development are properties being constructed or developed for future use as investment properties. Certain of the Group's investment properties acquired through interests in subsidiaries, are accounted for as acquisition of assets (note 2.2(a)).

Investment properties and investment properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. The fair value is determined substantially based on independent external professional valuation. Independent valuation is also carried out on occurrence of acquisition.

When an investment property or investment property under development is disposed of, the resulting gain or loss recognised in profit or loss is the difference between the net disposal proceeds and the carrying amount of the property.

Transfers to, or from, investment properties are made where there is a change in intent and use of the investment properties.

## **2.7 *Non-current assets and liabilities held for sale***

Non-current assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the applicable SFRS(I). Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment classified as held for sale are not amortised or depreciated. In addition, equity accounting of associates and joint ventures ceases once the investments are classified as held for sale.

## **2.8 *Financial instruments***

### **(a) *Non-derivative financial assets***

#### ***Classification and measurement***

The Group classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVTPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group generally classifies equity investments at FVTPL when the underlying assets held by the equity investments relate to the Group's core businesses.

For other equity investments, an irrevocable election at initial recognition may be made for the equity investments that would otherwise be measured at FVTPL to present subsequent changes in FVOCI.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

***At initial recognition***

A financial asset is recognised if the Group becomes a party to the contractual provisions of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

***At subsequent measurement***

**(i) *Financial assets at amortised cost***

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

**(ii) *Financial assets at FVOCI***

The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income (OCI) as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of equity investments classified as FVOCI are presented as “fair value gains/losses” in OCI. Dividends from equity investments are recognised in profit or loss as dividend income. On disposal of an equity investment, any difference between the carrying amount and sales proceeds amount would be recognised in OCI and transferred to revenue reserves along with the amount previously recognised in OCI relating to that asset.

**(iii) *Financial assets at FVTPL***

Financial assets that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in “other operating income” or “other operating expenses”.

**(b) *Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and form an integral part of the Group’s cash management are included as a component of cash and cash equivalents.

**(c) *Non-derivative financial liabilities***

The Group initially recognises debt securities issued on the date that they are originated. Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

A financial liability is classified as fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise loans, borrowings, debt securities and trade and other payables.

**(d) *Derecognition***

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

**(e) *Offsetting***

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a current, legally enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**(f) *Derivative financial instruments and hedge accounting***

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either (a) cash flow hedge or (b) net investment hedge. The Group has not designated any hedge as a fair value hedge.

On initial designation of the derivative as the hedging instrument, the Group formally documents the economic relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

### ***Cash flow hedges***

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Where the hedged forecast transaction subsequently results in the recognition of a non-financial item, such as inventory, the amounts recognised as OCI is included in the initial cost of the non-financial item when it is recognised.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

### ***Net investment hedges***

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss on disposal of the foreign operation.

### ***Separable embedded derivatives***

Derivatives may be embedded in another contractual arrangement (a host contract). The Group accounts for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of SFRS(I) 9;
- the host contract is not itself carried at FVTPL;
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Changes in the fair value of separated embedded derivatives are recognised immediately in profit or loss.

**(g) Sustainability-linked loans**

The Group borrows loans with contractual cash flows based on the Group meeting several sustainability performance targets. The Group has determined that the variability in cash flows linked to the Group's sustainability performance targets is a non-financial variable specific to the parties to the contract, and therefore, in accordance with the Group's accounting policy, the feature fails the definition of a derivative. Accordingly, the feature is not separated. Instead, it is included in the calculation of the effective interest of the loans.

**(h) Financial guarantees**

The Group accounts for financial guarantee contracts as financial liabilities. Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 *Financial Instruments* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contract with Customers*.

Expected credit losses (ECLs) are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Liabilities arising from financial guarantees are included within borrowings.

**(i) Impairment of financial assets**

The Group assesses on a forward-looking basis the ECL associated with its financial assets carried at amortised cost and FVOCI, contract assets and financial guarantee contracts. For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by SFRS(I) 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets and financial guarantee contracts.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are 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 data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

### ***Presentation of allowance for ECLs in the statement of financial position***

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowance for financial guarantee contracts are recognised as a financial liability to the extent that they exceed the initial carrying amount of the financial guarantee contracts less the cumulated income recognised.

### ***Write-off***

The gross carrying amount of a financial 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

## **2.9 *Share capital***

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

## **2.10 *Development properties for sale and stocks***

Development properties are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. The write-down to net realisable value is presented as allowance for foreseeable losses.

The cost of development properties comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure.

When the development properties for sale are being transferred to investment property, any difference between the fair value of the property and its previous carrying amount at the date of transfer is recognised in profit or loss.

## **2.11 *Impairment of non-financial assets***

The carrying amounts of the Group's non-financial assets, other than investment properties, development properties for sale and stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units 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. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's 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.

Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or a joint venture may be impaired.

## **2.12 Employee benefits**

All short-term employee benefits, including accumulated compensated absences, are measured on an undiscounted basis and are recognised in the period in which the employees render their services.

The Group's obligation in respect of long-term employee benefits is 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.

A provision is recognised for the amount expected to be paid under cash bonus or profit-sharing plans 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.

### **Defined contribution plans**

Contributions to post-employment benefits under defined contribution plans are recognised as an expense in profit or loss in the period during which the related services are rendered by employees.

## **Share-based payments**

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. The Group recognises the effect of modification that increase the total fair value of the share-based payment arrangement. The incremental fair value granted is included in the measurement of the amount recognised for services received over the period from modification date until the date when the modified equity-settled share-based payments transactions vest.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

### **2.13 *Provision***

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **2.14 *Leases***

#### ***As a lessee***

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and 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, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use asset that meets the definition of investment property carried at fair value in accordance with note 2.6.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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 Group presents the right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities in "borrowings" in the balance sheet.

#### ***Short-term leases and leases of low-value assets***

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including office equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### ***As a lessor***

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group leases out its investment property, including own property and right-of-use assets. The Group has classified these leases as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognises lease payments received from investment property under operating leases as rental income on a straight-line basis over the lease term as part of “revenue”. Rental income from sub-leased property is recognised as “other income”.

## **2.15 Revenue recognition**

### ***Rental income***

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

### ***Development properties for sale***

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 measure 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 measure of progress and instead are expensed as incurred.

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

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. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is 12 months or less.

Revenue is measured at the transaction price agreed under the contract. Estimates of revenues, costs or extent of progress toward 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.

The customer is invoiced on a payment schedule and are typically triggered upon achievement of specified construction milestones. If the value of the goods transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract, the Group will capitalise these as contract costs assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

### ***Fee income***

Fee income from provision of fund and asset management, commercial management, lodging management, project management and administrative and support service is recognised as the services are provided.

The Group also earns performance fees from the provision of fund management services. Performance fees are for performance obligations fulfilled over time and for which consideration is variable. The fees for each applicable fund are determined in accordance with the relevant agreement which stipulates out-performance of a benchmark over a given period. Performance fee revenue is recognised to the extent that it is highly probable that the amount of variable consideration recognised will not be significantly reversed when the uncertainty is resolved.

## **2.16 *Finance income and finance costs***

The Group's finance income and finance costs mainly comprise interest income and interest expense. Interest income or expense is recognised in profit or loss using the effective interest rate method.

Effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset or
- the amortised cost of the financial liability.

Interest expense that is directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale, is capitalised.

## **2.17 Tax**

Income tax expense comprises current and deferred tax, as well as land appreciation tax in China. Income tax expense 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 is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable 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 uncertainty related to income taxes, if any.

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;
- temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. 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.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Land appreciation tax in China relates to the tax on gains arising from the transfer of land use right and the buildings that are constructed on the land. Land appreciation tax is levied at 30% to 60% on gain from sale of landed properties with reference to the percentage of appreciated value over the deductible expenditure.

***Global minimum top-up tax***

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of SFRS(I) 1-12 *Income Taxes*. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

### 3 Property, Plant and Equipment

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>
Property, plant and equipment owned	197	225	2	2
Right-of-use assets classified within property, plant and equipment	589	680	–	–
	786	905	2	2

*Property, plant and equipment owned*

	Note	Land and buildings \$'M	Plant, machinery and improvements \$'M	Motor vehicles \$'M	Furniture, fittings and equipment \$'M	Assets under construction \$'M	Total \$'M
<b>The Group</b>							
<b>Cost</b>							
At 1 January 2025		114	83	–	362	10	569
Translation differences		(1) <sup>#</sup>	(2) <sup>#</sup>	(1) <sup>#</sup>	9	#	6
Additions		#	3	1	7	7	18
Disposals/Written off		–	(7)	–	(15)	–	(22)
Disposal of subsidiaries	30(d)	–	(1)	–	(12)	–	(13)
Reclassification to other categories of assets		–	(1) <sup>#</sup>	–	(1) <sup>#</sup>	(1)	(1)
Reclassifications		1	6	–	(5)	(2)	–
At 31 December 2025		114	82	1	346	14	557

<sup>#</sup> *Less than \$1 million*

	Note	Land and buildings \$'M	Plant, machinery and improvements \$'M	Motor vehicles \$'M	Furniture, fittings and equipment \$'M	Assets under construction \$'M	Total \$'M
<b>The Group</b>							
<b>Cost</b>							
At 1 January 2024		1,000	124	7	487	32	1,650
Translation differences		(27)	(2)	1	(3)	#	(31)
Additions		2	18	1	61	19	101
Disposals/Written off		(1)	(12)	(8)	(23)	#	(44)
Disposal of subsidiaries	30(d)	(859)	(48)	(1)	(172)	(27)	(1,107)
Reclassification (to)/from other categories of assets		–	(1)	–	7	(6)	–
Reclassifications		(1)	4	–	5	(8)	#
At 31 December 2024		114	83	–	362	10	569

# *Less than \$1 million*

	Note	Land and buildings \$'M	Plant, machinery and improvements \$'M	Motor vehicles \$'M	Furniture, fittings and equipment \$'M	Assets under construction \$'M	Total \$'M
<b>The Group</b>							
<b>Accumulated depreciation and impairment loss</b>							
At 1 January 2025		29	28	–	287	#	344
Translation differences		(#)	(1)	(#)	7	–	6
Depreciation for the year	27(c)(ii)	3	14	#	24	–	41
Disposals/Written off		–	(7)	–	(14)	–	(21)
Disposal of subsidiaries	30(d)	–	(#)	–	(10)	–	(10)
Reclassification to other categories of assets		–	–	–	(#)	–	(#)
Reclassifications		–	2	–	(2)	–	–
At 31 December 2025		32	36	#	292	#	360

# *Less than \$1 million*

	Note	Land and buildings \$'M	Plant, machinery and improvements \$'M	Motor vehicles \$'M	Furniture, fittings and equipment \$'M	Assets under construction \$'M	Total \$'M
<b>The Group</b>							
<b>Accumulated depreciation and impairment loss</b>							
At 1 January 2024		140	49	6	390	#	585
Translation differences		(6)	(1)	2	–	–	(5)
Depreciation for the year	27(c)(ii)	23	16	–	40	–	79
Disposals/Written off		–	(10)	(7)	(21)	–	(38)
Disposal of subsidiaries	30(d)	(128)	(27)	(1)	(121)	–	(277)
Reclassification to other categories of assets		–	–	–	(#)	–	(#)
Reclassifications		–	1	–	(1)	–	–
At 31 December 2024		29	28	–	287	#	344
<b>Carrying amounts</b>							
At 1 January 2025		85	55	–	75	10	225
At 31 December 2025		82	46	1	54	14	197
<b>Carrying amounts</b>							
At 1 January 2024		860	75	1	97	32	1,065
At 31 December 2024		85	55	–	75	10	225

# *Less than \$1 million*

- (a) As at 31 December 2025, the carrying amounts of land and buildings comprise freehold land and buildings of \$<sup>#</sup> million (2024: \$<sup>#</sup> million) and leasehold land and buildings of \$82 million (2024: \$85 million).

	<b>Renovations and improvements \$'M</b>	<b>Furniture, fittings and equipment \$'M</b>	<b>Total \$'M</b>
<b>The Company</b>			
<b>Cost</b>			
At 1 January 2025	–	4	4
Additions	–	#	#
Disposals/Written off	–	(1)	(1)
At 31 December 2025	–	3	3
At 1 January 2024	2	10	12
Additions	–	#	#
Disposals/Written off	(2)	(6)	(8)
At 31 December 2024	–	4	4
<b>Accumulated depreciation and impairment loss</b>			
At 1 January 2025	–	2	2)
Depreciation for the year	–	#	#
Disposals/Written off	–	(1)	(1)
At 31 December 2025	–	1	1
At 1 January 2024	2	7	9
Depreciation for the year	–	#	#
Disposals/Written off	(2)	(5)	(7)
At 31 December 2024	–	2	2
<b>Carrying amounts</b>			
At 1 January 2025	–	2	2
At 31 December 2025	–	2	2
<b>Carrying amounts</b>			
At 1 January 2024	–	3	3
At 31 December 2024	–	2	2

#

*Less than \$1 million*

***Right-of-use assets classified within property, plant and equipment***

	Note	Buildings \$'M
<b>The Group</b>		
<b>Cost</b>		
At 1 January 2025		1,062
Translation differences		9
Additions		48
Acquisition of subsidiaries	30(b)	7
Disposal of subsidiaries	30(d)	(14)
Modification/Expiry/Termination of leases		(102)
At 31 December 2025		<u>1,010</u>
At 1 January 2024		964
Translation differences		(14)
Additions		285
Termination of leases		(173)
At 31 December 2024		<u>1,062</u>
<b>Accumulated depreciation</b>		
At 1 January 2025		382
Translation differences		(3)
Depreciation for the year	27(c)(ii)	121
Disposal of subsidiaries	30(d)	(13)
Modification/Expiry/Termination of leases		(66)
At 31 December 2025		<u>421</u>
At 1 January 2024		348
Translation differences		(7)
Depreciation for the year	27(c)(ii)	97
Expiry/Termination of leases		(56)
At 31 December 2024		<u>382</u>
<b>Carrying amounts</b>		
At 1 January 2025 <sup>^</sup>		<u>680</u>
At 31 December 2025 <sup>^</sup>		<u>589</u>
<b>Carrying amounts</b>		
At 1 January 2024 <sup>^</sup>		<u>616</u>
At 31 December 2024 <sup>^</sup>		<u>680</u>

# *Less than \$1 million*

<sup>^</sup> Right-of-use assets include motor vehicles with carrying amount less than \$1 million as at 31 December 2024 and 31 December 2025.

## 4 Intangible Assets

	Note	Goodwill \$'M	Management contracts <sup>@</sup> \$'M	Others <sup>^</sup> \$'M	Total \$'M
<b>The Group</b>					
<b>Cost</b>					
At 1 January 2025		776	365	369	1,510
Additions		–	#	14	14
Disposals/Written off		–	(#)	(2)	(2)
Acquisition of subsidiaries	30(b)	66	83	22	171
Disposal of subsidiaries	30(d)	(27)	–	(14)	(41)
Translation differences		(2)	(2)	(#)	(4)
At 31 December 2025		<u>813</u>	<u>446</u>	<u>389</u>	<u>1,648</u>
At 1 January 2024		788	366	360	1,514
Additions		–	#	21	21
Disposals/Written off		–	(#)	(6)	(6)
Reclassification to other categories of assets		–	#	(3)	(3)
Translation differences		(12)	(1)	(3)	(16)
At 31 December 2024		<u>776</u>	<u>365</u>	<u>369</u>	<u>1,510</u>
<b>Accumulated amortisation and impairment loss</b>					
At 1 January 2025		186	7	135	328
Amortisation for the year	27(c)(ii)	–	3	18	21
Disposals/Written off		–	(#)	(1)	(1)
Disposal of subsidiaries	30(d)	(22)	–	(3)	(25)
Translation differences		(3)	(#)	(#)	(3)
At 31 December 2025		<u>161</u>	<u>10</u>	<u>149</u>	<u>320</u>
At 1 January 2024		195	4	120	319
Amortisation for the year	27(c)(ii)	–	3	18	21
Disposals/Written off		–	#	(1)	(1)
Reclassification to other categories of assets		–	#	#	#
Translation differences		(9)	#	(2)	(11)
At 31 December 2024		<u>186</u>	<u>7</u>	<u>135</u>	<u>328</u>
<b>Carrying amounts</b>					
At 1 January 2025		590	358	234	1,182
At 31 December 2025		<u>652</u>	<u>436</u>	<u>240</u>	<u>1,328</u>
<b>Carrying amounts</b>					
At 1 January 2024		593	362	240	1,195
At 31 December 2024		<u>590</u>	<u>358</u>	<u>234</u>	<u>1,182</u>

<sup>^</sup> Others comprise trademarks, software and licences and club memberships

<sup>@</sup> Includes franchise agreements arising from the lodging platform

<sup>#</sup> Less than \$1 million

**(a) Impairment test for goodwill**

For the purpose of impairment testing, goodwill has been allocated to the Group’s cash-generating units (“CGUs”) as follows:

	<b>Carrying Value</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$’M</b>	<b>\$’M</b>
Lodging operations <sup>^</sup>	535	541
Ascendas-Singbridge fund management operations (ASB)	49	49
Wingate Group credit operations (Wingate)	63	–
Other CGU without significant goodwill	5	–
At 31 December	652	590

<sup>^</sup> Lodging operations comprise of the following CGUs in relation to past acquisitions of The Ascott Limited, TAUZIA Hotel Management, Oakwood Worldwide (Asia) Pte. Ltd. and Quest Apartment Hotels (NZ) Limited.

The recoverable amount of the CGUs has been determined based on the value-in-use calculations using a discounted cash flow model. Key assumptions used in the estimation of the recoverable amounts are as follows:

	<b>Lodging operations</b>	<b>ASB</b>	<b>Wingate</b>
<b>Cash flows</b>			
Cash flow projections are based on the most recent forecasts approved by management	Revenue drivers include average daily rental rates and occupancy, estimated based on historical operating results, adjusted for current and expected future market conditions.  Inflationary rate for costs assumed to be between 2% to 5%.	Revenue drivers include funds under management (FUM) growth and fee income which comprise base management fees and performance fees, estimated based on historical operating results, adjusted for current and expected future market conditions.	Revenue drivers include management fees, establishment fees, net interest margins, adjusted for scalability, synergies and market growth expectation.
<b>Cashflow projection period</b>			
Cash flows beyond these periods are extrapolated using the estimated terminal growth rates	3 to 10 years (2024: 3 to 10 years)	10 years (2024: 10 years)	5 years
<b>Terminal growth rates</b>			
Terminal growth rates used for each CGU are based on management’s expectation of the long-term average growth rates of the respective industries and countries in which the CGUs operate	2.0% to 3.2% (2024: 2.0% to 3.2%)	1.0% (2024: 1.0%)	4%

	<b>Lodging operations</b>	<b>ASB</b>	<b>Wingate</b>
<b>Discount rates</b>			
Discount rates applied are the weighted average cost of capital of the relevant business segments	8.0% to 11.0% (2024: 8.0% to 11.0%)	7.0% (2024: 6.8%)	16.7%

Management has assessed that the recoverable amount of goodwill to be higher than the carrying amount.

The impact of climate change on future cash flows have also been considered in the impairment assessment of goodwill. No material financial impact to the current year impairment assessment was identified.

**(b) Impairment test for management contracts**

The Group's management contracts arose largely from the following CGUs:

	<b>Note</b>	<b>Carrying Value</b>	
		<b>2025</b>	<b>2024</b>
		<b>\$'M</b>	<b>\$'M</b>
ASB	(i)	306	309
Wingate	(ii)	84	–
Other CGUs without significant management contracts		46	49
At 31 December		436	358

- (i) This relates to management contracts entered into between subsidiary companies and CapitaLand Ascendas REIT and CapitaLand India Trust. These contracts are deemed to have indefinite useful lives and are measured at cost less accumulated impairment.

The recoverable amount of the ASB CGU has been determined based on value-in-use calculations using a discounted cash flow model. Key cash flow drivers include forecasted FUM and related fee income, comprising base management fees and performance fees, estimated with reference to historical operating results and adjusted for current and expected future market conditions. Cash flow projections are prepared over a ten-year period, applying discount rates ranging from 7.0% to 10.0% (2024: 7.1% to 10.5%) and a terminal growth rate of 1.0% (2024: 1.0%). These forecasts are reviewed, updated and approved by management on an annual basis. Based on this assessment, the Group has determined that no impairment of management contracts has arisen.

- (ii) This relates to management agreements entered into between subsidiary companies and investment funds managed by Wingate Group Holdings Pty Ltd, a subsidiary acquired by the Group during the year. These contracts are deemed to have indefinite useful lives and are measured at cost less accumulated impairment.

The recoverable amount of the Wingate CGU has been determined based on value-in-use calculations using a discounted cash flow model. Key cash flow drivers include management fees, establishment fees and net interest margins, incorporating assumptions for sell-downs, reductions in account sizes and withdrawals. These estimates are based on historical and projected operating results, taking into account financial market conditions, product quality, and the competitive landscape. Cash flow projections are prepared over a five-year period, applying discount rates ranging from 16.8% to 18.5% and a terminal growth rate of 4.0%. These forecasts are reviewed, updated and approved by management on an annual basis. Based on this assessment, the Group has determined that no impairment of management contracts has arisen.

## 5 Investment Properties

	Note	The Group	
		2025 \$'M	2024 \$'M
At 1 January		10,621	19,099
Acquisition of subsidiaries	30(b)	–	264
Disposal of subsidiaries	30(d)	(718)	(7,382)
Additions		167	253
Disposals		(332)	(1,457)
Reclassification to asset held for sale	15	(44)	–
Reclassifications (to)/from development properties for sale		(18)	17
Reclassification from property, plant and equipment		1	3
Changes in fair value	27(c)(iii)	(103)	(14)
Translation differences		(7)	(162)
At 31 December		<u>9,567</u>	<u>10,621</u>

- (a) Investment properties, which include those in the course of development, are stated at fair value based on independent professional valuations. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction under normal business conditions and on a going concern basis. This valuation, however, may not be indicative of the future transacted values if a sale is made in a distressed market. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield rate, discount rate, comparable market price, occupancy rate and gross development costs.

The carrying amounts of the investment properties at reporting date were based on valuations performed by the independent external valuers. The valuers had considered valuation techniques including the direct comparison method, capitalisation approach, discounted cash flows and residual method in arriving at the open market value as at the reporting date.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. In the residual method of valuation, the total gross development costs and developer's profit are deducted from the gross development value to arrive at the residual value of land. The gross development value is the estimated value of the property assuming satisfactory completion of the development as at the date of valuation. Details of valuation methods and key assumptions used to estimate the fair values of investment properties are set out in note 33.

- (b) The Group's investment properties are classified under Level 3 in the fair value hierarchy.
- (c) As at 31 December 2025, investment properties valued at \$242 million (2024: \$1,093 million) were under development.
- (d) As at 31 December 2025, certain investment properties with carrying value of approximately \$6,180 million (2024: \$7,517 million) were mortgaged to banks to secure credit facilities (notes 19 and 20).
- (e) Investment properties of the Group are held mainly for use by tenants under operating leases. Minimum lease payments receivable under non-cancellable operating leases of investment properties and not recognised in the financial statements are as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Lease rentals receivable:		
Less than one year	395	488
One to two years	313	367
Two to three years	239	235
Three to four years	175	155
Four to five years	149	118
More than five years	957	302
	2,228	1,665

- (f) Contingent rents, representing income based on sales turnover achieved by tenants, amounted to \$16 million (2024: \$16 million) for the year ended 31 December 2025.
- (g) As at 31 December 2025, the right-of-use of the land and buildings that are classified within investment properties has a carrying amount of \$177 million (2024: \$190 million).

## 6 Subsidiaries

	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
(a) Equity shares, at cost	12,602	12,602
Less:		
Allowance for impairment loss	(55)	(81)
	12,547	12,521
Add:		
Amounts due from subsidiaries, at amortised cost:		
Loan accounts (unsecured)		
- interest free	3,297	3,443
Less:		
Allowance for impairment loss on receivables	(870)	(816)
	2,427	2,627
	14,974	15,148

- (i) Loans due from subsidiaries are unsecured and not expected to be repaid within the next twelve months.
- (ii) Movements in allowance for impairment loss were as follows:

	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
At 1 January	(81)	(81)
Write back of allowance for impairment loss	26	#
At 31 December	(55)	(81)

# *Less than \$1 million*

- (iii) The recoverable amounts of the relevant subsidiaries were estimated based on the net assets of the subsidiaries as at the reporting date and approximate their fair values. The fair value measurement is categorised as Level 3 in the fair value hierarchy.

During the year ended 31 December 2025, the Company carried out a review of the recoverable amount of its investment in subsidiaries and recognised a write-back of impairment loss of \$26 million (2024: \$# million) in respect of its investment in subsidiaries.

# *Less than \$1 million*

- (iv) The Company's exposure to credit risk on the amounts due from subsidiaries is disclosed in note 32.

- (b) The significant subsidiaries directly and indirectly held by the Company, which are incorporated and conducting business in the Republic of Singapore, are as set out below:

<b>Name of Company</b>	<b>Effective interest</b>	
	<b>2025</b>	<b>2024</b>
	%	%
Ascendas Pte Ltd <sup>4</sup>	100	100
CapitaLand China Holdings Pte Ltd <sup>1,4</sup>	100	100
CapitaLand VN Limited <sup>4</sup>	100	100
CapitaLand China Investments Limited <sup>4</sup>	100	100
CapitaLand Singapore Limited <sup>4</sup>	100	100
CapitaLand Treasury Limited <sup>4</sup>	100	100
CapitaLand Investment Limited <sup>3</sup>	54	54
CapitaLand Mall Asia Limited <sup>2,3</sup>	54	54
The Ascott Limited <sup>2,3</sup>	54	54
CapitaLand International Pte Ltd <sup>2,3</sup>	54	54

<sup>1</sup> Indirectly held through CapitaLand China Investments Limited.

<sup>2</sup> Subsidiaries held by CapitaLand Investment Limited

<sup>3</sup> Audited by Deloitte & Touche LLP Singapore

<sup>4</sup> Audited by KPMG LLP Singapore

- (c) Determining whether the Group has control over the REITs it manages requires management judgement. In exercising its judgement, management considers the proportion of its ownership interest and voting rights, the REIT managers' decision making authority over the REITs as well as the Group's overall exposure to variable returns, both from the REIT managers' remuneration and their interests in the REITs.

As of 31 December 2025 and 31 December 2024, the Group assesses that it has control over CLMT, even though it owns less than half of the ownership interest and voting power. The activities of CLMT are managed by the Group's wholly-owned subsidiary, CapitaLand Malaysia REIT Management Sdn Bhd (the REIT Manager). The REIT Manager has decision-making authority over CLMT, subject to oversight by the trustee of CLMT. The Group's overall exposure to variable returns, both from the REIT Managers' remuneration and the interests in CLMT, is significant and any decisions made by the REIT Manager affect the Group's overall exposure to variable returns.

In 2024, CLAS is a stapled group comprising CapitaLand Ascott Real Estate Investment Trust and CapitaLand Ascott Business Trust. Following the sale of 4.88% stake in CLAS in December 2024, the Group assessed that it had lost control in CLAS and consequently CLAS ceased to be a consolidated REIT of the Group with effect from 19 December 2024.

- (d) The following subsidiary of the Group has material non-controlling interests (NCI):

Name of Company	Principal place of business	Effective interest held by NCI	
		2025 %	2024 %
CapitaLand Investment Limited and its subsidiaries (CLI Group)	Singapore, China, other developed and developing countries	46	46

The above subsidiary is audited by Deloitte & Touche LLP Singapore.

The following table summarises the financial information of each of the Group's subsidiaries with material NCI, based on their respective consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The information is before inter-company eliminations with other entities in the Group.

	<b>CLI Group \$'M</b>	<b>Other subsidiaries with individually immaterial NCI \$'M</b>	<b>Total \$'M</b>
<b>31 December 2025</b>			
Revenue	2,133		
Profit after tax	170		
Other comprehensive income	(214)		
Total comprehensive income	(44)		
Attributable to NCI:			
- Profit	25	57	82
- Total comprehensive income	37	(58)	(21)
Current assets	3,230		
Non-current assets	20,981		
Current liabilities	(2,266)		
Non-current liabilities	(8,421)		
Net assets	13,524		
Net assets attributable to NCI	6,731	251	6,982
Cash flows from:			
- Operating activities	491		
- Investing activities	(510)		
- Financing activities <sup>1</sup>	(252)		
Net decrease in cash and cash equivalents	(271)		
<sup>1</sup> Includes dividends paid to NCI	(29)		

	<b>CLI Group \$'M</b>	<b>Other subsidiaries with individually immaterial NCI \$'M</b>	<b>Total \$'M</b>
<b>31 December 2024</b>			
Revenue	2,815		
Profit after tax	694		
Other comprehensive income	432		
Total comprehensive income	1,126		
Attributable to NCI:			
- Profit	215	226	441
- Total comprehensive income	558	258	816
Current assets	3,621		
Non-current assets	21,089		
Current liabilities	(2,862)		
Non-current liabilities	(7,437)		
Net assets	14,411		
Net assets attributable to NCI	7,090	247	7,337
Cash flows from:			
- Operating activities	561		
- Investing activities	2,567		
- Financing activities <sup>1</sup>	(3,249)		
Net decrease in cash and cash equivalents	(121)		
<sup>1</sup> Includes dividends paid to NCI	(178)		

## 7 Associates

	<b>The Group</b>	
	<b>2025 \$'M</b>	<b>2024 \$'M</b>
(a) Investment in associates	12,069	12,125
Less:		
Allowance for impairment	(3)	(3)
	12,066	12,122
Add:		
Amounts due from associates, at amortised cost:		
Loan accounts - interest free	90	95
	12,156	12,217

(i) Movements in allowance for impairment loss were as follows:

	Note	The Group	
		2025	2024
		\$'M	\$'M
At 1 January		(3)	(3)
Allowance during the year	27(c)(iii)	–	(3)
Liquidation of an associate		–	3
Translation differences		(#)	(#)
At 31 December		(3)	(3)

# *Less than \$1 million*

(ii) Loans due from associates are unsecured and not expected to be repaid within the next twelve months.

	Note	The Group	
		2025	2024
		\$'M	\$'M
(b) Amounts due from associates:			
Current accounts (unsecured)			
- interest free (trade)		241	202
- interest free (non-trade)		174	130
- interest bearing (non-trade)	(i)	–	4
		415	336
Less:			
Allowance for impairment loss on receivables	32(c)	(19)	(23)
Presented in trade and other receivables	12	396	313
Non-current loans (unsecured)			
- interest free		70	70
- interest bearing	(ii)	317	334
Presented in other non-current assets	10	387	404

(i) As at 31 December 2024, the effective interest rates for interest bearing amounts due from associates ranged from 2.13% to 4.14% per annum.

(ii) The effective interest rates for non-current amounts due from associates ranged from 3.50% to 4.20% (2024: 3.00% to 5.39%) per annum.

(iii) The Group and the Company's exposures to credit and currency risks, and impairment losses for trade and other receivables from associates, are disclosed in note 32.

	Note	<b>The Group</b>	
		<b>2025</b>	<b>2024</b>
		<b>\$'M</b>	<b>\$'M</b>
(c) Amounts due to associates:			
Current accounts (mainly non-trade and unsecured)			
- interest free		(155)	(228)
- interest bearing	(i)	(54)	(54)
Presented in trade and other payables	17	(209)	(282)
Non-current accounts (mainly non-trade and unsecured)			
- interest free		(10)	(9)
Presented in other non-current liabilities	21	(10)	(9)

(i) The effective interest rates for amounts due to associates ranged from 2.45% to 6.51% (2024: 3.00% to 6.82%) per annum.

(d) The following are the material associates of the Group:

Name of Company	Nature of relationship with the Group	Principal place of business	Ownership interest	
			2025	2024
			%	%
CapitaLand Integrated Commercial Trust (CICT) <sup>1</sup>	Singapore-based REIT which invests in shopping malls and commercial properties in Singapore, Australia and Europe	Singapore	20.7	23.3
CapitaLand Ascendas Real Estate Investment Trust (CLAR) <sup>1</sup>	Singapore-based REIT which invests in industrial properties and business park in Singapore, Australia, United States of America, Europe and the United Kingdom	Singapore	17.0	17.6

<sup>1</sup> *Audited by Deloitte & Touche LLP Singapore*

Management assessed the extent of its control over CICT and CLAR, taking into consideration that the REITs are managed by the wholly-owned subsidiaries of the Group, the Group's effective stake in the relevant trusts and the returns (both marginal and absolute returns) generated from its investment in and management of both trusts. Management concluded that the Group does not have sufficient control over CICT and CLAR and therefore accounts for its investments in CICT and CLAR as associates.

The following summarises the financial information of the Group's material associates based on their respective consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also includes summarised aggregate financial information for the Group's interest in other individually immaterial associates, based on the amounts reported in the Group's consolidated financial statements.

	CICT \$'M	CLAR \$'M	Other individually immaterial associates \$'M	Total \$'M
<b>31 December 2025</b>				
Revenue <sup>1</sup>	1,619	1,539		
Profit after tax	951	780		
Other comprehensive income	(75)	(75)		
Total comprehensive income	876	705		
Attributable to:				
- NCI	13	–		
- Associate's shareholders	863	705		
	876	705		
<sup>1</sup> Includes:				
- Rental and related income from investment properties				
Current assets	644	386		
Non-current assets	26,787	19,464		
Current liabilities	(1,116)	(2,394)		
Non-current liabilities	(9,825)	(6,602)		
Net assets	16,490	10,854		
Attributable to:				
- NCI	198	304		
- Associate's shareholders	16,292	10,550		
Carrying amount of interest in associates at beginning of the year	3,616	2,272	6,234	12,122
Group's share of:				
- Profit	204	133	(108)	229
- Other comprehensive income	(16)	(13)	(36)	(65)
- Total comprehensive income	188	120	(144)	164
Dividends received during the year	(165)	(117)	(188)	(470)
Net (disposals)/additions	(271)	25	784	538
Translation and other adjustments	–	(12)	(276)	(288)
Carrying amount of interest in associates at end of the year	3,368	2,288	6,410	12,066
Fair value of effective ownership interest <sup>^</sup>	3,766	2,217		

<sup>^</sup> Based on quoted market prices at 31 December 2025.

	CICT \$'M	CLAR \$'M	Other individually immaterial associates \$'M	Total \$'M
<b>31 December 2024</b>				
Revenue <sup>1</sup>	1,586	1,523		
Profit after tax	942	764		
Other comprehensive income	(9)	(17)		
Total comprehensive income	933	747		
Attributable to:				
- NCI	7	–		
- Associate's shareholders	926	747		
	933	747		
<sup>1</sup> Includes:				
- Rental and related income from investment properties				
Current assets	243	350		
Non-current assets	25,270	17,919		
Current liabilities	(1,511)	(1,521)		
Non-current liabilities	(8,280)	(6,440)		
Net assets	15,722	10,308		
Attributable to:				
- NCI	198	300		
- Associate's shareholders	15,524	10,008		
Carrying amount of interest in associates at beginning of the year	3,276	2,248	4,924	10,448
Group's share of:				
- Profit	225	134	143	502
- Other comprehensive income	(2)	(3)	(17)	(22)
- Total comprehensive income	223	131	126	480
Dividends received during the year	(205)	(115)	(161)	(481)
Capital contributions during the year	327	17	149	493
Retained investment in associates following loss of control of subsidiary	–	–	1,228	1,228
Translation and other adjustments	(5)	(9)	(32)	(46)
Carrying amount of interest in associates at end of the year	3,616	2,272	6,234	12,122
Fair value of effective ownership interest <sup>^</sup>	3,287	1,991		

<sup>^</sup> Based on the quoted market prices at 31 December 2024.

- (e) As at 31 December 2025, the Group's share of the contingent liabilities of the associates is \$1 million (2024: \$1 million).

## 8 Joint Ventures

	Note	The Group	
		2025 \$'M	2024 \$'M
(a) Investment in joint ventures	(i)	4,004	4,287
Less:			
Allowance for impairment loss		(26)	(26)
		3,978	4,261
Add:			
Amounts due from joint ventures, at amortised cost:			
Loan accounts			
- interest free		772	668
- interest bearing	(iii)	17	16
Less:			
Allowance for impairment loss on receivables	32(c)	(14)	(13)
		775	671
		4,753	4,932

(i) Loans due from joint ventures are unsecured and not expected to be repaid within the next twelve months.

(ii) Movements in allowance for impairment loss were as follows:

	Note	The Group	
		2025 \$'M	2024 \$'M
At 1 January		(26)	(23)
Allowance during the year	27(c)(iii)	(#)	(#)
Reversal of allowance during the year	27(a)	#	#
Translation differences		#	(3)
At 31 December		(26)	(26)

# *Less than \$1 million*

(iii) As at 31 December 2025, the effective interest rates for the interest-bearing loans to joint ventures ranged from 5.50% to 6.50% (2024: 6.05% to 6.50%) per annum.

(iv) Loan accounts include an amount of approximately \$815 million (2024: \$686 million), the repayment of which is subordinated to that of the external borrowings of certain joint ventures.

	Note	The Group	
		2025 \$'M	2024 \$'M
(b) Amounts due from joint ventures:			
Current accounts (unsecured)			
- interest free (trade)		75	91
- interest free (non-trade)		705	911
		<u>780</u>	<u>1,002</u>
Less:			
Allowance for impairment loss on receivables	32(c)	(22)	(26)
Presented in trade and other receivables	12	<u>758</u>	<u>976</u>
Non-current loans (unsecured)			
- interest free		73	52
- interest bearing	(i)	973	1,037
Presented in other non-current assets	10(a)	<u>1,046</u>	<u>1,089</u>

(i) The effective interest rates for amounts due from joint ventures ranged from 1.70% to 3.44% (2024: 2.10% to 4.45%) per annum.

(ii) The Group and the Company's exposures to credit and currency risks, and impairment losses for trade and other receivables of joint ventures, are disclosed in note 32.

	Note	The Group	
		2025 \$'M	2024 \$'M
(c) Amounts due to joint ventures:			
Current accounts (unsecured)			
- interest free (mainly non-trade)		(384)	(433)
- interest bearing (non-trade)	(i)	(967)	(828)
Presented in trade and other payables	17	<u>(1,351)</u>	<u>(1,261)</u>

(i) The effective interest rates for amounts due to joint ventures ranged from 2.35% to 7.00% (2024: 2.80% to 5.25%) per annum.

(d) The following are the material joint ventures of the Group:

Name of Company	Nature of relationship with the Group	Principal place of business	Ownership interest	
			2025 %	2024 %
CapitaLand Shanghai Malls <sup>1,2,3,4</sup>	Owner of two integrated developments in China	China	65.0 to 73.0	65.0 to 73.0
Sino-Singapore Guangzhou Knowledge City Investment & Development Co., Ltd (SSGKC) <sup>5</sup>	Real estate industry and provision of consultancy services	China	50.0	50.0

<sup>1</sup> Audited by Deloitte & Touche Tohmatsu Certified Public Accountants LLP, Beijing, PRC.

<sup>2</sup> Indirectly held through CapitaLand Mall Asia Limited.

<sup>3</sup> Considered to be a joint venture as the Group has joint control over the relevant activities of the trust with the joint venture partners.

<sup>4</sup> CapitaLand Shanghai Malls comprised two joint ventures held through the Group's subsidiary, CapitaLand Mall Asia Limited, namely, Ever Bliss International Limited and Full Grace Enterprises Limited.

<sup>5</sup> Audited by KPMG Huazhen LLP Guangzhou Branch

The following summarises the financial information of each of the Group's material joint ventures based on their respective consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also includes summarised financial information for the Group's interest in immaterial joint ventures, based on the amounts reported in the Group's consolidated financial statements.

	CapitaLand Shanghai Malls \$'M	SSGKC \$'M	Other individually immaterial joint ventures \$'M	Total \$'M
<b>31 December 2025</b>				
Revenue <sup>1</sup>	101	65		
(Loss)/Profit after tax <sup>2</sup>	(65)	10		
Other comprehensive income	19	–		
Total comprehensive income	<u>(46)</u>	<u>10</u>		
<sup>1</sup> Relates to rental and related income from investment properties				
<sup>2</sup> Includes:				
- interest income	4	16		
- interest expense	(62)	(9)		
- tax recoverable/(expense)	2	(13)		
Current assets <sup>3</sup>	104	1,831		
Non-current assets	2,271	1,239		
Current liabilities <sup>4</sup>	(444)	(569)		
Non-current liabilities <sup>5</sup>	(713)	(559)		
Net assets	<u>1,218</u>	<u>1,942</u>		
<sup>3</sup> Includes cash and cash equivalents	97	336		
<sup>4</sup> Includes current financial liabilities (excluding trade and other payables and provisions)	(400)	(40)		
<sup>5</sup> Includes non-current financial liabilities (excluding trade and other payables and provisions)	(681)	(523)		
Carrying amount of interest in joint ventures at beginning of the year	462	950	2,849	4,261
Group's share of:				
- Profit/(Loss)	(32)	5	135	108
- Other comprehensive income	10	(#)	(36)	(26)
- Total comprehensive income	(22)	5	99	82
Dividends received	–	(4)	(78)	(82)
Translation and other adjustments	(10)	(10)	(263)	(283)
	<u>430</u>	<u>941</u>	<u>2,607</u>	<u>3,978</u>
Shareholder loans	179	–	596	775
Carrying amount of interest in joint ventures at end of the year	<u>609</u>	<u>941</u>	<u>3,203</u>	<u>4,753</u>

# Less than \$1 million

	<b>CapitaLand Shanghai Malls \$'M</b>	<b>SSGKC \$'M</b>	<b>Other individually immaterial joint ventures \$'M</b>	<b>Total \$'M</b>
<b>31 December 2024</b>				
Revenue <sup>1</sup>	110	73		
(Loss)/Profit after tax <sup>2</sup>	(101)	28		
Other comprehensive income	#	–		
Total comprehensive income	(101)	28		
<sup>1</sup> Relates to rental and related income from investment properties				
<sup>2</sup> Includes:				
- depreciation and amortisation	#	–		
- interest income	4	21		
- interest expense	(73)	(11)		
- tax recoverable/ (expense)	11	(18)		
Current assets <sup>3</sup>	141	1,879		
Non-current assets	2,384	1,201		
Current liabilities <sup>4</sup>	(60)	(569)		
Non-current liabilities <sup>5</sup>	(1,170)	(544)		
Net assets	1,295	1,967		
<sup>3</sup> Includes cash and cash equivalents	89	128		
<sup>4</sup> Includes current financial liabilities (excluding trade and other payables and provisions)	(5)	(67)		
<sup>5</sup> Includes non-current financial liabilities (excluding trade and other payables and provisions)	(1,121)	(509)		
Carrying amount of interest in joint ventures at beginning of the year	515	960	3,515	4,990
Group's share of:				
- Profit/(Loss)	(50)	14	419	383
- Other comprehensive income	#	–	(14)	(14)
- Total comprehensive income	(50)	14	405	369
Dividend received	–	(20)	(229)	(249)
Disposal of investments in a joint venture to an associate	–	–	(1,062)	(1,062)
Translation and other adjustments	(3)	(4)	220	213
	462	950	2,849	4,261
Shareholder loans	185	–	486	671
Carrying amount of interest in joint ventures at end of the year	647	950	3,335	4,932

# Less than \$1 million

(e) As at 31 December 2025, the Group's share of the capital commitments of the joint ventures is \$1,588 million (2024: \$1,149 million).

(f) As at 31 December 2025, the Group's share of the contingent liabilities of the joint ventures is \$46 million (2024: \$96 million).

## 9 Deferred Tax

The movements in the deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) were as follows:

	At 1/1/2025 \$'M	Recognised in profit or loss \$'M	Charged to equity \$'M	Acquisition/ Disposal of subsidiaries \$'M	Transfer to tax provision \$'M	Translation differences \$'M	At 31/12/2025 \$'M
<b>The Group</b>							
<b>Deferred tax liabilities</b>							
Accelerated tax depreciation	21	1	–	–	–	10	32
Accrued income and interest receivable	6	(#)	–	–	–	(#)	6
Profits recognised on percentage of completion and fair value adjustments on initial recognition of development properties for sale	142	34	–	–	–	(3)	173
Fair value adjustments arising from business combinations	56	(2)	–	24	(#)	(1)	77
Fair value changes of investment properties	175	(54)	–	(1)	–	(11)	109
Unremitted earnings	146	1	9	–	–	(#)	156
Right-of-use assets	124	(15)	–	(1)	–	(#)	108
Others	31	(31)	(#)	2	#	(3)	(1)
<b>Total</b>	<b>701</b>	<b>(66)</b>	<b>9</b>	<b>24</b>	<b>(#)</b>	<b>(8)</b>	<b>660</b>
<b>Deferred tax assets</b>							
Unutilised tax losses	(3)	(1)	–	–	–	–	(4)
Provisions and expenses	(378)	44	–	(16)	(#)	5	(345)
Deferred income	(1)	#	–	–	–	1	(#)
Lease liability	(137)	19	–	#	–	1	(117)
Others	(60)	18	#	#	–	#	(42)
<b>Total</b>	<b>(579)</b>	<b>80</b>	<b>#</b>	<b>(16)</b>	<b>(#)</b>	<b>7</b>	<b>(508)</b>

# *Less than \$1 million*

<b>The Group</b>	<b>At 1/1/2024 \$'M</b>	<b>Recognised in profit or loss \$'M</b>	<b>Acquisition/ (Disposal) of subsidiaries \$'M</b>	<b>Transfer to tax provision \$'M</b>	<b>Translation differences \$'M</b>	<b>At 31/12/2024 \$'M</b>
<b>Deferred tax liabilities</b>						
Accelerated tax depreciation	3	14	#	–	4	21
Accrued income and interest receivable	6	#	#	–	#	6
Profits recognised on percentage of completion and fair value adjustments on initial recognition of development properties for sale	193	(51)	–	–	#	142
Fair value adjustments arising from business combinations	90	–	(47)	–	13	56
Fair value changes of investment properties	440	(105)	(139)	#	(21)	175
Unremitted earnings	186	(40)	–	–	#	146
Right-of-use assets	178	29	(83)	–	#	124
Others	41	(2)	(12)	#	4	31
<b>Total</b>	<b>1,137</b>	<b>(155)</b>	<b>(281)</b>	<b>#</b>	<b>–</b>	<b>701</b>
<b>Deferred tax assets</b>						
Unutilised tax losses	(10)	(5)	11	–	1	(3)
Provisions and expenses	(491)	106	4	–	3	(378)
Deferred income	(1)	#	–	#	–	(1)
Lease liability	(193)	(27)	83	–	–	(137)
Others	(65)	#	3	#	2	(60)
<b>Total</b>	<b>(760)</b>	<b>74</b>	<b>101</b>	<b>#</b>	<b>6</b>	<b>(579)</b>

# *Less than \$1 million*

	At 1/1/2024 \$'M	Recognised in profit or loss \$'M	At 31/12/2024 \$'M	Recognised in profit or loss \$'M	At 31/12/2025 \$'M
<b>The Company</b>					
<b>Deferred tax assets</b>					
Provisions	#	—	#	—	#

# Less than \$1 million

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The following amounts, determined after appropriate offsetting, are shown on the balance sheets:

	Gross Amount \$'M	The Group Offset \$'M	Net Amount \$'M
<b>31 December 2025</b>			
Deferred tax liabilities	660	(104)	556
Deferred tax assets	(508)	104	(404)
<b>31 December 2024</b>			
Deferred tax liabilities	701	(129)	572
Deferred tax assets	(579)	129	(450)

As at 31 December 2025, deferred tax liabilities amounting to \$6 million (2024: \$11 million) had not been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries as these earnings would not be distributed in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. 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. The Group has not recognised deferred tax assets in respect of the following:

	The Group 2025 \$'M	2024 \$'M
Deductible temporary differences	146	6
Tax losses	1,777	2,000
Unutilised capital allowances	50	51
	<u>1,973</u>	<u>2,057</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the subsidiaries of the Group can utilise the benefits.

Temporary differences would expire in the following periods:

Expiry period	The Group	
	2025 \$'M	2024 \$'M
No expiry	412	494
Not later than 1 year	173	153
Between 1 and 5 years	1,365	1,382
After 5 years	23	28
	<u>1,973</u>	<u>2,057</u>

## 10 Other Non-current/Current Assets

### (a) Other non-current assets

	Note	The Group	
		2025 \$'M	2024 \$'M
Equity investments at FVOCI		198	116
Equity investments at FVTPL		218	167
Derivative financial instruments		3	9
Amounts due from:			
- associates	7(b)	387	404
- joint ventures	8(b)	1,046	1,089
- investee		45	17
Debt investments	(i)	418	–
Other receivables		12	172
Deposits		14	15
Prepayments		17	11
		<u>2,358</u>	<u>2,000</u>

- (i) The Group measures the debt investments as financial assets at amortised cost because these financial assets represent investments that the Group intends to hold for collection of contractual cash flows. The effective interest rates for the debt investments as at 31 December 2025 ranged from 8.02% to 11.84% per annum.

(b) Other current assets

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Equity investments at FVTPL	(i)	8	9	146	134
Derivative financial instruments		8	12	–	–
Contract costs	(ii)	34	21	–	–
Contract assets	(iii)	277	222	–	–
		<u>327</u>	<u>264</u>	<u>146</u>	<u>134</u>

- (i) Equity investment at FVTPL for the Group relates to the Group's equity investment in Lai Fung.

Equity investments at FVTPL on the Company's separate financial statements relate to equity investments in CLAS and CICT units.

- (ii) Contract costs relate to commission fees paid to property agents and legal fees for securing sale contracts which were capitalised during the year. The capitalised costs are amortised when the related revenue is recognised. During the year, \$13 million (2024: \$33 million) was amortised and there was no impairment loss in relation to the costs capitalised.
- (iii) Contract assets primarily related to the Group's rights to consideration for work completed but not billed at the reporting date on construction of development properties. Contract assets are transferred to trade receivables when the customer is invoiced.

## 11 Development Properties for Sale and Stocks

	The Group	
	2025 \$'M	2024 \$'M
(a) Properties under development, units for which revenue is recognised over time		
Land and land related cost	619	457
Development costs	2	7
	<u>621</u>	<u>464</u>
Allowance for foreseeable losses	(17)	(17)
	<u>604</u>	<u>447</u>

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
(a) Properties under development, units for which revenue is recognised at a point in time		
Land and land related cost	1,324	2,161
Development costs	309	484
	<u>1,633</u>	<u>2,645</u>
Allowance for foreseeable losses	(205)	(278)
	<u>1,428</u>	<u>2,367</u>
Properties under development	<u>2,032</u>	<u>2,814</u>
(b) Completed development properties, at cost		
Allowance for foreseeable losses	3,134	2,933
Completed development properties	(805)	(569)
	<u>2,329</u>	<u>2,364</u>
(c) Consumable stocks	#	1
Total development properties for sale and stocks	<u>4,361</u>	<u>5,179</u>

# *Less than \$1 million*

- (d) The Group recognises revenue over time for residential projects under progressive payment scheme in Singapore. The progress towards completing the construction is measured in accordance with the accounting policy stated in note 2.15. Significant assumptions are required in determining the stage of completion and the Group evaluates them by relying on the work of specialists.

The Group makes allowance for foreseeable losses by applying its experience in estimating the net realisable values of completed units and properties under development. References were made to comparable properties, timing of sale launches, location of property, management's expected net selling prices and estimated development expenditure. Market conditions may, however, change which may affect the future selling prices of the remaining unsold units of the development properties and accordingly, the carrying value of development properties for sale may have to be written down in future periods.

- (e) As at 31 December 2025, development properties for sale amounting to approximately \$1,693 million (2024: \$1,829 million) were mortgaged to banks to secure credit facilities of the Group (note 19).

During the financial year, the following amounts were capitalised as cost of development properties for sale:

	Note	<b>The Group</b>	
		<b>2025</b>	<b>2024</b>
		\$'M	\$'M
Staff costs	27(b)	8	11
Interest costs paid/payable	27(d)	9	12
		17	23
		17	23

(f) Movements in allowance for foreseeable losses in respect of development properties for sale were as follows:

	Note	<b>The Group</b>	
		<b>2025</b>	<b>2024</b>
		\$'M	\$'M
At 1 January		(864)	(623)
Allowances during the year	27(c)(i)	(279)	(343)
Utilisation during the year	27(c)(i)	77	85
Writeback during the year	27(c)(i)	30	1
Transfer to Investment Properties		–	14
Translation differences		9	2
At 31 December		(1,027)	(864)
		(1,027)	(864)

## 12 Trade and Other Receivables

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Trade receivables	13	265	259	#	#
Deposits and other receivables	14	356	326	1	4
Loan book receivables		105	–	–	–
Amounts due from:					
- subsidiaries	18	–	–	476	494
- associates	7(b)	396	313	–	#
- joint ventures	8(b)	758	976	–	–
- investee (non-trade)	(a)	112	111	–	–
Less:					
Allowance for impairment loss on receivables	32(c)	(110)	(111)	–	–
		2	–	–	–
- non-controlling interests (non-trade)	(b)	73	80	–	–
		1,955	1,954	477	498
Prepayments		97	110	#	#
		2,052	2,064	477	498

# Less than \$1 million

(a) Amounts due from investee are mainly unsecured, interest-free and repayable on demand.

(b) Amounts due from non-controlling interests are mainly unsecured, interest-free and repayable on demand.

## 13 Trade Receivables

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Trade receivables		272	247	#	#
Accrued revenue		29	48	–	–
Less:					
Allowance for impairment loss on receivables	32(c)	(36)	(36)	–	–
	12	265	259	#	#

# Less than \$1 million

The Group and the Company's exposures to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 32.

## 14 Deposits and Other Receivables

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Deposits		69	23	#	#
Other receivables	(a)	291	318	1	4
Less:					
Allowance for impairment loss on receivables	32(c)	(21)	(27)	—	—
		270	291	1	4
Tax recoverable		17	12	—	—
	12	356	326	1	4

# Less than \$1 million

(a) Other receivables include interest receivable of \$9 million (2024: \$13 million).

## 15 Assets/Liabilities Held for Sale

	Note	The Group	
		2025 \$'M	2024 \$'M
Property, plant and equipment		—	#
Investment properties	5, 33(c)	44	372
Intangible assets		—	#
Trade and other receivables		—	2
Cash and cash equivalents		—	9
Assets held for sale		44	383
Trade and other payables		—	11
Borrowings		—	226
Deferred tax liabilities		—	11
Other non-current liabilities		—	5
Liabilities held for sale		—	253

# Less than \$1 million

Details of assets and liabilities held are mainly as follows:

## 2025

Pursuant to the planned divestment of Innov Park to an unrelated third party, the investment property was reclassified to assets held for sale as at 31 December 2025. The divestment was completed in 2026.

## 2024

Pursuant to the planned divestment of at least 70% stake in CapitaMall Sky+ to an unrelated third party, all assets and liabilities held by the company continues to be classified as assets held for sale and liabilities held for sale respectively as at 31 December 2024. The divestment of CapitaMall Sky+ was completed in 2025.

## 16 Cash and Cash Equivalents

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Fixed deposits		1,280	1,579	—	—
Cash at banks and in hand		2,475	2,896	#	#
Cash and cash equivalents		3,755	4,475	#	#
Restricted bank deposits	(a)	(23)	(22)		
Cash and cash equivalents in the statement of cash flows	(b)	3,732	4,453		

# Less than \$1 million

- (a) These include deposits placed in escrow account for bank balances of certain subsidiaries pledged in relation to banking facilities and bank balances held on trust relating to the credit business and security deposits from tenants which can only be drawn down as rental payment upon tenants' default or refunded to tenants upon lease expiry.
- (b) As at 31 December 2025, the Group's cash and cash equivalents of \$237 million (2024: \$350 million) were held under project accounts and withdrawals from which are designated for payments for expenditure incurred on projects.
- (c) The Group's cash and cash equivalents are denominated mainly in Singapore Dollars, Chinese Renminbi, Vietnamese Dong and US Dollars. As at 31 December 2025, the effective interest rates for cash and cash equivalents denominated in these currencies ranged from 0% to 6.1% (2024: 0% to 5.6%) per annum.

The cash and cash equivalents are placed with banks and financial institutions which meet the appropriate credit criteria.

## 17 Trade and Other Payables

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Trade payables		205	213	1	1
Accruals	(a)	723	762	11	9
Accrued development expenditure		368	616	–	–
Other payables		645	652	1	1
Loan book funding		98	–	–	–
Rental and other deposits		104	104	–	–
Derivative financial instruments		16	14	–	–
Liability for employee benefits	22	48	40	10	5
Amounts due to:					
- subsidiary	18	–	–	175	179
- associates	7(c)	209	282	#	–
- joint ventures	8(c)	1,351	1,261	–	–
- non-controlling interests (unsecured):					
- interest free		27	29	–	–
		<u>3,794</u>	<u>3,973</u>	<u>198</u>	<u>195</u>

# *Less than \$1 million*

- (a) As at 31 December 2025, accruals include accrued operating expenses of \$451 million (2024: \$442 million), accrued interest payable of \$69 million (2024: \$83 million) as well as accrued expenditure for tax and administrative expenses which are individually immaterial.

## 18 Amounts Due from/(to) Subsidiaries

	Note	The Company	
		2025 \$'M	2024 \$'M
<b>(a) Current</b>			
Amounts due from subsidiaries:			
- current accounts, mainly trade		42	66
- loans			
- interest free		182	183
- interest bearing		328	316
		510	499
Less:			
Allowance for impairment loss on receivables		(76)	(71)
	12	<u>476</u>	<u>494</u>
<b>Current</b>			
Amounts due to subsidiaries:			
- loans, interest free		(175)	(179)
- current accounts, mainly trade		(#)	(#)
	17	<u>(175)</u>	<u>(179)</u>

*# Less than \$1 million*

All balances with subsidiaries are unsecured and repayable on demand. The interest-bearing loans due from a subsidiary bear effective interest rate of 1.70% (2024: 2.52%) per annum.

As at 31 December 2025, \$146 million (2024: \$135 million) of the amounts due from subsidiaries and \$<sup>#</sup> million (2024: \$5 million) of the amounts due to subsidiaries relate to cash pooling arrangements with subsidiaries.

The Company's exposure to credit risks for amounts due from subsidiaries are disclosed in note 32.

	Note	The Company	
		2025 \$'M	2024 \$'M
<b>(b) Non-current</b>			
Amounts due to subsidiaries (interest free)	21	<u>(5,341)</u>	<u>(5,452)</u>

All balances with subsidiaries are unsecured and not expected to be repaid within twelve months from 31 December 2025.

## 19 Borrowings

	Note	The Group	
		2025 \$'M	2024 \$'M
Bank borrowings			
- secured		3,731	4,259
- unsecured		6,247	6,463
		<u>9,978</u>	<u>10,722</u>
Lease liabilities	(d)	806	905
		<u>10,784</u>	<u>11,627</u>
Repayable:			
Not later than 1 year		732	1,793
Between 1 and 5 years		8,441	7,992
After 5 years		1,611	1,842
After 1 year		10,052	9,834
		<u>10,784</u>	<u>11,627</u>

(a) The Group's borrowings are denominated mainly in Singapore Dollars, Chinese Renminbi, Malaysian Ringgit and US Dollars. As at 31 December 2025, the effective interest rates for bank borrowings denominated in these currencies ranged from 2.09% to 6.78% (2024: 3.25% to 7.66%) per annum.

(b) As at 31 December 2025, \$1,626 million (2024: \$1,129 million) of the Group's borrowings are sustainability-linked loans which are drawn down as part of the Group's sustainable financing.

Under the conditions of these loan agreements, loan margins vary accordingly to the achievements of the Group's sustainability performance targets that are benchmarked against Global Real Estate Sustainability Benchmark rating, sustainability-linked targets of certain properties, green building certifications or WELL certification.

(c) Bank borrowings are secured by the following assets, details of which are disclosed in the respective notes to the financial statements, where relevant:

(i) mortgages on the borrowing subsidiaries' investment properties, development properties for sale, deposits pledged and shares of certain subsidiaries of the Group; and

(ii) assignment of all rights, titles and benefits with respect to the properties mortgaged.

(d) Lease liabilities relate to the leases of property, plant and equipment (note 3) and investment properties (note 5).

(e) The reconciliation of liabilities arising from financing activities were as follows:

	Note	At 1/1/2025 \$'M	Financing cashflows * \$'M	Acquisition of subsidiaries \$'M	Disposal of subsidiaries \$'M	Changes in fair value \$'M	Foreign exchange movement \$'M	Others \$'M	At 31/12/2025 \$'M
<b>The Group</b>									
Bank borrowings		10,722	(509)	–	(250)	–	–	15	9,978
Debt securities	20	4,425	(137)	–	–	–	6	2	4,296
Lease liabilities	19	905	(134)	9	(1)	–	13	14	806
Loans from non-controlling interest		158	(8)	–	–	–	(1)	(14)	135
Derivative liabilities		32	(11)	–	–	51	–	14	86
Derivative assets		(21)	–	–	–	11	–	–	(10)

	Note	At 1/1/2024 \$'M	Financing cashflows * \$'M	Acquisition of subsidiaries \$'M	Disposal of subsidiaries \$'M	Changes in fair value \$'M	Foreign exchange movement \$'M	Others \$'M	At 31/12/2024 \$'M
<b>The Group</b>									
Bank borrowings		15,016	(2,048)	113	(2,323)	–	(88)	52 <sup>^</sup>	10,722
Debt securities	20	4,931	522	–	(1,009)	–	(19)	–	4,425
Lease liabilities	19	1,133	(137)	–	(253)	–	(16)	178 <sup>@</sup>	905
Loans from non-controlling interests		156	2	–	–	–	–	–	158
Derivative liabilities		29	9	–	(1)	4	–	(9)	32
Derivative assets		(132)	11	–	126	24	(48)	(2)	(21)

\* Cashflow from financing activities presented in the consolidated statement of cash flows include interest expense paid of \$569 million (2024: \$841 million) which are included under accruals, amounts due to associates, joint ventures and non-controlling interests – note 17 - trade and other payables. There are no material non-cash changes associated with interest payables.

<sup>^</sup> Includes bank borrowings of \$43 million under Operating cashflows.

<sup>@</sup> Relates mainly to new leases contracted during the year.

## 20 Debt Securities

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Secured notes and bonds	94	90
Unsecured notes and bonds	4,202	4,335
	4,296	4,425
Repayable:		
Not later than 1 year	75	350
Between 1 and 5 years	2,706	2,231
After 5 years	1,515	1,844
After 1 year	4,221	4,075
	4,296	4,425

- (a) As at 31 December 2025, the effective interest rates for debt securities ranged from 2.86% to 4.21% (2024: 3.15% to 4.41%) per annum.
- (b) Notes and bonds

The Group's notes and bonds are mainly issued by CapitaLand Malaysia Trust, CLI Treasury Limited, CapitaMalls Asia Treasury Limited ("CMATL"), CapitaLand Treasury Limited and Ascendas Pte Ltd, under their respective issuance programs. These notes and bonds were denominated mainly in Singapore Dollars, Chinese Renminbi and Malaysian Ringgit. Save for the secured notes and bonds below, the remaining notes and bonds issued were unsecured.

As at 31 December 2025, the secured notes and bonds amounting to \$94 million (2024: \$90 million) were fully secured by deposits pledged and a mortgage on an investment property of the Group. Details on asset pledged is disclosed in the relevant note to the financial statements.

### *Sustainability-linked notes*

As at 31 December 2025, \$584 million (2024: \$371 million) of the Group's debt securities were sustainability-linked notes issued by CMATL, as part of the Group's sustainable financing. Under the conditions of the notes, interest rates vary according to the achievements of the sustainability-linked targets of properties in China.

## 21 Other Non-Current Liabilities

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Amounts due to (unsecured):					
- associates (interest free)	(a), 7(c)	10	9	–	–
- non-controlling interests (interest free)	(a)	108	129	–	–
Amounts due to subsidiaries	18(b)	–	–	5,341	5,452
Liability for employee benefits	22	23	16	5	4
Derivative financial instruments		70	18	–	–
Security deposits and other non-current payables	(b)	269	271	–	–
Deferred income		10	8	–	–
		<u>490</u>	<u>451</u>	<u>5,346</u>	<u>5,456</u>

- (a) Amounts due to associates and non-controlling interests are non-trade and not expected to be repaid within the next twelve months.
- (b) Other non-current payables include a deferred purchase consideration of \$179 million (2024: \$182 million) for the acquisition of an investment.

## 22 Employee Benefits

	Note	The Group		The Company	
		2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Liability for short term accumulating compensated absences		15	15	#	#
Liability for staff incentive	(a)	29	18	8	4
Liability for cash- settled share-based payments		27	23	7	5
		<u>71</u>	<u>56</u>	<u>15</u>	<u>9</u>

# Less than 1 million shares

	Note	2025 \$'M	2024 \$'M	2025 \$'M	2024 \$'M
Current	17	48	40	10	5
Non-current	21	23	16	5	4
		71	56	15	9

**(a) Staff incentive**

This relates to staff incentive which is based on the achievement of the Group's financial performance and payable over a period of time.

With effect from 2025, under an enhanced bonus plan, a portion of the variable bonus of eligible employees will be deferred. The variable bonus is determined based on the performance of the eligible employees, assessed against a framework which incorporates financial and non-financial measures.

In 2025, the Executive Resource and Nominating and Compensation Committee (ERNCC) approved the CapitaLand Development Performance Cash Plan 2025 (PCP 2025) award for eligible employees. PCP 2025 is a cash-settled performance plan under which participants are granted a baseline notional cash award, subject to the achievement of pre-determined performance targets assessed over a prescribed three-year performance period and linked to the Group's operational and sustainability performance.

**(b) Equity compensation benefits**

**1) Share Plans of the Company**

The ERNCC members at the date of this statement are Mr Lee Ching Yen Stephen (Chairman), Mr Wong Kan Seng, Mr Ko Kai Kwun Miguel, Mr Ong Yew Huat and Ms Leong Wai Leng.

**i) CapitaLand Development Performance Unit Plans 2022 (PUP 2022) – Cash-settled**

In 2022, the ERNCC of the Company approved the CapitaLand Development Performance Unit Plan 2022 (PUP 2022) and CapitaLand Development Restricted Unit Plan 2022 (RUP 2022) awards to eligible employees. Under these awards, performance targets are set over certain performance period and are based on operational financial performance. The final awards will be paid in cash based on the prevailing net asset value.

The ERNCC grants an initial number of notional units (baseline award) which are conditional on targets set for a performance period, currently prescribed to be a three-year performance period. A specified number of units will only be released by the ERNCC to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of units to be released will depend on the achievement of pre-determined targets over the three-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the baseline award can be delivered up to a maximum of 200% of the baseline award. The ERNCC has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive the cash value based on the prevailing net asset value.

The performance conditions are as follows:

- (a) CapitaLand Development Group's (CLD Group) (excluding CLI Group) annualised absolute total shareholder return measured as a multiple of cost of equity in 2024 to 2026 for the grant made in 2024;
- (b) CLD Group's (excluding CLI Group) return on equity achieved in 2026 for the grants made in 2024;
- (c) Group's carbon emissions intensity reduction achieved by 2026 for the grants made in 2024 using 2019 as a baseline; and
- (d) CLD Group's execution of strategic projects for grants made in 2024.

Movements in the number of units outstanding under PUP 2022 are summarised below:

	<b>2025</b>	<b>2024</b>
	<b>('M)</b>	<b>('M)</b>
At 1 January	12	8
Granted	–	4
Released	(1)	–
Lapsed	(3)	(#)
At 31 December	8	12

# *Less than 1 million units*

The unit price of vested units is based on the net assets value of CLD Group, adjusted for cumulative dividends paid to shareholders commencing from 2022 and net assets value of specific projects.

**ii) CapitaLand Development Restricted Unit Plan 2022 (RUP 2022) – Cash-settled**

The ERNCC grants an initial number of notional units (baseline award) which are conditional on targets set for a performance period, currently prescribed to be a one-year performance period. A specified number of units will only be released by the ERNCC to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of units to be released will depend on the achievement of pre-determined targets over the one-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the baseline award can be delivered up to a maximum of 150% of the baseline award. The ERNCC has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive the cash value based on the prevailing net asset value.

The performance conditions are as follows:

- (a) CLD Group’s (excluding CLI Group) earnings before interest and taxes; and
- (b) CLD Group’s (excluding CLI Group) return on equity.

Movements in the number of units outstanding under the RUP 2022 are summarised below:

	2025 (’M)	2024 (’M)
At 1 January	14	17
Granted	1	10
Released	(7)	(4)
Lapsed	#	(9)
At 31 December	8	14

# *Less than 1 million units*

The unit price of vested units is based on the net assets value of CLD Group, adjusted for cumulative dividends paid to shareholders commencing from 2022 and net assets value of specific projects.

Both the PUP 2022 and RUP 2022 Share Plans were discontinued and no further units would be granted after 2024.

**2) Share Plans of CapitaLand Investment Limited (CLI)**

The CLI Performance Share Plan 2021 (CLI PSP 2021) and CLI Restricted Share Plan 2021 (CLI RSP 2021) were approved by the Company on 17 July 2021. The duration of each share plan is ten years commencing on 1 September 2021.

The ERCC of CLI has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI RSP and CLI PSP. Under these guidelines, members of senior management are required to retain a portion of the total number of CLI shares received under the aforementioned share plans, which varies according to their respective job grades and salaries.

The details of awards in the CLI shares since commencement of the Share Plans are as follows:

	<-----Aggregate shares----->			Balance as at
	Granted	Released	Lapsed/ Cancelled	31 December
	No. of shares	No. of shares	No. of shares	2025
	('M)	('M)	('M)	No. of shares ('M)
CLI PSP 2021	59	(26)	(9)	24
CLI RSP 2021	24	(14)	(4)	6

The total number of new shares issued and/or to be issued pursuant to the Share Plans of the CLI did not exceed 8% of the total number of shares (excluding treasury shares) in the capital of the CLI.

***i) CLI Performance Share Plans***

This relates to compensation costs of the CLI's PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Movements in the number of shares outstanding under the CLI PSP are summarised below:

	2025	2024
	('M)	('M)
At 1 January	11	16
Granted	6	5
Released	(1)	(9)
Lapsed/Cancelled	(2)	(1)
At 31 December <sup>@</sup>	14	11

<sup>@</sup> All shares were granted to employees of the CLI Group.

The fair values of the shares are determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The weighted average fair values and key assumptions are set out below:

<b>Year of award</b>	<b>2025</b>	<b>2024</b>
Weighted average fair value at measurement date	\$1.91	\$1.54 to \$1.56
Grant date	30 April 2025	29 April 2024 and 2 December 2024
Share price at grant date	\$2.68	\$2.63 to \$2.75
Expected volatility of CLI's share price	20.98%	20.17% to 20.54%
Expected dividend yield over the vesting period	4.75%	3.95% to 6.75%
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	2.14%	2.69% to 3.50%

As at 31 December 2025, the number of shares granted under the CLI PSP award is as follows:

	<b>Final number of shares has not been determined (baseline award)</b>	
	<b>2025</b>	<b>2024</b>
	<b>('M)</b>	<b>('M)</b>
Equity-settled	10	8
Cash-settled	3	3
	<u>13</u>	<u>11</u>

**ii) *Special CLI Founders Performance Share Plan Award (Special PSP) – Equity-settled/Cash-settled***

This relates to the compensation costs of CLI's Special PSP granted under CLI PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Pursuant to the CLI PSP, the Special PSP award granted to selected key executives of the CLI Group, its immediate holding company and its related corporations is conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of shares after the end of the performance period conditional on achievement of performance conditions.

The ERCC of CLI grants an initial number of shares (baseline award) which are conditional on the target of CLI's share price expressed as a multiple of CLI Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the ERCC of CLI to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year (Interim Vesting). After the end of the five-year performance period, the final number of shares based on the final achievement factor, less any shares released as part of the Interim Vesting, will be released after the fifth year. The ERCC of CLI has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

A one-time special contingent award was granted to selected key executives in CLI Group, its immediate holding company and its related corporations as at 1 October 2021. As a hiring strategy, a one-time special contingent award may (at the absolute discretion of the ERCC of CLI) also be extended to key executives joining CLI Group, its immediate holding company and its related corporations on a date after 1 October 2021 but not later than 19 September 2022.

As the performance conditions for an Interim Vesting were satisfied, the ERCC of CLI approved the release of a percentage of the baseline contingent award to the participants in 2024.

Movements in the number of shares outstanding under the Special PSP are summarised below:

	<b>2025</b>	<b>2024</b>
	('M)	('M)
At 1 January	12	14
Lapsed/Cancelled	(1)	(2)
At 31 December <sup>@</sup>	<u>11</u>	<u>12</u>

<sup>@</sup> Comprised approximately 9,000,000 (2024: 10,000,000) shares granted to the employees of the CLI Group and approximately 2,000,000 (2024: 2,000,000) shares granted to the employees of its immediate holding company and its related corporations.

As at 31 December 2025, the number of shares granted under the Special PSP award is as follows:

	<b>Final number of shares has not been determined (baseline award)</b>	
	<b>2025</b>	<b>2024</b>
	<b>('M)</b>	<b>('M)</b>
Equity-settled	11	12
Cash-settled	#	#
	11	12
	11	12

# *Less than 1 million shares*

**iii) CLI Restricted Share Plans – Equity-settled/Cash-settled**

This relates to compensation costs of the CLI's RSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

With effect from 2023, the RSP awards have been incorporated into the annual performance bonus where a part of the bonus declared is delivered in the form of deferred shares. Such deferred shares will be granted to eligible employees after the end of the financial year under review pursuant to the CLI RSP.

Movements in the number of shares outstanding under the CLI RSP are summarised below:

	<b>2025</b>	<b>2024</b>
	<b>('M)</b>	<b>('M)</b>
At 1 January	7	5
Granted	7	6
Released	(7)	(4)
Lapsed/Cancelled	(1)	(#)
At 31 December <sup>@</sup>	6	7
	6	7

<sup>@</sup> *Comprised approximately 6,000,000 (2024: 7,000,000) shares granted to the employees of the CLI and approximately 2,000 (2024: 11,000) shares granted to the employees of its related corporations.*

# *Less than 1 million shares*

The fair values of the shares granted to employees are determined using discounted cashflow method at the measurement date. The weighted average fair values and assumptions are set out below:

<b>Year of award</b>	<b>2025</b>	<b>2024</b>
Weighted average fair value at measurement date	\$2.46 to \$2.57	\$2.38 to \$2.63
Grant date	14 March 2025, 30 April 2025 and 1 December 2025	15 March 2024, 29 April 2024 and 2 December 2024
Share price at grant date	\$2.62 to \$2.68	\$2.63 to \$2.75
Expected dividend yield over the vesting period	4.73% to 4.95%	3.87% to 6.75%

As at 31 December 2025, the number of shares granted under the CLI RSP award is as follows:

	<b>Final number of shares determined but not released</b>	
	<b>2025</b>	<b>2024</b>
	<b>('M)</b>	<b>('M)</b>
Equity-settled	6	7
Cash-settled	#	#
	<u>6</u>	<u>7</u>

# *Less than 1 million shares*

## 23 Share Capital

	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
<b>Issued and fully paid, with no par value</b>	<b>No. of shares ('M)</b>	<b>No. of shares ('M)</b>
At 1 January and 31 December	<u>5,203</u>	<u>5,203</u>

### Capital management

The Group's policy is to build a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital, which the Group defines as total shareholders' equity, excluding non-controlling interests, perpetual securities and the level of dividends to ordinary shareholders.

The Group also monitors capital using a net debt-to-equity ratio, which is defined as net borrowings divided by total equity (including non-controlling interests and perpetual securities).

	Note	<b>The Group</b>	
		<b>2025</b>	<b>2024</b>
		<b>\$'M</b>	<b>\$'M</b>
Borrowings and debt securities		15,080	16,052
Cash and cash equivalents	16	(3,755)	(4,475)
Net debt		<u>11,325</u>	<u>11,577</u>
Total equity		<u>19,856</u>	<u>20,850</u>
Net debt-to-equity ratio		<u>0.57</u>	<u>0.56</u>

The Group seeks to strike a balance between the higher returns that might be possible with higher level of borrowings and the liquidity and security afforded by a sound capital position.

The Group's capital structure is regularly reviewed and managed. Adjustments are made to the capital structure in light of changes in economic conditions, regulatory requirements and business strategies affecting the Company or the Group.

The Group's subsidiaries in The People's Republic of China (PRC) and India are subject to foreign exchange rules and regulations promulgated by the PRC and India government which may impact how the Group manages capital. In addition, eight of the Group's subsidiaries (2024: seven) are required to maintain certain minimum base capital and financial resources, or shareholders' funds as they are holders of Capital Markets Services licenses registered with the Monetary Authority of Singapore or the Securities Commission Malaysia to conduct the regulated activity of Real Estate Investment Trust (REIT) management. In addition, the consolidated REIT (namely, CapitaLand Malaysia Trust) are subject to the aggregate leverage limit as defined in the Property Funds Appendix of the Code of Investment Scheme. These subsidiaries have complied with the applicable capital requirements throughout the year.

There were no changes in the Group's approach to capital management during the year.

## 24 Other Reserves

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>
Capital reserve	431	413	1	1
Hedging reserve	(82)	10	–	–
Fair value reserve	26	8	–	–
Foreign currency translation reserve	(1,549)	(1,367)	–	–
	<u>(1,174)</u>	<u>(936)</u>	<u>1</u>	<u>1</u>

The capital reserve comprises mainly reserve for cumulative value of employee services received under the share plans of the subsidiaries, reserves set aside by certain subsidiaries in compliance with the relevant regulations in the People's Republic of China and share of associates' and joint ventures' capital reserve.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedge transactions that have not yet affected profit or loss.

The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at FVOCI.

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign entities, effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign currencies as well as from the translation of foreign currency loans used to hedge or form part of the Group's net investments in foreign entities. The Group's foreign currency translation reserve arises mainly from Chinese Renminbi, US dollar, Indian Rupee, Australian Dollar, Euro, Sterling Pound, Japanese Yen, Vietnamese Dong and Malaysian Ringgit.

## 25 Other Comprehensive Income

The Group's items of other comprehensive income do not have any related tax effect.

## 26 Revenue

Revenue of the Group is analysed as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Revenue from contracts with customers	2,482	3,041
Rental of investment properties:		
- Retail, office, business park, industrial, data centre properties and logistics rental and related income	675	791
- Lodging properties rental and related income	634	1,437
Others	123	103
	3,914	5,372

(a) Disaggregation of revenue from contracts with customers:

	<b>Residential, commercial strata and urban development</b>	<b>Fee income</b>	<b>Total</b>
	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>
<b>2025</b>			
<b>Geographical segments</b>			
Singapore	345	598	943
China (includes Hong Kong)	787	165	952
Other developed markets	–	199	199
Other emerging markets	236	152	388
	1,368	1,114	2,482
<b>Timing of revenue recognition</b>			
Product transferred at a point in time	1,023	44	1,067
Products and services transferred over time	345	1,070	1,415
	1,368	1,114	2,482
<b>2024</b>			
<b>Geographical segments</b>			
Singapore	415	539	954
China (includes Hong Kong)	1,208	172	1,380
Other developed markets	–	149	149
Other emerging markets	439	119	558
	2,062	979	3,041
<b>Timing of revenue recognition</b>			
Product transferred at a point in time	1,647	34	1,681
Products and services transferred over time	415	945	1,360
	2,062	979	3,041

(b) Contract assets

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on construction of development properties. Contract assets are transferred to trade receivables when the right become unconditional. This usually occurs when the Group invoices the customer.

The significant changes in the contract assets during the year are as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Contract assets reclassified to trade receivables from prior year balances	–	(594)
Changes in measurement of progress	55	222
	<hr/>	<hr/>

(c) Contract liabilities

The Group's contract liabilities relate primarily to:

- advance consideration received from customers; and
- progress billings issued in excess of the Group's right 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 liabilities during the year are as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Revenue recognised that was included in contract liabilities at the beginning of the year	390	283
Increase due to cash received, excluding amounts recognised as revenue during the year	(404)	(314)
	<hr/> <hr/>	<hr/> <hr/>

## 27 Profit Before Tax

Profit before tax includes the following:

	Note	The Group	
		2025 \$'M	2024 \$'M
<b>(a) Other operating income</b>			
Interest income from:			
- deposits		53	76
- associates and joint ventures		37	49
- investee companies and others		7	8
		97	133
Dividend income		5	5
Gain on disposal of property, plant and equipment		#	18
Gain on disposal of equity investment fair value through profit or loss		7	#
Net gain from change of ownership interests in subsidiaries, associates, joint ventures and available-for-sale financial assets		88	—
Net gain on disposal of investment properties		9	—
Reversal of allowance on receivables		24	—
Reversal of impairment of associates	7(a)(i)	—	3
Reversal of impairment of joint ventures	8(a)(ii)	#	#
Forfeiture of security deposits		7	6
Government grants		4	9
Income from pre-termination of contracts and income support		1	4
Net gain on right-of-use assets lease remeasurement/modification		9	20
Others		67	58
		318	256

# *Less than \$1 million*

	Note	<b>The Group</b>	
		<b>2025</b>	<b>2024</b>
		<b>\$'M</b>	<b>\$'M</b>
<b>(b) Staff costs</b>			
Wages and salaries		679	817
Contributions to defined contribution plans		85	83
Share-based expenses:			
- equity-settled		34	20
- cash-settled		16	2
Increase in liability for short term accumulating compensated absences		–	3
Staff benefits, training/development costs and others		82	87
Less:		896	1,012
Staff costs capitalised in development properties for sale	11(e)	(8)	(11)
		888	1,001
Recognised in:			
Cost of sales		599	726
Administrative expenses		289	275
		888	1,001
<b>(c)(i) Cost of sales include:</b>			
Costs of development properties for sale		991	1,235
Foreseeable losses on development properties for sale	11(f)	249	342
Utilisation of foreseeable losses on development properties for sale	11(f)	(77)	(85)
Operating expenses of investment properties that generated rental income		269	789
Lease expenses (short-term leases)		130	179
Lease expenses (variable lease payments not included in the measurement of lease liabilities)		33	18
		33	18

	Note	The Group	
		2025	2024
		\$'M	\$'M
<b>(c)(ii) Administrative expenses include:</b>			
Allowance for impairment loss on trade receivables		8	6
Amortisation of intangible assets	4	21	21
Auditors' remuneration:			
- auditors of the Company and other firms affiliated with KPMG International Limited		2	2
- other auditors		9	8
Non-audit fees:			
- auditors of the Company and other firms affiliated with KPMG International Limited		#	#
- other auditors		2	4
Depreciation of property, plant and equipment	3	41	79
Depreciation of right-of-use assets	3	121	97
Lease expenses (short-term lease)		3	1
Write back of listing and restructuring expenses		(15)	(10)
Acquisition-related costs on business combinations		1	12
		1	12
<b>(c)(iii) Other operating expenses include:</b>			
Allowance for impairment loss on non-trade receivables		5	–
Impairment loss on investment in/amounts due from			
- joint ventures	8(a)(ii)	#	#
- associates	7(a)(i)	–	3
Impairment and write-off of property, plant and equipment	3	#	2
Impairment and write-off of other assets		–	5
Mark-to-market loss on derivative instruments		4	16
Mark-to-market loss on financial assets designated as fair value through profit or loss		7	5
Net fair value loss from investment properties	5	103	14
Net fair value loss from asset held for sale	33(d)(i)	19	65
Loss on disposal of investment properties		–	33
Loss on disposal of subsidiaries, associates and joint venture		–	57
Net foreign exchange loss		12	45
		12	45

# Less than \$1 million

	Note	The Group	
		2025 \$'M	2024 \$'M
<b>(d) Finance costs</b>			
Interest costs paid and payable:			
- on bank loans and overdrafts		338	643
- on debt securities		145	175
- joint ventures		23	25
- associates		1	2
Lease liabilities		35	37
Others		27	43
Interest on financial liabilities measured at amortised cost		569	925
Derivative financial instruments		32	(75)
Total borrowing costs		601	850
Less:			
Borrowing costs capitalised in:			
- investment properties		(3)	(2)
- development properties for sale	11(e)	(9)	(12)
		(12)	(14)
		589	836

## 28 Tax Expense

	The Group	
	2025 \$'M	2024 \$'M
<b>Current tax expense</b>		
- Based on current year's results	287	358
- Over provision in respect of prior years	(122)	(109)
- Group relief	#	-
	165	249
<b>Deferred tax expense</b>		
- Origination and reversal of temporary differences	45	(127)
- (Over)/Under provision in respect of prior years	(30)	46
	15	(81)
<b>Land appreciation tax</b>		
- Current year	63	288
- Over provision in respect of prior years	(53)	(77)
	10	211
<b>Withholding tax</b>		
- Current year	35	40
- Over provision in respect of prior years	(6)	(16)
	29	24
	219	403

## Reconciliation of effective tax rate

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Profit before tax	540	1,293
Less: Share of results of associates and joint ventures	(337)	(884)
Profit before share of results of associates and joint ventures and tax	203	409
Income tax using Singapore tax rate of 17% (2024: 17%)	34	69
Adjustments:		
Expenses not deductible for tax purposes	268	276
Income not subject to tax	(155)	(212)
Effect of unrecognised tax losses	33	76
Effect of other deductible temporary differences	140	33
Effect of different tax rates in foreign jurisdictions	(1)	35
Effect of taxable distributions from REITs	30	30
Land appreciation tax	63	288
Effect of tax reduction on land appreciation tax	(16)	(72)
Withholding taxes	35	40
Over provision in respect of prior years	(211)	(156)
Group relief	(1)	#
Others	(#)	(4)
	219	403

# *Less than \$1 million*

## Global minimum tax under Pillar Two

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 140 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a set of model rules, followed by detailed commentary and administrative guidance in 2022 and 2024, that are expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws.

From 1 January 2025, the Group is subject to the global minimum top-up tax regime under the Pillar Two tax legislation in Singapore, where the Group's ultimate parent company is incorporated. As of 31 December 2025, the Group has performed an assessment of the impact of global minimum top-up tax in relation to the Group and its subsidiaries. The Group does not have significant top-up tax in all jurisdictions it operates or invest in.

## 29 Dividends

The Board of Directors of the Company has proposed a tax-exempt ordinary dividend of \$0.113 per share which amounts to a payout of approximately \$589 million based on the number of issued shares as at 31 December 2025.

For the financial year ended 31 December 2024, a tax-exempt ordinary dividend of \$0.080 per share of \$415 million was paid in 2025.

## 30 Acquisition/Disposal of Subsidiaries, Net of Cash Acquired/Disposed of

### (a) Acquisition of subsidiaries

The list of significant subsidiaries acquired during the year is as follows:

Name of subsidiary	Date acquired	Ownership interest acquired
<b>2025</b>		
Lighthouse 2 Real Estate Investment and Development Limited Liability Company	April 2025	100%
Wingate Group Holdings Pty Ltd <sup>^</sup>	June 2025	100%
<b>2024</b>		
Victory SR Trust <sup>^</sup>	December 2024	100%

<sup>^</sup> Acquired through the Group's interest in CapitaLand Investment Limited

The acquisition of Wingate Group Holdings Pty Ltd in 2025 was accounted for as a business combination (note 31). The acquisition of Lighthouse 2 Real Estate Investment and Development Limited Liability Company in 2025 and Victory SR Trust in 2024 were accounted for as acquisition of assets.

**(b) Effects of acquisitions**

The cash flows and net assets of subsidiaries acquired are provided below:

	Note	Recognised values	
		2025 \$'M	2024 \$'M
<b>The Group</b>			
Property, plant and equipment	3	7	–
Intangible assets	4	105	–
Investment properties	5	–	264
Deferred tax assets	9	17	–
Other non-current assets		26	–
Development properties held for sale		159	–
Trade and other receivables		248	1
Cash and cash equivalents		20	6
Trade and other payables		(248)	(5)
Borrowings and lease liabilities	19	(9)	(113)
Deferred tax liabilities	9	(30)	(3)
Other non-current liabilities		(13)	–
Net assets acquired		282	150
Goodwill arising from acquisition	4	66	–
Total purchase consideration		348	150
Deferred purchase consideration paid in relation to prior year's acquisition of subsidiaries		19	–
Cash of subsidiaries acquired		(20)	(6)
Cash outflow on acquisition of subsidiaries		347	144

***Acquisition-related costs***

Other than acquisitions accounted for as business combination (note 31), there were no material acquisition of assets in 2025. In 2024, \$4 million relating to acquisition fees, legal costs, due diligence and tax advisory service fees were included in cost of investment properties acquired.

**(c) Disposal of subsidiaries**

The list of significant subsidiaries disposed during the year is as follows:

Name of subsidiary	Date disposed	Ownership interest disposed
<b>2025</b>		
Sapphire Global Investment LLC Group <sup>^</sup>	August 2025	100%
DLSP-Ascendas Co., Ltd. <sup>^</sup>	September 2025	100%
CVH Nachos 2 Pte. Ltd. <sup>#</sup>	June 2025	50%
CLDCSG Trust	August 2025	100%
Guangzhou Yun Kai Commercial Property Co., Ltd.	September 2025	100%
Ningbo Xingjia Property Co. Ltd	November 2025	100%

The disposed subsidiaries contributed a net profit of \$23 million from 1 January 2025 to the respective dates of disposal.

Name of subsidiary	Date disposed	Ownership interest disposed
<b>2024</b>		
Beijing Shi Ba Shi Yi Management & Consulting Co., Ltd.^	January 2024	95%
Shanghai Waigaoqiao Xuhui Club Co Ltd	January 2024	100%
ACRJ2 Pte Ltd.^ #	March 2024	100%
The Work Project (Sydney) Pty Ltd #	March 2024	50%
Oxygen Retail Company Limited	April 2024	100%
SVH Investment Company Limited	April 2024	100%
CVH Newton Pte. Ltd. #	April 2024	50%
CapitaLand-Hoang Thanh Investment company Limited	August 2024	70%
Ascendas Flexoffice India Private Limited #	August 2024	100%
CapitaLand Retail Singapore Investments Pte Ltd^	October 2024	100%
CVH Nachos 1 Pte. Ltd. #	October 2024	50%
Ascendas Science & Technology Park Development (SIP) Co., Ltd. #^	November 2024	100%
CLACP I LP #^	November 2024	55.35%
Radial (Phase II) IT Park Private Limited^	December 2024	100%
Radial (Phase III) IT Park Private Limited^	December 2024	100%
CapitaLand Ascott Trust #^	December 2024	4.88%

The disposed subsidiaries contributed net profit of \$57 million from 1 January 2024 to the respective dates of disposal.

# Following the sale of partial stakes in these entities, the Group ceased to consolidate these entities as subsidiaries in accordance with *SFRS(I) 10 Consolidated Financial Statements*, and now accounts for them as equity-accounted investees.

^ Held through the Group's interest in *CapitaLand Investment Limited*

**(d) Effects of disposals**

The cash flows and net assets of subsidiaries disposed are provided below:

	Note	The Group	
		2025 \$'M	2024 \$'M
Property, plant and equipment	3	4	830
Intangible Assets	4	16	–
Investment properties	5	718	7,382
Joint ventures		–	1,062
Deferred tax asset	9	1	19
Other non-current assets		–	99
Development properties held for sale		149	144
Assets held for sale		383	795
Trade and other receivables		160	169
Other financial assets		–	34
Cash and cash equivalents		73	709
Trade and other payables		(80)	(244)
Provision for taxation		(5)	(15)
Liabilities held for sale		(253)	(140)
Borrowings and lease liabilities		(251)	(3,585)
Deferred tax liabilities	9	(6)	(209)
Other non-current liabilities		(7)	(4)
Perpetual securities		–	(396)
Non-controlling interests		(1)	(2,857)
Equity interest retained as associates and joint ventures		(88)	(1,442)
Equity interest retained as other investments		–	(22)
Net assets disposed		813	2,329
Realisation of reserves		56	183
Loss on disposal of subsidiaries		(18)	(62)
Sales consideration		851	2,450
Deferred proceeds and other adjustments		(37)	(220)
Deposits received in prior year		–	(247)
Deferred proceeds received in relation to for prior year's disposals of a subsidiary		211	–
Cash of subsidiaries disposed		(73)	(709)
Cash inflow on disposal of subsidiaries		952	1,274

## **31 Business Combinations**

At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. Typically, the Group assesses the acquisition as a purchase of business when the strategic management function and the associated processes were purchased along with the underlying properties.

### **2025**

#### ***Acquisition of Wingate Group Holdings Pty Ltd***

On 4 June 2025, the Group acquired 100% of the issued share capital of Wingate Group Holdings Pty Ltd (Wingate Group) from unrelated third parties. Following the acquisition, Wingate Group became an indirect, wholly owned subsidiary of the Group.

Wingate Group is one of the leading and largest private credit investment managers in Australia, with an extensive track record. With this strategic acquisition, the Group will expand its private credit business and its portfolio in Australia. Wingate Group will enlarge the Group's extensive proprietary deal origination networks, enhance its access to more institutional and private high net worth investors and increase the Group's geographical exposure to Australia.

From the date of acquisition to 31 December 2025, Wingate Group contributed revenue and net profit of approximately \$26 million and \$3 million, respectively to the Group's results. If the acquisition had occurred on 1 January 2025, management estimates that the contribution to the Group's revenue and net profits from Wingate Group would have been \$45 million and \$4 million respectively. In determining this amount, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025. Total acquisition-related costs of \$12 million related to legal, due diligence and tax advisory fees were included in administrative expenses in the prior year.

Goodwill of \$63 million (see note 4) was attributed to the credit business acquired. It was recognised as the excess of the consideration transferred (i.e., the fair value of the Group's interest in Wingate Group) over the fair value of the net assets acquired and liabilities assumed.

As at the date of acquisition, the identifiable assets acquired, liabilities assumed and effect of cash flows are presented as follows:

	<b>2025</b> <b>\$'M</b>
Property, plant and equipment	7
Intangible assets	95
Deferred tax assets	17
Other non-current assets	26
Trade and other receivables	248
Cash and cash equivalents	19
Trade and other payables	(248)
Lease liabilities	(9)
Deferred tax liabilities	(28)
Other non-current liabilities	(13)
Total identifiable net assets	114
Goodwill on acquisition	63
Purchase consideration	177
Less: cash and cash equivalents in subsidiary acquired	(19)
Net cash outflow on acquisition	158

Under the terms of the sale and purchase agreement, in addition to the purchase consideration paid, an earn-out component is payable subject to the satisfaction of certain performance hurdles over a three-year period post-completion of the acquisition.

***Measurement of fair value***

The valuation techniques used for measuring the fair value of the material assets acquired and liabilities assumed were as follows:

<b>Assets acquired and liabilities assumed</b>	<b>Valuation technique</b>
Intangible assets	Intangible assets mainly consist of management agreements for which independent valuation is conducted using the multi-period excess earnings method. The multi-period excess earnings method considers the present value of net cash flows expected to be generated from the agreements.
Other current assets and liabilities	Other current assets and liabilities include trade and other receivables, cash and cash equivalents, trade and other payables, and other current liabilities.  The fair values of these assets and liabilities are determined to approximate the carrying amounts since they are short term in nature.

There were no significant business combinations in 2024.

## 32 Financial Risk Management

### (a) Financial risk management objectives and policies

The Group and the Company are exposed to market risk (including interest rate, foreign currency and price risks), credit risk and liquidity risk arising from its diversified business. The Group's risk management approach seeks to minimise the potential material adverse effects from these exposures. The Group uses financial instruments such as foreign exchange forwards, interest rate swaps and cross currency swaps as well as foreign currency borrowings to hedge certain financial risk exposures.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Committee (ARC) to strengthen its risk management processes and framework. The ARC is assisted by an independent unit called the Risk Management (RM) which tracks the various key risk indicators (KRI) on a half yearly basis to update the committee of any breaches to the Group's KRI. A group-wide Risk and Control Self-Assessment (RCSA) is conducted annually by all business units to identify key material risks, mitigating measures and any opportunities to leverage on.

### (b) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### (i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its investment in financial products, interest bearing debt investments and debt obligations.

The investments in financial products are short term in nature and they are not held for trading or speculative purposes. The financial products mainly comprise fixed deposits which yield better returns than cash at bank.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group adopts a policy of ensuring that between 60% and 70% of its interest rate risk exposure is at a fixed rate. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. The Group also uses hedging instruments such as interest rate swaps and cross currency interest rate swaps to minimise its exposure to interest rate volatility and classifies these hedging instruments as cash flow hedges.

As at 31 December 2025, the Group has interest rate swaps classified as cash flow hedges with notional contractual amount of \$4,105 million (2024: \$4,219 million) and for which the Group pays fixed interest rates and receives variable rates equal to the Singapore Overnight Rate Average (SORA) and US Secured Overnight Financing Rate (SOFR) on the notional amount.

As at 31 December 2025, the Group has cross currency interest rate swaps classified as cash flow hedges with notional contractual amount of \$682 million (2024: \$645 million) and for which the Group pays fixed interest rates (for Chinese Renminbi) and floating rate (for Singapore Dollars) and receives variable rates (from US Dollars, Japanese Yen and Singapore Dollars) on the notional amounts.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities, and the notional amounts.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the critical terms method. When all critical terms match, the economic relationship is considered to be 100% effective.

Hedge ineffectiveness may occur due to changes in the critical terms of either the interest rate swaps or borrowings.

The carrying value of interest rate swaps as at 31 December 2025 was net liabilities of \$60 million (2024: net liabilities of \$7 million) comprising derivative assets of \$nil million (2024: \$8 million) and derivative liabilities of \$60 million (2024: \$15 million).

#### *Sensitivity analysis*

For variable rate financial liabilities, it is estimated that an increase of 100 basis point in interest rate at the reporting date would lead to a reduction in the Group's profit before tax (and revenue reserve) by approximately \$48 million (2024: \$53 million). A decrease in 100 basis point in interest rate would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency rates, remain constant, and has not taken into account the effects of qualifying borrowing costs allowed for capitalisation, the associated tax effects and share of non-controlling interests.

#### *(ii) Foreign currency risk*

The Group operates internationally and is exposed to various currencies, mainly Singapore Dollars, Chinese Renminbi, Euro, Japanese Yen, Malaysian Ringgit, Australian Dollars, Sterling Pound, US Dollars and Vietnamese Dong.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which its property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

As at the reporting date, the Group uses certain foreign currency denominated borrowings, which include bank loans and medium term notes amounting to \$586 million (2024: \$382 million) to hedge against the currency risk arising from the Group's net investments in certain subsidiaries.

The Group uses forward exchange contracts or currency swaps to hedge its foreign currency risk, where feasible. It generally enters into forward exchange contracts or currency swaps with maturities ranging between three months and one year. The foreign exchange forwards and currency swaps are denominated in the same currency as the highly probable transactions, therefore the economic relationship is 100% effective.

Hedge ineffectiveness may occur due to:

- Changes in timing of the forecasted transaction from what was originally planned; and
- Changes in the credit risk of the derivative counterparty or the Group.

The net carrying amount of the forward exchange and cross currency swap contracts as at 31 December 2025 was net liabilities of \$16 million (2024: net liabilities of \$4 million), comprising derivative assets of \$10 million (2024: \$13 million) and derivative liabilities of \$26 million (2024: \$17 million).

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The Group's exposure to major foreign currencies was as follows:

<b>The Group</b>	<b>Singapore Dollars \$'M</b>	<b>US Dollars \$'M</b>	<b>Australian Dollars \$'M</b>	<b>Chinese Renminbi \$'M</b>	<b>Japanese Yen \$'M</b>	<b>Euro \$'M</b>	<b>Sterling Pound \$'M</b>	<b>Malaysian Ringgit \$'M</b>	<b>Vietnamese Dong \$'M</b>
<b>31 December 2025</b>									
Other financial assets	244	36	28	96	10	10	–	#	–
Trade and other receivables	1,944	379	470	992	50	125	158	24	147
Debt investments	–	–	379	–	–	–	–	–	–
Cash and cash equivalents	1,382	131	69	1,561	33	39	29	75	348
Borrowings and debt securities	(10,295)	(697)	(201)	(2,530)	(144)	(444)	#	(692)	(57)
Trade and other payables	(1,563)	(350)	(219)	(1,835)	(56)	(83)	(19)	(86)	(153)
Gross currency exposure	(8,288)	(501)	526	(1,716)	(107)	(353)	168	(679)	285
Add/Less: Net financial liabilities/ (asset) denominated in the respective entities' functional currencies	8,252	451	(253)	1,597	14	383	(81)	675	(283)
Add: Bank borrowings and debt securities designated for net investment hedge	–	–	–	586	–	–	–	–	–
Add: Cross currency swaps/foreign exchange forward contracts to hedge exposure	–	74	(257)	(400)	94	–	(77)	–	–
Net currency exposure	(36)	24	16	67	1	30	10	(4)	2

# *Less than \$1 million*

<b>The Group</b>	<b>Singapore Dollars \$'M</b>	<b>US Dollars \$'M</b>	<b>Australian Dollars \$'M</b>	<b>Chinese Renminbi \$'M</b>	<b>Japanese Yen \$'M</b>	<b>Euro \$'M</b>	<b>Sterling Pound \$'M</b>	<b>Malaysian Ringgit \$'M</b>	<b>Vietnamese Dong \$'M</b>
<b>31 December 2024</b>									
Other financial assets	334	43	–	25	11	12	–	2	–
Trade and other receivables	2,471	430	13	1,180	75	50	159	32	99
Cash and cash equivalents	1,838	184	35	1,737	107	43	18	68	353
Borrowings and debt securities	(11,237)	(563)	(211)	(2,722)	(155)	(442)	(1)	(652)	(52)
Trade and other payables	(1,793)	(421)	(45)	(1,955)	(38)	(56)	(17)	(72)	(143)
Gross currency exposure	(8,387)	(327)	(208)	(1,735)	#	(393)	159	(622)	257
Add/Less: Net financial liabilities/ (asset) denominated in the respective entities' functional currencies	8,407	304	157	2,116	(98)	422	(1)	622	(196)
Add: Bank borrowings and debt securities designated for net investment hedge	–	–	11	371	–	–	–	–	–
Add: Cross currency swaps/foreign exchange forward contracts to hedge exposure	–	115	–	(400)	97	–	(147)	–	–
Net currency exposure	20	92	(40)	352	(1)	29	11	#	61

*Sensitivity analysis*

It is estimated that a five percentage point weakening in foreign currencies against the respective functional currencies of the Group would decrease the Group's profit before tax by approximately \$9 million (2024: \$29 million). A five percentage point strengthening in foreign currencies against the Singapore Dollar would have an equal but opposite effect. The Group's outstanding forward exchange contracts and cross currency swaps have been included in this calculation. The analysis assumed that all other variables, in particular interest rates, remain constant and does not take into account the translation related risk, associated tax effects and share of non-controlling interests.

There was no significant exposure to foreign currencies for the Company as at 31 December 2025 and 31 December 2024.

**(c) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For trade and other receivables, contract assets and financial assets at amortised cost, the Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Trade and other receivables and contract assets relate mainly to the Group's customers who bought its residential units and tenants from its office buildings, shopping malls, business parks and serviced residences. Financial assets at amortised cost relate mainly to amounts owing by related parties. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria.

The principal risk to which the Group and the Company is exposed to in respect of financial guarantee contracts is credit risk in connection with the guarantee contracts they have issued. To mitigate the risk, management continually monitors the risk and has established processes including performing credit evaluations of the parties for whom it is providing the guarantee to. Guarantees are only given for the benefit of its subsidiaries and related parties. The maximum exposure to credit risk in respect of these financial guarantees at the balance sheet date is disclosed in note 36.

The Group has a diversified portfolio of businesses and as at balance sheet date, there was no significant concentration of credit risk with any entity. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, including derivative financial instruments as well as any irrevocable loan undertaking to associates and joint ventures.

*(i) Trade receivables and contract assets*

The Group reviews the customers' credit risk taking into account the aging of the outstanding receivables, amount of security deposit available as well as any indication of credit default, and assess the amount of specific allowance for doubtful receivable required for each customer.

The Group also uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

In measuring the expected credit losses, trade receivables and contract assets are grouped based on similar credit risk characteristics and days past due. When determining the expected credit loss rates, the Group considers historical loss rates for customer grouped by industry sector and forward-looking macroeconomic factors like country's gross domestic product (GDP), which affect the ability of the customers to settle the receivables.

Trade and other receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

(ii) *Financial assets at amortised cost*

The Group assesses on a forward-looking basis the expected credit losses associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(a) The movements in credit loss allowance are as follows:

<b>The Group</b>	<b>Trade receivables \$'M Note 13</b>	<b>Other receivables \$'M Note 14</b>	<b>Amounts due from associates \$'M Note 7(b)</b>	<b>Amounts due from joint ventures (current) \$'M Note 8(b)</b>	<b>Amounts due from joint ventures (non- current) \$'M Note 8(a)</b>	<b>Amount due from investee (current) \$'M Note 12</b>	<b>Total \$'M</b>
At 1 January 2025	36	27	23	26	13	111	236
Allowance utilised	(4)	(2)	–	–	–	–	(6)
Allowance during the year	7	1	–	2	–	–	10
Reversal of allowance during the year	(2)	(6)	(4)	(6)	–	–	(18)
Disposal of subsidiaries	(2)	–	–	–	–	–	(2)
Translation differences	1	1	#	(#)	1	(1)	2
At 31 December 2025	<u>36</u>	<u>21</u>	<u>19</u>	<u>22</u>	<u>14</u>	<u>110</u>	<u>222</u>

# *Less than \$1 million*

<b>The Group</b>	<b>Trade receivables \$'M Note 13</b>	<b>Other receivables \$'M Note 14</b>	<b>Amounts due from associates \$'M Note 7(b)</b>	<b>Amounts due from joint ventures (current) \$'M Note 8(b)</b>	<b>Amounts due from joint ventures (non- current) \$'M Note 8(a)</b>	<b>Amount due from investee (current) \$'M Note 12</b>	<b>Total \$'M</b>
At 1 January 2024	46	26	25	28	17	112	254
Allowance utilised	(10)	(6)	–	#	–	–	(16)
Allowance during the year	9	7	–	1	1	–	18
Reversal of allowance during the year	(5)	#	(2)	(3)	(5)	–	(15)
Disposal of subsidiaries	(4)	#	–	–	–	–	(4)
Translation differences	#	#	#	#	#	(1)	(1)
At 31 December 2024	<u>36</u>	<u>27</u>	<u>23</u>	<u>26</u>	<u>13</u>	<u>111</u>	<u>236</u>

# *Less than \$1 million*

The movements in allowance for impairment loss on loans (note 6) and amounts due from subsidiaries (note 18) were as follows:

	<b>Loans/Amounts due from subsidiaries</b>	
	<b>2025 \$'M</b>	<b>2024 \$'M</b>
<b>The Company</b>		
At 1 January	887	676
Allowance during the year	59	887
Reversal of allowance during the year	(#)	(676)
At 31 December	<u>946</u>	<u>887</u>

# *Less than \$1 million*

Cash and cash equivalents are subject to immaterial credit loss. There is no impairment loss on contract assets.

- (b) The maximum exposure to credit risk for trade receivables and other financial assets<sup>^</sup> (by geographic region) at the reporting date was:

	<b>Trade receivables 2025 \$'M</b>	<b>Other financial assets 2025 \$'M</b>	<b>Trade receivables 2024 \$'M</b>	<b>Other financial assets 2024 \$'M</b>
<b>The Group</b>				
Singapore	48	2,010	39	1,969
China <sup>1</sup>	86	1,135	90	1,448
Other developed markets	25	766	39	130
Other emerging markets	106	842	91	672
	265	4,753	259	4,219

<sup>1</sup> Includes Hong Kong

<sup>^</sup> Excluding cash and cash equivalents

- (c) The credit quality of trade and other receivables is assessed based on credit policies established by the Risk Committee. The Group monitors customer credit risk by grouping trade and other receivables based on their characteristics. Trade and other receivables with high credit risk will be identified and monitored by the respective strategic business units. The Group's and the Company's credit risk exposures in relation to trade and other receivables under SFRS(I) 9 as at 31 December 2025 and 2024 are set out in the provision matrix as follows:

	<b>Current \$'M</b>	<b>&lt;----- Past due -----&gt;</b>			<b>Total \$'M</b>
		<b>Within 30 days \$'M</b>	<b>30 to 90 days \$'M</b>	<b>More than 90 days \$'M</b>	
<b>The Group</b>					
<b>2025</b>					
Expected loss rate	2.3%	4.5%	9.5%	39.5%	
Trade receivables	184	27	17	73	301
Loss allowance	4	1	2	29	36
Expected loss rate	-	-	-	16.1%	
Amounts due from associates (current)	242	38	18	117	415
Loss allowance	-	-	-	19	19
Expected loss rate	-	-	-	-	
Amounts due from associates (non-current)	477	-	-	-	477

	Current \$'M	<----- Past due ----->			Total \$'M
		Within 30 days \$'M	30 to 90 days \$'M	More than 90 days \$'M	
<b>The Group</b>					
<b>2025</b>					
Expected loss rate	0.9%	0.3%	0.6%	4.0%	
Amounts due from joint ventures (current)	277	10	6	487	780
Loss allowance	2	#	#	20	22
Expected loss rate	0.8%	–	–	–	
Amounts due from joint ventures (non-current)	1,835	–	–	–	1,835
Loss allowance	14	–	–	–	14
Expected loss rate	–	–	–	98.1%	
Amount due from investee (current)	–	–	–	112	112
Loss allowance	–	–	–	110	110

# Less than \$1 million

	Current \$'M	<----- Past due ----->			Total \$'M
		Within 30 days \$'M	30 to 90 days \$'M	More than 90 days \$'M	
<b>The Group</b>					
<b>2024</b>					
Expected loss rate	2.6%	2.3%	5.3%	70.7%	
Trade receivables	190	45	19	41	295
Loss allowance	5	1	1	29	36
Expected loss rate	0.004%	–	–	33.3%	
Amounts due from associates (current)	187	60	20	69	336
Loss allowance	#	–	–	23	23
Expected loss rate	–	–	–	–	
Amounts due from associates (non-current)	499	–	–	–	499
Expected loss rate	1.8%	0.4%	0.4%	3.4%	
Amounts due from joint ventures (current)	455	7	8	532	1,002
Loss allowance	8	#	#	18	26

	Current \$'M	<----- Past due ----->			Total \$'M
		Within 30 days \$'M	30 to 90 days \$'M	More than 90 days \$'M	
<b>The Group</b>					
<b>2024</b>					
Expected loss rate	0.7%	-	-	-	
Amounts due from joint ventures (non-current)	1,773	-	-	-	1,773
Loss allowance	13	-	-	-	13
Expected loss rate	-	-	-	100%	
Amount due from investee (current)	-	-	-	111	111
Loss allowance	-	-	-	111	111

# *Less than \$1 million*

No aging analysis of contract assets, other receivables, debt investments and loan book receivables are presented as the majority of outstanding balances as at 31 December 2025 and 31 December 2024 are current.

The Company's credit risk exposure to other receivables as at 31 December 2025 and 31 December 2024 are immaterial. The Company has issued financial guarantees to banks for borrowings of its subsidiaries (see note 35). These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that these subsidiaries have sufficient financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

#### **(d) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain sufficient available banking facilities to meet working capital and funding needs.

As part of the Group's borrowing activities, the Group is exposed to the risk of potential and actual breaches of financial covenants in the Group's indebtedness which may also result in accelerated demands of payment or calls for events of default by lenders. This may restrict the Group's ability to obtain additional financing for capital expenditure, acquisitions or general corporate purposes and may cause the Group to be particularly vulnerable in any general economic downturn or instability in the global financial capital markets. Management has assessed that the Group complied with all covenant requirements as of 31 December 2025 and throughout the financial year. Accordingly, the classification of the Group's borrowings remains unchanged, and the covenants do not give rise to a material liquidity risk as at 31 December 2025.

The Group has been actively managing its liquidity position amid the macroeconomic challenges. As at 31 December 2025, the Group has approximately \$10.7 billion (2024: \$11.9 billion) of total cash and available undrawn facilities held under the Group's treasury vehicles, which is sufficient to support the Group's funding requirements for the next 12 months.

The following are the expected contractual undiscounted cash flows of financial liabilities and derivative financial instruments, including interest payments and excluding the impact of netting agreements:

	<----- Contractual cash flows ----->				
	Carrying amount \$'M	Total \$'M	Not later than 1 year \$'M	Between 1 and 5 years \$'M	After 5 years \$'M
<b>The Group</b>					
<b>31 December 2025</b>					
<b>Financial liabilities, at amortised cost</b>					
Bank borrowings <sup>^</sup>	(9,978)	(11,042)	(905)	(8,651)	(1,486)
Debt securities <sup>^</sup>	(4,296)	(4,900)	(170)	(3,131)	(1,599)
Lease liabilities	(806)	(902)	(146)	(452)	(304)
Trade and other payables <sup>*</sup>	(3,757)	(3,757)	(3,364)	(368)	(25)
	(18,837)	(20,601)	(4,585)	(12,602)	(3,414)

<sup>^</sup> *The contractual cash flows include interest payments on sustainability-linked loans and notes, which take into consideration the Group's expectation of its ability to meet the sustainability-linked performance targets and may change if the Group expects that it can no longer meet these targets.*

<sup>\*</sup> *Excludes advanced billings, advance payments received, accruals and other payables relating to staff cost, deferred income, derivative liabilities and liability for employee benefits.*

	Carrying amount \$'M	<----- Contractual cash flows ----->			
		Total \$'M	Not later than 1 year \$'M	Between 1 and 5 years \$'M	After 5 years \$'M
<b>The Group</b>					
<b>31 December 2025</b>					
<b>Derivative financial assets/(liabilities), at fair value</b>					
Interest rate swaps (net-settled)					
- assets	1	1	1	-	-
- liabilities	(60)	(61)	(35)	(26)	-
Forward foreign exchange contracts (net-settled)					
- assets	9	9	8	1	-
- liabilities	(1)	(1)	(1)	-	-
Forward foreign exchange contracts (gross-settled)					
- assets	1				
- outflow		(99)	-	(99)	-
- inflow		100	-	100	-
Forward foreign exchange contracts (gross-settled)					
- liabilities	(6)				
- outflow		(405)	(405)	-	-
- inflow		399	399	-	-
Cross currency swaps (gross-settled)					
- liabilities	(19)				
- outflow		(578)	(52)	(526)	-
- inflow		561	48	513	-
	(75)	(74)	(37)	(37)	-
	(18,912)	(20,675)	(4,622)	(12,639)	(3,414)

	Carrying amount \$'M	Contractual cash flows			After 5 years \$'M
		Total \$'M	Not later than 1 year \$'M	Between 1 and 5 years \$'M	
<b>The Group</b>					
<b>31 December 2024</b>					
<b>Financial liabilities, at amortised cost</b>					
Bank borrowings <sup>^</sup>	(10,722)	(12,219)	(2,057)	(8,543)	(1,619)
Debt securities <sup>^</sup>	(4,425)	(5,146)	(459)	(2,674)	(2,013)
Lease liabilities	(905)	(1,133)	(167)	(528)	(438)
Trade and other payables*	(3,884)	(3,880)	(3,479)	(369)	(32)
	<u>(19,936)</u>	<u>(22,378)</u>	<u>(6,162)</u>	<u>(12,114)</u>	<u>(4,102)</u>
<b>Derivative financial assets/(liabilities), at fair value</b>					
Interest rate swaps (net-settled)					
- assets	8	9	5	4	-
- liabilities	(15)	(14)	(5)	(9)	-
Forward foreign exchange contracts (net-settled)					
- assets	8	8	3	5	-
- liabilities	(5)	(6)	(6)	-	-
Forward foreign exchange contracts (gross-settled)	#				
- outflow		(35)	(35)	-	-
- inflow		35	35	-	-
Forward foreign exchange contracts (gross-settled)	(6)				
- outflow		(351)	(351)	-	-
- inflow		346	346	-	-
Cross currency swaps (gross-settled)	5				
- outflow		(249)	(142)	(107)	-
- inflow		257	148	109	-
Cross currency swaps (gross-settled)	(6)				
- outflow		(447)	(11)	(436)	-
- inflow		440	11	429	-
	<u>(11)</u>	<u>(7)</u>	<u>(2)</u>	<u>(5)</u>	<u>-</u>
	<u>(19,947)</u>	<u>(22,385)</u>	<u>(6,164)</u>	<u>(12,119)</u>	<u>(4,102)</u>

# Less than \$1 million

<sup>^</sup> The contractual cash flows include interest payments on sustainability-linked loans and notes, which take into consideration the Group's expectation of its ability to meet the sustainability-linked performance targets and may change if the Group expects that it can no longer meet these targets.

\* Excludes advanced billings, advance payments received, accruals and other payables relating to staff cost, deferred income, derivative liabilities and liability for employee benefits.

	Carrying amount \$'M	<----- Contractual cash flows ----->			After 5 years \$'M
		Total \$'M	Not later than 1 year \$'M	Between 1 and 5 years \$'M	
<b>The Company</b>					
<b>31 December 2025</b>					
<b>Financial liabilities, at amortised cost</b>					
Amounts due to subsidiaries	(5,516)	(5,516)	(175)	(5,341)	–
Trade and other payables <sup>^</sup>	(5)	(5)	(5)	–	–
	<u>(5,521)</u>	<u>(5,521)</u>	<u>(180)</u>	<u>(5,341)</u>	<u>–</u>
<b>31 December 2024</b>					
<b>Financial liabilities, at amortised cost</b>					
Amounts due to subsidiaries	(5,631)	(5,631)	(179)	(5,452)	–
Trade and other payables <sup>^</sup>	(5)	(5)	(5)	–	–
	<u>(5,636)</u>	<u>(5,636)</u>	<u>(184)</u>	<u>(5,452)</u>	<u>–</u>

<sup>^</sup> Excludes liability for employee benefits.

At 31 December 2025, the Group held the following hedging instruments to hedge exposures to changes in foreign currency and interest rates:

	Contractual notional amount \$'M	Carrying amount of Assets/ (Liabilities) \$'M	Financial statement line item	Changes in fair value during the year used for <-----calculating hedge ineffectiveness----->			Weighted average hedge forex rate/ interest rate (%)	Maturity date
				Hedging instrument \$'M	Hedged item \$'M	Hedge ineffectiveness recognised in profit or loss \$'M		
<b>The Group</b>								
<b>31 December 2025</b>								
<b>Cashflow hedges</b>								
Foreign exchange risk /								
Interest rate risk								
- Cross currency interest rate swaps to hedge foreign currency borrowings	682	(19)	Derivative financial instruments	(11)	11	-	RMB: SGD 0.183 JPY: SGD 0.009	January 2027 to November 2029
Interest rate risk								
- Interest rate swaps to hedge floating rate borrowings	4,105	(60)	Derivative financial instruments	(54)	52	(2)	2.42%	August 2026 to September 2030
<b>Net investment hedges</b>								
Foreign exchange risk								
- Borrowings to hedge net investments in foreign operations	-	(586)	Borrowings	(2)	2	-	RMB: SGD0.184	March 2027 to September 2030
- Forward contracts to hedge net investments in foreign operations	290	7	Derivative financial instruments	2	(2)	-	USD: SGD 1.299 RMB: SGD 0.183 JPY: SGD0.008 KRW: SGD0.001	January 2026 to July 2027

# *Less than \$1 million*

	Contractual notional amount \$'M	Carrying amount of Assets/ (Liabilities) \$'M	Financial statement line item	Changes in fair value during the year used for <-----calculating hedge ineffectiveness----->			Weighted average hedge forex rate/ interest rate (%)	Maturity date
				Hedging instrument \$'M	Hedged item \$'M	Hedge ineffectiveness recognised in profit or loss \$'M		
<b>The Group</b>								
<b>31 December 2024</b>								
<b>Cashflow hedges</b>								
Foreign exchange risk / Interest rate risk								
- Cross currency interest rate swaps to hedge foreign currency borrowings	645	(2)	Derivative financial instruments	(6)	6	#	RMB: SGD0.185 JPY: SGD0.009	April 2025 to November 2029
Interest rate risk								
- Interest rate swaps to hedge floating rate borrowings	4,219	(7)	Derivative financial instruments	(3)	3	#	2.74%	July 2024 to November 2028
<b>Net investment hedges</b>								
Foreign exchange risk								
- Borrowings to hedge net investments in foreign operations	-	(382)	Borrowings	2	(2)	-	AUD: SGD0.867 RMB: SGD0.187	March 2027 to April 2028
- Forward contracts to hedge net investments in foreign operations	97	5	Derivative financial instruments	5	(5)	-	KRW: SGD0.001	July 2026
- Cross currency swaps to hedge net investments in foreign operations	134	2	Derivative financial instruments	2	(2)	-	USD: CNH7.257	September 2025

# *Less than \$1 million*

The following table provides a reconciliation by risk category of components of equity and analysis of other comprehensive income items (net of tax) resulting from cashflow hedge accounting.

	<b>Hedging reserve</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
<b>The Group</b>		
At 1 January	10	28
Change in fair value:		
- Foreign currency risk	(10)	4
- Interest rate risk	(20)	(15)
Amount reclassified to profit or loss:		
- Foreign currency risk	(2)	(2)
- Interest rate risk	(8)	5
Share of cash flow hedges of associates and joint ventures	(52)	(10)
At 31 December	(82)	10

# *Less than \$1 million*

**(e) Offsetting financial assets and financial liabilities**

The Group's derivative transactions that are not transacted through an exchange, are governed by the International Swaps and Derivatives Association (ISDA) Master Netting Agreements. In general, under such agreements, the amounts due on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount and settled between the counterparties. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and set off into a single net amount to be settled.

The above ISDA agreements do not meet the criteria for offsetting in the balance sheets as a right of set-off of recognised amounts is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

There is no offset of the Group and the Company's financial assets and financial liabilities as of the balance sheet date.

## 33 Fair Value of Assets and Liabilities

### (a) Determination of fair value

The valuation methods and assumptions below are used to estimate the fair values of the Group's significant classes of assets and liabilities.

#### (i) Derivatives

Forward currency contracts, cross currency swap contracts and interest rate swap contracts are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present valuation calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rate, interest rate curves and forward rate curves.

#### (ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted using the market rate of interest at the reporting date.

Fair value of quoted debt securities is determined based on quoted market prices.

#### (iii) Other financial assets and liabilities

The fair value of quoted securities is their quoted bid price at the reporting date. The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Where other valuation techniques, such as discounted cash flow technique are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument.

#### (iv) Investment properties

The Group's investment property portfolio is mostly valued by external and independent valuation companies on an annual basis. Independent valuation is also carried out on occurrence of acquisition of investment property. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The valuers have considered valuation techniques, mainly including capitalisation approach, discounted cash flows and residual method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield rate and discount rate, estimated cost to completion and gross development value.

*(v) Assets held for sale*

The fair value of the Group's investment properties held for sale is either valued by an independent valuer or based on the agreed contractual selling price on a willing buyer willing seller basis. For investment properties held for sale valued by an independent valuer, the valuer has considered the discounted cash flow and income capitalisation approaches in arriving at the open market value as at the reporting date. In determining the fair value, the valuer used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties held for sale include market-corroborated capitalisation rate.

*(vi) Property, plant and equipment*

The fair value of the property, plant and equipment is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly.

*(vii) Share-based payment transactions*

The fair values of employee performance share plan and restricted share plan are measured using valuation methodology described in note 22. Measurement inputs include the share price at grant date, expected volatility (based on an evaluation of the historical volatility of the Group's and peer group's share price), expected correlation of the Group's return with those of peer group, expected dividends yield and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining the fair values.

**(b) Fair value hierarchy**

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(c) Accounting classification and fair values

	Note	Carrying amount				Fair value				
		Fair value - hedging instruments \$'M	FVOCI \$'M	FVTPL \$'M	Amortised Cost \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Group</b>										
<b>31 December 2025</b>										
<b>Financial assets measured at fair value</b>										
Equity investments at FVOCI	10(a)	–	198	–	–	198	174	–	24	198
Equity investments at FVTPL	10(a), 10(b)	–	–	226	–	226	2	–	224	226
Derivative financial assets:										
- Interest rate swaps, forward foreign exchange contracts and cross currency swaps	10(b)	8	–	–	–	8	–	8	–	8
- Interest rate swaps and cross currency swaps	10(a)	3	–	–	–	3	–	3	–	3
		<u>11</u>	<u>198</u>	<u>226</u>	<u>–</u>	<u>435</u>				
<b>Financial assets not measured at fair value</b>										
Debt investments	10	–	–	–	418	418	–	392	–	392
Other non-current assets		–	–	–	76	76				
Loans due from associates	7(a), 7(b)	–	–	–	477	477				
Loans due from joint ventures	8(a), 8(b)	–	–	–	1,821	1,821				
Trade and other receivables ^	12	–	–	–	1,955	1,955				
Cash and cash equivalents	16	–	–	–	3,755	3,755				
		<u>–</u>	<u>–</u>	<u>–</u>	<u>8,502</u>	<u>8,502</u>				

^ Excludes prepayment

	Note	<----- Carrying amount ----->				<----- Fair value ----->				
		Fair value - hedging instruments \$'M	FVOCI \$'M	FVTPL \$'M	Amortised Cost \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Group</b>										
<b>31 December 2024</b>										
<b>Financial assets measured at fair value</b>										
Equity investments at FVOCI	10(a)	-	116	-	-	116	89	-	27	116
Equity investments at FVTPL	10(a), 10(b)	-	-	176	-	176	2	-	174	176
Derivative financial assets:										
- Interest rate swaps, forward foreign exchange contracts and cross currency swaps	10(b)	12	-	-	-	12	-	12	-	12
- Interest rate swaps and cross currency swaps	10(a)	9	-	-	-	9	-	9	-	9
		<u>21</u>	<u>116</u>	<u>176</u>	<u>-</u>	<u>313</u>				
<b>Financial assets not measured at fair value</b>										
Other non-current assets		-	-	-	43	43				
Loans due from associates	7(a), 7(b)	-	-	-	499	499				
Loans due from joint ventures	8(a), 8(b)	-	-	-	1,760	1,760				
Trade and other receivables ^	12	-	-	-	1,954	1,954				
Cash and cash equivalents	16	-	-	-	4,475	4,475				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>8,731</u>	<u>8,731</u>				

^ Excludes prepayment

Note	<----- Carrying amount ----->					<----- Fair value ----->			
	Fair value - hedging instruments \$'M	FVOCI \$'M	FVTPL \$'M	Amortised Cost \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Group</b>									
<b>31 December 2025</b>									
<b>Financial liabilities measured at fair value</b>									
Derivative financial instruments:									
Interest rate swaps, forward foreign exchange contracts and cross currency swaps									
17	(16)	-	-	-	(16)	-	(16)	-	(16)
Interest rate swaps, forward foreign exchange contracts and cross currency swaps									
21	(70)	-	-	-	(70)	-	(70)	-	(70)
	<u>(86)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(86)</u>				
<b>Financial liabilities not measured at fair value</b>									
Other non-current liabilities <sup>#</sup>									
19	-	-	-	(387)	(387)	-	-	(377)	(377)
Bank borrowings <sup>^</sup>									
20	-	-	-	(4,296)	(4,296)	-	(9,914)	-	(9,914)
Debt securities									
20	-	-	-	(4,296)	(4,296)	-	(4,408)	-	(4,408)
Trade and other payables <sup>#</sup>									
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,371)</u>	<u>(3,371)</u>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,032)</u>	<u>(18,032)</u>				

<sup>#</sup> Excludes liability for employee benefits, derivative liabilities and deferred income.

<sup>^</sup> Excludes lease liability.

Note	<----- Carrying amount ----->					<----- Fair value ----->			
	Fair value - hedging instruments \$'M	FVOCI \$'M	FVTPL \$'M	Amortised Cost \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Group</b>									
<b>31 December 2024</b>									
<b>Financial liabilities measured at fair value</b>									
Derivative financial instruments:									
	Interest rate swaps, forward foreign exchange contracts and cross currency swaps								
17	(14)	-	-	-	(14)	-	(14)	-	(14)
	Interest rate swaps, forward foreign exchange contracts and cross currency swaps								
21	(18)	-	-	-	(18)	-	(18)	-	(18)
	<u>(32)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32)</u>				
<b>Financial liabilities not measured at fair value</b>									
	Other non-current liabilities <sup>#</sup>								
19	-	-	-	(409)	(409)	-	-	(389)	(389)
	Bank borrowings <sup>^</sup>								
20	-	-	-	(10,722)	(10,722)	-	(10,639)	-	(10,639)
	Debt securities								
20	-	-	-	(4,425)	(4,425)	-	(4,474)	-	(4,474)
	Trade and other payables <sup>#</sup>								
	-	-	-	(3,504)	(3,504)				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,060)</u>	<u>(19,060)</u>				

<sup>#</sup> Excludes liability for employee benefits, derivative liabilities and deferred income.

<sup>^</sup> Excludes lease liability.

	Note	<----- Carrying amount ----->			<----- Fair value ----->			
		Amortised Cost \$'M	FVTPL \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Company</b>								
<b>31 December 2025</b>								
<b>Financial assets measured at fair value</b>								
Equity investments at FVTPL	10(b)	–	146	146	146	–	–	146
<b>Financial assets not measured at fair value</b>								
Amounts due from subsidiaries		2,903	–	2,903				
Trade and other receivables <sup>^</sup>	12	1	–	1				
Cash and cash equivalents	16	#	–	#				
		<u>2,904</u>	<u>–</u>	<u>2,904</u>				
<b>Financial liabilities not measured at fair value</b>								
Other non-current liabilities <sup>#</sup>		(5,341)	–	(5,341)				
Trade and other payables <sup>#</sup>		(188)	–	(188)				
		<u>(5,529)</u>	<u>–</u>	<u>(5,529)</u>				

<sup>^</sup> Excludes prepayment

<sup>#</sup> Excludes liability for employee benefits.

	Note	<----- Carrying amount ----->			<----- Fair value ----->			
		Amortised Cost \$'M	FVTPL \$'M	Total \$'M	Level 1 \$'M	Level 2 \$'M	Level 3 \$'M	Total \$'M
<b>The Company</b>								
<b>31 December 2024</b>								
<b>Financial assets measured at fair value</b>								
Equity investments at FVTPL	10(b)	–	134	134	134	–	–	134
<b>Financial assets not measured at fair value</b>								
Amounts due from subsidiaries		3,121	–	3,121				
Trade and other receivables <sup>^</sup>	12	4	–	4				
Cash and cash equivalents	16	#	–	#				
		<u>3,125</u>	<u>–</u>	<u>3,125</u>				
<b>Financial liabilities not measured at fair value</b>								
Other non-current liabilities <sup>#</sup>		(5,452)	–	(5,452)				
Trade and other payables <sup>#</sup>		(190)	–	(190)				
		<u>(5,642)</u>	<u>–</u>	<u>(5,642)</u>				

<sup>^</sup> Excludes prepayment

<sup>#</sup> Excludes liability for employee benefits.

The following table shows the carrying amounts and fair values of significant non-financial assets, including their levels in the fair value hierarchy.

	Note	Fair value Level 3 \$'M
<b>The Group</b>		
<b>31 December 2025</b>		
<b>Non-financial assets measured at fair value</b>		
Investment properties	5	9,567
Assets held for sale – investment properties	15	44
		9,611
<b>31 December 2024</b>		
<b>Non-financial assets measured at fair value</b>		
Investment properties	5	10,621
Assets held for sale – investment properties	15	372
		10,993

**(d) Level 3 fair value measurements**

*(i) Reconciliation of Level 3 fair value*

The movements of financial and non-financial assets classified under Level 3 and measured at fair value are presented as follows:

	Equity investments at FVOCI \$'M	Equity investments at FVTPL \$'M	Assets held for sale – investment properties \$'M
<b>The Group</b>			
<b>2025</b>			
At 1 January 2025	27	174	372
Additions	–	43	45
Acquisition of a subsidiary	#	26	–
Disposals	–	(5)	(347)
Disposal of a subsidiary	(2)	–	–
Capital return	(2)	–	–
Changes in fair value recognised in profit or loss	–	(9)	(19)
Changes in fair value recognised in other comprehensive income	1	–	–
Translation	#	(5)	(7)
At 31 December 2025	24	224	44

# *Less than \$1 million*

<b>The Group</b>	<b>Equity investments at FVOCI \$'M</b>	<b>Equity investments at FVTPL \$'M</b>	<b>Assets held for sale – investment properties \$'M</b>
<b>2024</b>			
At 1 January 2024	33	147	1,492
Additions	–	34	–
Disposals	–	–	(1,055)
Capital return	–	(4)	–
Changes in fair value recognised in profit or loss	–	(3)	(65)
Changes in fair value recognised in other comprehensive income	(6)	–	–
At 31 December 2024	27	174	372

# *Less than \$1 million*

Movements for investment properties are set out in note 5.

(ii) *Valuation techniques and significant unobservable inputs*

The following table shows the valuation techniques used in measuring significant Level 3 fair values, as well as the significant unobservable inputs used.

**Investment properties (including investment properties classified as assets held for sale)**

<b>Valuation methods</b>	<b>Key unobservable inputs</b>	<b>Singapore</b>	<b>China</b>	<b>Others</b>	<b>Inter- relationship between key unobservable inputs and fair value measurement</b>
<b>Capitalisation approach</b>	Capitalisation rate				The estimated fair value varies inversely against the capitalisation rate.
	2025	4.0% to 8.5%	4.3% to 6.3%	6.0% to 11.9%	
	2024	4.0% to 8.5%	4.4% to 8.0%	4.8% to 10.3%	

Valuation methods	Key unobservable inputs	Singapore	China	Others	Inter-relationship between key unobservable inputs and fair value measurement
<b>Discounted cash flow approach</b>					
	Discount rate				
	2025	6.5% to 8.5%	6.0% to 9.3%	4.1% to 12.5%	The estimated fair value varies inversely against the discount rate and terminal yield rate.
	2024	6.5% to 8.5%	6.9% to 9.8%	8.6% to 25.0%	
	Terminal yield rate				
	2025	4.3% to 6.3%	4.0% to 7.5%	4.4% to 8.8%	
	2024	4.3% to 7.0%	4.5% to 6.8%	4.8% to 11.0%	
<b>Residual value method</b>					
	Gross development value (\$ million)				The estimated fair value increases with higher gross development value and decreases with higher estimated cost to completion.
	2025	136 to 253	633	–	
	2024	–	614	–	
	Estimated cost to completion (\$ million)				
	2025	–	42	–	
	2024	–	63	–	

Type	Valuation methods	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Equity investment at FVTPL	Discounted cash flow method	<ul style="list-style-type: none"> <li>- Discount rate: 2.7 to 9.5% (2024: 2.7% to 9.5%)</li> <li>- Terminal yield rate: 3.0 to 7.2%% (2024: 3.0% to 7.0%)</li> </ul>	The estimated fair value increases with lower discount rate and terminal yield rate.
	Net asset value	Underlying asset value of the investee companies	The estimated fair value increases with higher underlying net asset value.
Equity investment in a lodging platform in China at FVTPL	Income approach	<ul style="list-style-type: none"> <li>- Enterprise value/EBITDA multiple of comparable companies: 11.9x (2024: Enterprise value/Revenue multiple of comparable companies 3.9x)</li> <li>- Volatility of comparable companies: 46% (2024: 57%)</li> </ul>	The estimated fair value increases with higher earnings multiple and varies inversely with volatility.

*(iii) Valuation processes applied by the Group*

The significant non-financial asset of the Group categorised within Level 3 of the fair value hierarchy is investment properties. The fair values of investment properties are determined by external, independent property valuers, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The property valuers provide the fair values of the Group's investment property portfolio annually. The valuation and its financial impact are discussed with the management in accordance with the Group's reporting policies.

## 34 Commitments

As at the reporting date, the Group had the following commitments:

(a) Operating lease

The Group's operating lease relates mainly to leases with lease terms of 12 months or less or low value assets. Future minimum lease payments for the Group in non-cancellable operating leases are as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Lease payments payable:		
Not later than 1 year	9	47
Between 1 and 5 years	17	6
After 5 years	4	1
	30	54
	30	54

(b) Commitments

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Commitments in respect of:		
- capital expenditure contracted but not provided for in the financial statements	16	12
- development expenditure contracted but not provided for in the financial statements	428	600
- capital contribution in associates, joint ventures and investee companies	1,655	1,374
	2,099	1,986
	2,099	1,986

(c) As at the reporting date, the notional principal values of financial instruments were as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Interest rate cap	56	57
Interest rate swaps	4,105	4,219
Forward foreign exchange contracts	843	719
Cross currency swaps	682	779
	5,686	5,774
	5,686	5,774

The maturity profile of these financial instruments was:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
Not later than 1 year	1,070	2,310
Between 1 and 5 years	4,616	3,464
	5,686	5,774

The Company does not have any commitments as at reporting date.

## 35 Financial Guarantee Contracts and Contingent Liabilities

The Group accounts for its financial guarantees as financial liabilities. At the reporting date, the Group does not consider that it is probable that a claim will be made against the Group under the financial guarantee contracts. Accordingly, the Group does not expect any net cash outflows resulting from the financial guarantee contracts. The Group and the Company issue guarantees only for subsidiaries and to related parties.

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>	<b>\$'M</b>
(a) Guarantees given to banks to secure banking facilities provided to:				
- Subsidiaries	–	–	4,075	4,895
- joint ventures	1,077	1,078	–	–
	1,077	1,078	4,075	4,895

(b) Undertakings by the Group:

- (i) As at 31 December 2025, two subsidiaries of the Group have pledged their shares in joint ventures for term loan and revolving facilities of \$1,037 million (2024: \$1,072 million) obtained by the joint ventures. As at 31 December 2025, the loan amount outstanding was \$906 million (2024: \$946 million).
- (ii) As at 31 December 2025, certain subsidiaries of the Group have provided several undertakings on cost overrun, security margin and/or interest shortfall issued on a several basis as well as project completion undertakings on a joint and several basis, in respect of term loan and revolving construction facilities amounting to \$2,844 million (2024: \$2,128 million) granted to joint ventures. As at 31 December 2025, the loan amounts outstanding was \$1,911 million (2024: \$1,724 million).

- (iii) As at 31 December 2025, a subsidiary of the Group has provided undertakings on cost overrun and shortfall in cashflow in respect of land related costs, on a proportionate shareholding basis, in respect of term loan facilities amounting to \$55 million (2024: \$55 million) granted to a joint venture company. As at 31 December 2025, the loan amounts outstanding was \$20 million (2024: \$40 million).
  - (iv) Certain subsidiaries of the Group in China, whose principal activities are the trading of development properties, would in the ordinary course of business act as guarantors for the bank loans taken by the buyers to finance the purchase of residential properties developed by these subsidiaries. As at 31 December 2025, the outstanding notional amount of the guarantees amounted to \$138 million (2024: \$173 million).
- (c) Government assistance

In response to the economic impacts of the COVID-19 pandemic, various financial support schemes were provided by the governments which provided guarantees for bank loans borrowed by the Group's subsidiaries. As at 31 December 2025, the amount outstanding under the loan facility that was borrowed by a subsidiary in France was \$5 million (2024: \$15 million). Interest rate for the guaranteed loan was at 1.0% (2024: 1.0%) per annum.

The Group determined that the interest rate for an equivalent loan issued on an arm's length basis without the guarantee was at 3.1% (2024: 4.5%) per annum. There are no unfulfilled conditions or contingencies for the government assistance as 31 December 2025.

## **36 Significant Related Party Transactions**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

The Group considers the directors of the Company, Group CEO and key management officers of the corporate office and CEOs of the strategic business units, to be key management personnel in accordance with SFRS(I) 1-24 *Related Party Disclosures*.

In addition to the related party information disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties as follows:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'M</b>	<b>\$'M</b>
<b>Related corporations of ultimate holding company</b>		
Management fee income	2	10
Capital injection in joint venture <sup>1</sup>	5	22
	5	22
<b>Associates and joint ventures</b>		
Management fee income	556	520
Construction and project management income	29	19
Rental expense	(29)	(24)
Proceeds from the sale of investments	1,174	1,445
Acquisition and divestment fees, accounting service fee, marketing income and others	141	147
Purchase consideration for acquisition of equity investment	(135)	(150)
	1,174	1,445
<b>Remuneration of key management personnel</b>		
Salary, bonus and other benefits	26	25
Employer's contributions to defined contribution plans	#	#
Equity compensation benefits	11	17
	37	42

# *Less than \$1 million*

<sup>1</sup> *Investments include loans and/or capital contributions*

## **37 Subsequent events**

In March 2026, a subsidiary of the Group divested a business space property located at 2 Science Park Drive, Singapore 118222, to a joint venture trust for a sales consideration of \$490 million, of which \$30 million will be received by June 2027. The joint venture trust is jointly owned by a subsidiary of CapitaLand Ascendas REIT and a global sovereign wealth fund.

## **38 Adoption of New Accounting Standards**

- (a) In the current year, the Group has applied all the new and revised SFRS(I)s which are effective for the annual period beginning on 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- (b) The Group has not early adopted the new standards, interpretations and amendments to standards which are effective for annual periods beginning on or after 1 January 2026, in preparing these consolidated financial statements.

**(i) SFRS(I) 18: Presentation and Disclosure in Financial Statements**

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the income statement, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's consolidated income statement, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including the items currently labelled as "Others".

**(ii) Other accounting standards**

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidation financial statements and the Company's balance sheet.

Effective for annual periods beginning on or after 1 January 2026

- Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to SFRS(I)s – Volume 11
- Amendments to SFRS(I) 9 and SFRS(I) 7: *Contracts Referencing Nature-dependent Electricity*

Effective for annual periods beginning on or after 1 January 2027

- SFRS(I) 19: *Subsidiaries without Public Accountability Disclosures (including November 2025 Amendments to SFRS(I) 19)*