

Consolidated Profit and Loss Account

for the year ended 31 December 2025

	Note	2025			2024		
		Underlying business performance US\$m	Non-trading items US\$m	Total US\$m	Underlying business performance US\$m re-presented	Non-trading item US\$m re-presented	Total US\$m
Revenue	3	33,817	400	34,217	34,864	915	35,779
Net operating costs	4	(30,101)	(572)	(30,673)	(30,940)	(1,460)	(32,400)
Change in fair value of investment properties	13	–	172	172	–	(2,213)	(2,213)
Operating profit		3,716	–	3,716	3,924	(2,758)	1,166
Net financing charges	5						
– financing charges		(696)	(6)	(702)	(789)	(7)	(796)
– financing income		248	16	264	235	35	270
		(448)	10	(438)	(554)	28	(526)
Share of results of associates and joint ventures	6						
– before change in fair value of investment properties		1,094	241	1,335	1,100	63	1,163
– change in fair value of investment properties		–	386	386	–	136	136
		1,094	627	1,721	1,100	199	1,299
Impairment losses on associates and joint ventures	9	–	(798)	(798)	–	(508)	(508)
Profit before tax		4,362	(161)	4,201	4,470	(3,039)	1,431
Tax	7	(797)	(113)	(910)	(826)	(50)	(876)
Profit after tax		3,565	(274)	3,291	3,644	(3,089)	555
Attributable to:							
Shareholders of the Company	8 & 9	1,681	(572)	1,109	1,518	(1,986)	(468)
Non-controlling interests		1,884	298	2,182	2,126	(1,103)	1,023
		3,565	(274)	3,291	3,644	(3,089)	555
		US\$		US\$	US\$		US\$
Earnings/(loss) per share	8						
– basic		5.72		3.78	5.24		(1.61)
– diluted		5.72		3.77	5.23		(1.61)

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

	Note	2025 US\$m	2024 US\$m
Profit for the year		3,291	555
Other comprehensive income/(expense)			
Items that will not be reclassified to profit and loss:			
Net exchange translation loss arising during the year		(211)	(296)
Remeasurements of defined benefit plans	19	32	12
Remeasurements of statutory employee entitlements		(2)	(2)
Revaluation surplus before transfer to investment properties			
– right-of-use assets	12	–	97
Tax on items that will not be reclassified		(5)	(2)
		(186)	(191)
Share of other comprehensive income/(expense) of associates and joint ventures		93	(209)
		(93)	(400)
Items that may be reclassified subsequently to profit and loss:			
Net exchange translation differences			
– net loss arising during the year		(70)	(166)
– transfer to profit and loss		118	165
		48	(1)
Revaluation of other investments at fair value through other comprehensive income			
– net gain/(loss) arising during the year	16	41	(13)
– transfer to profit and loss		(1)	–
		40	(13)
Cash flow hedges			
– net (loss)/gain arising during the year		(238)	16
– transfer to profit and loss		5	(23)
		(233)	(7)
Tax relating to items that may be reclassified		52	(1)
Share of other comprehensive income/(expense) of associates and joint ventures		204	(246)
		111	(268)
Other comprehensive income/(expense) for the year, net of tax		18	(668)
Total comprehensive income/(expense) for the year		3,309	(113)
Attributable to:			
Shareholders of the Company		1,337	(696)
Non-controlling interests		1,972	583
		3,309	(113)

Overview

Leadership statements

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Consolidated Balance Sheet

at 31 December 2025

	Note	At 31 December	
		2025 US\$m	2024 US\$m
Assets			
Intangible assets	10	2,026	2,116
Tangible assets	11	6,627	6,574
Right-of-use assets	12	3,533	4,024
Investment properties	13	27,463	28,079
Bearer plants	14	440	462
Associates and joint ventures	15	15,314	17,838
Other investments	16	2,684	3,387
Non-current debtors	17	3,761	3,895
Deferred tax assets	18	622	582
Pension assets	19	31	11
Non-current assets		<u>62,501</u>	<u>66,968</u>
Properties for sale	20	1,525	2,879
Stocks and work in progress	21	3,105	3,332
Current debtors	17	7,046	6,839
Current investments	16	374	50
Current tax assets		181	136
Cash and bank balances	22		
– non-financial services companies		8,293	4,551
– financial services companies		270	296
		<u>8,563</u>	<u>4,847</u>
		<u>20,794</u>	<u>18,083</u>
Assets classified as held for sale	23	2,841	1,728
Current assets		<u>23,635</u>	<u>19,811</u>
Total assets		86,136	86,779

Approved by the Board of Directors

Lincoln Pan
Graham Baker
Directors

10 March 2026

	Note	At 31 December	
		2025	2024
		US\$m	US\$m
Equity			
Share capital	24	74	73
Share premium and capital reserves	26	31	23
Revenue and other reserves		28,928	27,784
Shareholders' funds		29,033	27,880
Non-controlling interests	28	25,614	25,440
Total equity		54,647	53,320
Liabilities			
Long-term borrowings	29		
– non-financial services companies		8,755	9,662
– financial services companies		1,477	1,592
		10,232	11,254
Non-current lease liabilities	30	2,317	2,773
Deferred tax liabilities	18	795	778
Pension liabilities	19	403	377
Non-current creditors	31	1,812	1,154
Non-current provisions	32	442	411
Non-current liabilities		16,001	16,747
Current borrowings	29		
– non-financial services companies		2,268	2,213
– financial services companies		2,653	2,421
		4,921	4,634
Current lease liabilities	30	681	741
Current tax liabilities		308	300
Current creditors	31	9,360	10,835
Current provisions	32	200	202
		15,470	16,712
Liabilities directly associated with assets classified as held for sale	23	18	–
Current liabilities		15,488	16,712
Total liabilities		31,489	33,459
Total equity and liabilities		86,136	86,779

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Share capital US\$m	Share premium US\$m	Capital reserves US\$m
2025			
At 1 January	73	–	23
Total comprehensive income	–	–	–
Dividends paid by the Company (<i>refer note 27</i>)	–	–	–
Dividends paid to non-controlling interests	–	–	–
Unclaimed dividends forfeited	–	–	–
Employee share option schemes	–	4	16
Scrip issued in lieu of dividends	1	(1)	–
Repurchase of shares	–	(4)	–
Capital contribution from non-controlling interests	–	–	–
Share purchased for share-based incentive plans in subsidiaries	–	–	–
Untraceable shares	–	–	–
Subsidiaries acquired	–	–	–
Change in interests in subsidiaries	–	–	–
Change in interests in associates and joint ventures	–	–	–
Transfer	–	5	(12)
At 31 December	74	4	27
2024			
At 1 January	72	–	22
Total comprehensive (expense)/income	–	–	–
Dividends paid by the Company (<i>refer note 27</i>)	–	–	–
Dividends paid to non-controlling interests	–	–	–
Unclaimed dividends forfeited	–	–	–
Employee share option schemes	–	–	9
Scrip issued in lieu of dividends	1	(1)	–
Repurchase of shares	–	–	–
Capital contribution from non-controlling interests	–	–	–
Share purchased for a share-based incentive plan in a subsidiary	–	–	–
Subsidiaries acquired	–	–	–
Change in interests in subsidiaries	–	–	–
Change in interests in associates and joint ventures	–	–	–
Transfer	–	1	(8)
At 31 December	73	–	23

Revenue reserves	Asset revaluation reserves	Hedging reserves	Exchange reserves	Attributable to shareholders of the Company	Attributable to non-controlling interests	Total equity
US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
28,172	2,395	(4)	(2,779)	27,880	25,440	53,320
1,150	–	(63)	250	1,337	1,972	3,309
(658)	–	–	–	(658)	–	(658)
–	–	–	–	–	(1,211)	(1,211)
2	–	–	–	2	–	2
–	–	–	–	20	8	28
197	–	–	–	197	–	197
(28)	–	–	–	(32)	–	(32)
–	–	–	–	–	8	8
(23)	–	–	–	(23)	(14)	(37)
84	–	–	–	84	21	105
–	–	–	–	–	65	65
230	–	–	–	230	(671)	(441)
(4)	–	–	–	(4)	(4)	(8)
1,275	(1,268)	–	–	–	–	–
30,397	1,127	(67)	(2,529)	29,033	25,614	54,647
29,009	2,323	11	(2,427)	29,010	26,921	55,931
(467)	76	(15)	(290)	(696)	583	(113)
(651)	–	–	–	(651)	–	(651)
–	–	–	–	–	(1,276)	(1,276)
2	–	–	–	2	–	2
–	–	–	–	9	3	12
204	–	–	–	204	–	204
(101)	–	–	–	(101)	–	(101)
–	–	–	–	–	1	1
(3)	–	–	–	(3)	–	(3)
–	–	–	–	–	3	3
75	–	–	–	75	(796)	(721)
31	–	–	–	31	1	32
73	(4)	–	(62)	–	–	–
28,172	2,395	(4)	(2,779)	27,880	25,440	53,320

Consolidated Cash Flow Statement

for the year ended 31 December 2025

	Note	2025 US\$m	2024 US\$m
Operating activities			
Cash generated from operations	33 (a)	5,732	5,637
Interest received		243	258
Interest and other financing charges paid		(703)	(809)
Tax paid		(937)	(1,066)
		4,335	4,020
Dividends from associates and joint ventures		974	979
Cash flows from operating activities		5,309	4,999
Investing activities			
Purchase of subsidiaries	33 (c)	(278)	5
Purchase of associates and joint ventures	33 (d)	(339)	(257)
Purchase of other investments	33 (e)	(543)	(417)
Purchase of intangible assets		(122)	(127)
Purchase of tangible assets		(1,170)	(1,191)
Additions to leasehold land under right-of-use assets	33 (n)	(24)	(25)
Additions to investment properties		(274)	(240)
Additions to bearer plants		(29)	(33)
Advances to associates and joint ventures	33 (f)	(22)	(112)
Repayments from associates and joint ventures	33 (g)	273	259
Sale of subsidiaries	33 (h)	687	317
Sale of associates and joint ventures	33 (i)	1,635	388
Sale of other investments	33 (j)	875	253
Sale of tangible assets	33 (k)	158	173
Sale of right-of-use assets		8	16
Sale of investment properties	13	1,258	20
Cash flows from investing activities		2,093	(971)
Financing activities			
Issue of shares		4	–
Capital contribution from non-controlling interests		8	1
Acquisition of the remaining interest in Jardine Strategic		(1)	(23)
Change in interests in other subsidiaries	33 (l)	(437)	(700)
Purchase of own shares	24	(32)	(101)
Purchase of shares for share-based incentive plans in subsidiaries		(37)	(3)
Sale of untraceable shares	33 (m)	106	–
Drawdown of borrowings	29	7,516	10,591
Repayment of borrowings	29	(8,293)	(11,072)
Repayments to associates and joint ventures	33 (f)	(16)	(27)
Advances from associates and joint ventures	33 (g)	122	96
Principal elements of lease payments	33 (n)	(895)	(877)
Dividends paid by the Company		(461)	(447)
Dividends paid to non-controlling interests		(1,211)	(1,276)
Cash flows from financing activities		(3,627)	(3,838)
Net increase in cash and cash equivalents		3,775	190
Cash and cash equivalents at 1 January		4,842	4,796
Effect of exchange rate changes		(43)	(144)
Cash and cash equivalents at 31 December	33 (o)	8,574	4,842

Notes to the Financial Statements

General information

Jardine Matheson Holdings Limited (the Company) is incorporated in Bermuda and has a primary listing in the equity share (transition) category of the London Stock Exchange, with secondary listings in Bermuda and Singapore. The address of the registered office is given on page 42.

The principal activities of the Company and its subsidiaries, and the nature of the Group's operations are set out on page 1, pages 4 to 5 and note 40 of the financial statements.

1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), including International Accounting Standards (IAS) and Interpretations as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis and under the historical cost convention except as disclosed in the accounting policies.

Details of the Group's material accounting policies are included in note 41.

Update to non-trading items

Following the strategic shift in the business direction to wind down Hongkong Land's build-to-sell segment, certain operations and assets within this segment have been identified as non-strategic business in 2025. The profit and loss from the non-strategic business is therefore presented separately from the underlying business performance and reported within non-trading items (*refer notes 2 and 41*). This presentation aims to provide greater understanding of underlying performance from continuing businesses. The comparative figures have been re-presented from underlying business to conform with the current year's presentation.

There are no amendments, which are effective in 2025 and relevant to the Group's operations, that have a significant impact on the Group's results, financial position and accounting policies.

The Group has not early adopted any standard, interpretation or amendments that have been issued but not yet effective (*refer note 42*).

The principal operating subsidiaries, associates and joint ventures have different functional currencies in line with the economic environments of the locations in which they operate. The functional currency of the Company is United States dollars.

The consolidated financial statements are presented in United States dollars.

The Group's reportable segments are set out in note 2 and are described on pages 4 to 5 and pages 18 to 27.

2 Segmental information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company for the purpose of resource allocation and performance assessment. The Group has seven operating segments (2024: seven) as more fully described on pages 4 to 5. No operating segments have been aggregated to form

	Jardine Pacific US\$m	Zhongsheng US\$m	Hongkong Land US\$m	DFI Retail US\$m	Mandarin Oriental US\$m
2025					
Revenue (<i>refer note 3</i>)	2,056	–	1,048	8,869	544
Net operating costs	(1,980)	3	(429)	(8,501)	(459)
Change in fair value of investment properties	–	–	–	–	–
Operating profit	76	3	619	368	85
Net financing charges					
– financing charges	(19)	–	(212)	(137)	(9)
– financing income	2	–	41	12	4
	(17)	–	(171)	(125)	(5)
Share of results of associates and joint ventures					
– before change in fair value of investment properties	148	60	93	88	21
– change in fair value of investment properties	–	–	–	–	–
	148	60	93	88	21
Impairment losses on associates and joint ventures	–	–	–	–	–
Profit before tax	207	63	541	331	101
Tax	(16)	–	(81)	(58)	(24)
Profit after tax	191	63	460	273	77
Non-controlling interests	–	–	(215)	(64)	(9)
Profit attributable to shareholders	191	63	245	209	68
Net (borrowings)/cash (excluding net borrowings of financial services companies)*	(63)	8	(3,577)	70	856
Cash flows from operating activities	413	(1)	587	1,099	94
Total equity	1,225	641	30,677	343	2,758
2024					
Revenue (<i>refer note 3</i>)	2,139	–	1,087	8,869	526
Net operating costs	(2,082)	–	(394)	(8,526)	(441)
Change in fair value of investment properties	–	–	–	–	–
Operating profit	57	–	693	343	85
Net financing charges					
– financing charges	(24)	–	(238)	(156)	(10)
– financing income	2	–	45	5	6
	(22)	–	(193)	(151)	(4)
Share of results of associates and joint ventures					
– before change in fair value of investment properties	129	83	90	43	14
– change in fair value of investment properties	–	–	–	–	–
	129	83	90	43	14
Impairment losses on associates	–	–	–	–	–
Profit before tax	164	83	590	235	95
Tax	(15)	–	(90)	(30)	(20)
Profit after tax	149	83	500	205	75
Non-controlling interests	–	–	(235)	(50)	(12)
Profit attributable to shareholders	149	83	265	155	63
Net (borrowings)/cash (excluding net borrowings of financial services companies)*	(124)	9	(5,088)	(468)	(93)
Cash flows from operating activities	305	(18)	678	973	78
Total equity	1,197	1,305	29,811	651	2,926

*Net (borrowings)/cash is total borrowings less cash and bank balances (including balances classified as assets held for sale (*refer note 23*)). Net borrowings of financial services companies amounted to US\$3,860 million at 31 December 2025 (2024: US\$3,717 million) and relates to Astra.

the reportable segments. Set out below is an analysis of the Group's underlying profit, net borrowings, cash flows from operating activities and total equity by reportable segment.

Jardine Cycle & Carriage US\$m	Astra US\$m	Corporate and other interests US\$m	Intersegment transactions US\$m	Underlying business performance US\$m	Non-trading items (non-strategic business) (refer note 1) US\$m	Non-trading items (other) US\$m	Total non-trading items US\$m	Group US\$m
1,750	19,608	–	(58)	33,817	400	–	400	34,217
(1,629)	(17,160)	(4)	58	(30,101)	(556)	(16)	(572)	(30,673)
–	–	–	–	–	–	172	172	172
121	2,448	(4)	–	3,716	(156)	156	–	3,716
(50)	(226)	(43)	–	(696)	(5)	(1)	(6)	(702)
21	156	12	–	248	13	3	16	264
(29)	(70)	(31)	–	(448)	8	2	10	(438)
114	569	1	–	1,094	231	10	241	1,335
–	–	–	–	–	–	386	386	386
114	569	1	–	1,094	231	396	627	1,721
–	–	–	–	–	–	(798)	(798)	(798)
206	2,947	(34)	–	4,362	83	(244)	(161)	4,201
(18)	(597)	(3)	–	(797)	(81)	(32)	(113)	(910)
188	2,350	(37)	–	3,565	2	(276)	(274)	3,291
(33)	(1,563)	–	–	(1,884)	(2)	(296)	(298)	(2,182)
155	787	(37)	–	1,681	–	(572)	(572)	1,109
(584)	540	33	–					(2,717)
27	3,140	(50)#	–					5,309
1,752	17,288	409	(446)					54,647
1,643	20,655	–	(55)	34,864	915	–	915	35,779
(1,572)	(17,931)	(49)	55	(30,940)	(1,025)	(435)	(1,460)	(32,400)
–	–	–	–	–	–	(2,213)	(2,213)	(2,213)
71	2,724	(49)	–	3,924	(110)	(2,648)	(2,758)	1,166
(76)	(239)	(46)	–	(789)	(7)	–	(7)	(796)
24	150	3	–	235	34	1	35	270
(52)	(89)	(43)	–	(554)	27	1	28	(526)
114	636	(9)	–	1,100	25	38	63	1,163
–	–	–	–	–	–	136	136	136
114	636	(9)	–	1,100	25	174	199	1,299
–	–	–	–	–	–	(508)	(508)	(508)
133	3,271	(101)	–	4,470	(58)	(2,981)	(3,039)	1,431
(10)	(658)	(3)	–	(826)	(31)	(19)	(50)	(876)
123	2,613	(104)	–	3,644	(89)	(3,000)	(3,089)	555
(24)	(1,805)	–	–	(2,126)	42	1,061	1,103	(1,023)
99	808	(104)	–	1,518	(47)	(1,939)	(1,986)	(468)
(835)	600	(1,321)	–					(7,320)
(19)	3,061	(59)#	–					4,999
1,667	16,846	(641)	(442)					53,320

Corporate's cash flows from operating activities comprised dividend income from associate and other investments of US\$53 million (2024: US\$62 million) net with corporate costs and net financing charges of US\$103 million (2024: US\$121 million). Parent free cash flow comprised recurring dividends from subsidiaries of US\$983 million (2024: US\$934 million), less Corporate's cash flows from operating activities of US\$50 million (2024: US\$59 million).

2 Segmental information (continued)

Set out below are analyses of the Group's underlying profit attributable to shareholders and non-current assets, by geographical areas:

	2025 US\$m	2024 US\$m
<i>Underlying profit attributable to shareholders:</i>		
China	535	518
Indonesia [#]	809	833
Other Southeast Asia [#]	286	182
Rest of the world	89	89
	1,719	1,622
Corporate and other interests	(38)	(104)
	1,681	1,518
<i>Non-current assets*:</i>		
China	36,465	36,967
Indonesia [#]	13,741	13,164
Other Southeast Asia [#]	2,452	5,708
Rest of the world	1,284	1,309
	53,942	57,148

[#] To enhance the understanding of the Group's geographical performance, Indonesia has been presented separately from Southeast Asia. Comparative figures have been re-presented to conform with the current year's presentation.

* Excluding amounts due from associates and joint ventures, financial instruments, deferred tax assets and pension assets.

3 Revenue

	Jardine Pacific US\$m	Hongkong Land US\$m	DFI Retail US\$m	Mandarin Oriental US\$m	Jardine Cycle & Carriage US\$m	Astra US\$m	Intersegment transactions and other US\$m	Non-trading items [#] US\$m	Group US\$m
2025									
By product and service:									
Property	5	1,048	3	1	–	57	(9)	400	1,505
Automotive and mobility	404	–	–	–	1,750	7,538	–	–	9,692
Retail and restaurants	849	–	8,866	–	–	–	–	–	9,715
Financial services	–	–	–	–	–	2,029	–	–	2,029
Engineering, heavy equipment, mining and construction	798	–	–	–	–	7,929	(47)	–	8,680
Hotels	–	–	–	543	–	–	(2)	–	541
Other*	–	–	–	–	–	2,055	–	–	2,055
	2,056	1,048	8,869	544	1,750	19,608	(58)	400	34,217
By geographical location of customers:									
China	1,428	1,007	6,058	153	–	–	(56)	375	8,965
Indonesia	–	–	295	–	–	19,608	–	–	19,903
Other Southeast Asia	191	41	2,132	13	1,750	–	(2)	25	4,150
Rest of the world	437	–	384	378	–	–	–	–	1,199
	2,056	1,048	8,869	544	1,750	19,608	(58)	400	34,217
From contracts with customers:									
Recognised at a point in time	1,344	27	8,854	162	1,687	13,606	–	370	26,050
Recognised over time	706	188	12	372	53	3,651	(49)	19	4,952
	2,050	215	8,866	534	1,740	17,257	(49)	389	31,002
From other sources:									
Rental income from investment properties	6	833	3	1	–	21	(9)	11	866
Revenue from financial services companies	–	–	–	–	–	1,392	–	–	1,392
Revenue from insurance businesses	–	–	–	–	–	637	–	–	637
Other	–	–	–	9	10	301	–	–	320
	6	833	3	10	10	2,351	(9)	11	3,215
	2,056	1,048	8,869	544	1,750	19,608	(58)	400	34,217

3 Revenue (continued)

	Jardine Pacific US\$m	Hongkong Land US\$m	DFI Retail US\$m	Mandarin Oriental US\$m	Jardine Cycle & Carriage US\$m	Astra US\$m	Intersegment transactions and other US\$m	Non-trading items [#] US\$m	Group US\$m
2024									
<i>By product and service:</i>									
Property	5	1,087	3	–	–	75	(8)	915	2,077
Automotive and mobility	515	–	–	–	1,643	8,527	–	–	10,685
Retail and restaurants	834	–	8,866	–	–	–	–	–	9,700
Financial services	–	–	–	–	–	1,917	–	–	1,917
Engineering, heavy equipment, mining and construction	785	–	–	–	–	8,417	(45)	–	9,157
Hotels	–	–	–	526	–	–	(2)	–	524
Other*	–	–	–	–	–	1,719	–	–	1,719
	2,139	1,087	8,869	526	1,643	20,655	(55)	915	35,779
<i>By geographical location of customers:</i>									
China	1,546	1,046	6,115	142	–	–	(53)	885	9,681
Indonesia	–	–	310	1	–	20,655	–	–	20,966
Other Southeast Asia	172	41	2,069	12	1,643	–	(2)	30	3,965
Rest of the world	421	–	375	371	–	–	–	–	1,167
	2,139	1,087	8,869	526	1,643	20,655	(55)	915	35,779
<i>From contracts with customers:</i>									
Recognised at a point in time	1,441	35	8,853	155	1,581	14,426	–	881	27,372
Recognised over time	692	177	13	357	54	3,964	(47)	21	5,231
	2,133	212	8,866	512	1,635	18,390	(47)	902	32,603
<i>From other sources:</i>									
Rental income from investment properties	6	875	3	–	–	10	(8)	13	899
Revenue from financial services companies	–	–	–	–	–	1,346	–	–	1,346
Revenue from insurance businesses	–	–	–	–	–	571	–	–	571
Other	–	–	–	14	8	338	–	–	360
	6	875	3	14	8	2,265	(8)	13	3,176
	2,139	1,087	8,869	526	1,643	20,655	(55)	915	35,779

* Included revenue from Agribusiness of US\$1,736 million (2024: US\$1,372 million), Infrastructure of US\$192 million (2024: US\$197 million) and Information Technology of US\$127 million (2024: US\$150 million).

[#] Non-trading items represent non-strategic business (refer note 2).

Revenue related to Astra's logistics business has been reclassified from 'other' to 'automotive and mobility'. The 2024 comparatives have been reclassified by US\$273 million for comparability.

No interest income calculated using effective interest method had been included in revenue from contracts with customers in 2025 and 2024.

Rental income from investment properties included variable rents of US\$37 million (2024: US\$32 million).

3 Revenue (continued)

Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers.

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed, and are transferred to receivables when the rights become unconditional which usually occurs when the customers are billed.

Costs to fulfil contracts includes costs recognised to fulfil future performance obligations on existing contracts that have not yet been satisfied. Costs to obtain contracts include costs such as sales commission and stamp duty paid, as a result of obtaining contracts. The Group has capitalised these costs and recognised in profit and loss when the related revenue is recognised.

Contract liabilities primarily relate to the advance consideration received from customers relating to properties for sale, sale of motor vehicles, unredeemed gift vouchers, and loyalty points.

Contract assets and contract liabilities are further analysed as follows:

	2025 US\$m	2024 US\$m
Contract assets (<i>refer note 17</i>)		
– property	–	11
– engineering, heavy equipment, mining and construction	73	94
– other	16	7
	<u>89</u>	<u>112</u>
– provision for impairment	(20)	(4)
	<u>69</u>	<u>108</u>
Contract liabilities (<i>refer note 31</i>)		
– property	42	128
– automotive and mobility	319	293
– retail and restaurants	169	183
– engineering, heavy equipment, mining and construction	198	194
– other	84	69
	<u>812</u>	<u>867</u>

At 31 December 2025, costs to fulfil contracts and costs to obtain contracts amounting to US\$116 million (2024: US\$107 million) and US\$6 million (2024: US\$2 million) were capitalised, and US\$303 million (2024: US\$268 million) from costs to fulfil contracts and US\$1 million (2024: US\$13 million) from costs to obtain contracts had been recognised in profit and loss during the year.

3 Revenue (continued)**Revenue recognised in relation to contract liabilities**

Revenue recognised in the current year relating to carried-forward contract liabilities:

	2025	2024
	US\$m	US\$m
Property	120	559
Automotive and mobility	170	206
Retail and restaurants	117	146
Engineering, heavy equipment, mining and construction	172	95
Other	30	41
	609	1,047

Revenue expected to be recognised on unsatisfied contracts with customers

Timing of revenue to be recognised on unsatisfied performance obligations:

	Property	Automotive	Retail	Engineering,	Other	Total
	US\$m	and mobility	and	heavy	US\$m	US\$m
	US\$m	US\$m	restaurants	equipment,	US\$m	US\$m
	US\$m	US\$m	US\$m	mining and	US\$m	US\$m
	US\$m	US\$m	US\$m	construction	US\$m	US\$m
2025						
Within one year	136	91	98	710	52	1,087
Between one and two years	8	35	49	282	11	385
Between two and three years	8	24	20	69	3	124
Between three and four years	17	16	1	38	–	72
Between four and five years	2	30	1	13	–	46
Beyond five years	3	1	–	56	–	60
	174	197	169	1,168	66	1,774
2024						
Within one year	249	70	114	793	45	1,271
Between one and two years	33	28	45	283	13	402
Between two and three years	17	19	21	153	14	224
Between three and four years	5	7	2	36	–	50
Between four and five years	2	12	1	22	–	37
Beyond five years	2	–	–	67	–	69
	308	136	183	1,354	72	2,053

As permitted under IFRS 15 Revenue from Contracts with Customers, the revenue expected to be recognised in the next reporting periods arising from unsatisfied performance obligations for contracts that have original expected durations of one year or less is not disclosed.

4 Net operating costs

	2025 US\$m	2024 US\$m
Cost of sales	(24,798)	(25,896)
Other operating income	854	494
Selling and distribution costs	(3,832)	(3,846)
Administration expenses	(2,496)	(2,425)
Other operating expenses	(401)	(727)
	(30,673)	(32,400)
<i>The following credits/(charges) are included in net operating costs:</i>		
Cost of stocks recognised as expense	(18,960)	(19,740)
Cost of properties for sale recognised as expense	(323)	(824)
Amortisation of intangible assets	(130)	(152)
Depreciation of tangible assets	(1,102)	(1,062)
Amortisation/depreciation of right-of-use assets	(929)	(928)
Depreciation of bearer plants	(31)	(32)
Impairment of intangible assets		
– goodwill	(3)	(142)
– other	(12)	(27)
	(15)	(169)
Impairment of tangible assets	(6)	(12)
Impairment of right-of-use assets	(13)	(5)
Write down of properties for sale	(314)	(147)
Write down of stocks and work in progress	(40)	(55)
Reversal of write down of stocks and work in progress	33	28
Impairment of financing debtors	(101)	(99)
Impairment of trade debtors, contract assets and other debtors	(43)	(16)
Operating expenses arising from investment properties	(156)	(182)
Net foreign exchange gains/(losses)	36	(42)
Employee benefit expense		
– salaries and benefits in kind	(3,633)	(3,619)
– share options granted	(24)	(12)
– defined benefit pension plans	(99)	(87)
– defined contribution pension plans	(87)	(86)
	(3,843)	(3,804)
Expenses relating to low-value leases	(6)	(1)
Expenses relating to short-term leases	(124)	(150)
Expenses relating to variable lease payment not included in lease liabilities	(63)	(58)
Auditors' remuneration		
– audit	(21)	(24)
– non-audit services	(6)	(6)
	(27)	(30)
Gain on lease modification and termination	8	5
Sublease income	6	6
Dividend income from equity investments	77	77
Interest income from debt investments	67	61
Rental income from properties	7	8

Write down of properties for sale comprised Hongkong Land's properties in Chinese mainland arising from the deterioration in market conditions that resulted in projected sales prices being lower than development costs. A corresponding deferred tax credit of US\$2 million (2024: US\$11 million) was recognised.

4 Net operating costs (continued)

	2025	2024
	US\$m	US\$m
Net operating costs included the following gains/(losses) from non-trading items:		
Non-strategic business (refer note 2)	(556)	(1,025)
Change in fair value of other investments	5	(9)
Change in fair value of derivative	(66)	–
Impairment of goodwill (refer note 10)	(3)	(142)
Loss relating to divestment of interest in Yonghui Superstores Co., Ltd (Yonghui)	(128)	(114)
Divestment of Singapore Food business	116	–
Sale and closure of businesses	16	(137)
Sale of hotels	110	(31)
Sale of property interests	(7)	74
Restructuring of businesses	(12)	(22)
Other	(47)	(54)
	(572)	(1,460)

5 Net financing charges

	2025	2024
	US\$m	US\$m
Interest expense		
– bank loans and advances	(281)	(373)
– interest on lease liabilities	(143)	(143)
– other	(250)	(255)
	(674)	(771)
Interest capitalised	10	18
Commitment and other fees	(38)	(43)
Financing charges	(702)	(796)
Financing income	264	270
	(438)	(526)

6 Share of results of associates and joint ventures

	2025 US\$m	2024 US\$m
By business:		
Jardine Pacific	149	137
Zhongsheng	56	67
Hongkong Land	710	254
DFI Retail	92	84
Mandarin Oriental	28	13
Jardine Cycle & Carriage	114	118
Astra	571	635
Corporate and other interests	1	(9)
	1,721	1,299

Share of results of associates and joint ventures included a write-down of US\$60 million (2024: US\$178 million) on the Chinese mainland properties for sale in Hongkong Land's property joint ventures, arising from the deterioration in market conditions that resulted in projected sales prices being lower than development costs.

	2025 US\$m	2024 US\$m
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Non-strategic business (<i>refer note 2</i>)	231	25
Change in fair value of investment properties	386	136
Change in fair value of other investments	5	27
Sale and closure of businesses	(2)	28
Sale of land interests	10	–
Other	(3)	(17)
	627	199

Results are shown after tax and non-controlling interests in the associates and joint ventures.

7 Tax

	2025 US\$m	2024 US\$m
Tax charged to profit and loss is analysed as follows:		
Current tax	(880)	(894)
Deferred tax	(30)	18
	(910)	(876)
China	(225)	(151)
Indonesia	(601)	(666)
Other Southeast Asia	(31)	(17)
Rest of the world	(53)	(42)
	(910)	(876)
Reconciliation between tax expense and tax at the applicable tax rate*:		
Tax at applicable tax rate	(669)	(297)
Income not subject to tax		
– change in fair value of investment properties	95	6
– other items	193	182
Expenses not deductible for tax purposes		
– change in fair value of investment properties	(77)	(353)
– other items	(244)	(293)
Tax losses and temporary differences not recognised	(127)	(72)
Utilisation of previously unrecognised tax losses and temporary differences	29	17
Recognition of previously unrecognised tax losses and temporary differences	6	6
Deferred tax assets written off	(12)	(19)
Deferred tax liabilities written back	3	20
(Underprovision)/overprovision in prior years	(11)	6
Withholding tax	(60)	(93)
Provision of land appreciation tax in Chinese mainland	(24)	(6)
Effect of changes in tax legislation	–	14
Other	(12)	6
	(910)	(876)
Tax relating to components of other comprehensive income is analysed as follows:		
Remeasurements of defined benefit plans	(5)	(2)
Cash flow hedges	52	(1)
	47	(3)

*The applicable tax rate for the year was 27.0% (2024: 46.5%) and represents the weighted average of the rates of taxation prevailing in the territories in which the Group operates. The decrease in applicable tax rate is mainly caused by a change in the geographic mix of the Group's profits and losses.

The non-trading tax charged to profit and loss for the year was US\$113 million (2024: US\$50 million), mainly from the build-to-sell business performance. The remaining items, mainly fair value change on investment properties and impairment on certain assets, were not subject to tax.

Share of tax charge of associates and joint ventures of US\$600 million (2024: US\$406 million) is included in share of results of associates and joint ventures. Share of tax credit of US\$4 million (2024: tax charge of US\$1 million) is included in other comprehensive income of associates and joint ventures.

7 Tax (continued)

The Group is within the scope of the OECD Pillar Two model rules, and has applied the exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes.

Pillar Two legislation has been enacted in most jurisdictions in which the Group operates. The Group is in scope of the enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the latest financial information for the year ended 31 December 2025 of the constituent entities in the Group. Based on the assessment, the effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the effective tax rate is slightly below or close to 15%. The income tax expense related to Pillar Two income taxes in the relevant jurisdiction is assessed to be immaterial.

8 Earnings/(loss) per share

Basic earnings per share of US\$3.78 (2024: loss per share of US\$1.61) is calculated on profit attributable to shareholders of US\$1,109 million (2024: loss of US\$468 million). Basic earnings per share calculated on the underlying profit attributable to shareholders of US\$1,681 million (2024: US\$1,518 million) is US\$5.72 (2024: US\$5.24). Both of these are calculated based on the weighted average number of 294 million (2024: 290 million) shares in issue during the year.

Diluted earnings per share of US\$3.77 (2024: loss per share of US\$1.61) are calculated on adjusted profit attributable to shareholders of US\$1,107 million (2024: loss of US\$468 million). Diluted earnings per share calculated on adjusted underlying profit attributable to shareholders of US\$1,679 million (2024: US\$1,518 million) is US\$5.72 (2024: US\$5.23). Both of these are calculated based on the weighted average number of 294 million (2024: 290 million) shares in issue during the year. There were no shares deemed to be issued for no consideration for the calculation of diluted earnings per share under the share-based long-term incentive plan for the years ended 31 December 2025 and 2024.

9 Non-trading items

	2025		2024	
	Profit before tax US\$m	Attributable to shareholders US\$m	Profit before tax US\$m	Attributable to shareholders US\$m
By business:				
Jardine Pacific	(14)	(14)	(14)	(13)
Zhongsheng	(734)	(734)	(293)	(293)
Hongkong Land	900	441	(1,905)	(1,052)
DFI Retail	(43)	(37)	(509)	(392)
Mandarin Oriental	(232)	(205)	(187)	(157)
Jardine Cycle & Carriage	(107)	(91)	(134)	(106)
Astra	(18)	(4)	(44)	(20)
Corporate and other interests	87	72	47	47
	(161)	(572)	(3,039)	(1,986)
An analysis of non-trading items is set out below:				
Non-strategic business (refer note 2)	83	–	(58)	(47)
Change in fair value of investment properties				
– Hongkong Land	904	488	(1,839)	(1,001)
– other	(346)	(307)	(238)	(208)
	558	181	(2,077)	(1,209)
Change in fair value of other investments	10	12	18	22
Change in fair value of derivative	(66)	(36)	–	–
Impairment of goodwill (refer note 10)	(3)	(3)	(142)	(112)
Impairment of associates				
– investment in Zhongsheng (refer note 15)	(732)	(732)	(277)	(277)
– investment in Robinsons Retail (refer note 15)	–	–	(231)	(179)
– other	(66)	(24)	–	–
	(798)	(756)	(508)	(456)
Sale and closure of businesses				
– divestment of interest in Yonghui	(128)	(95)	(114)	(89)
– divestment of Singapore Food business	116	88	–	–
– other	14	(11)	(109)	(85)
	2	(18)	(223)	(174)
Sale of hotels	110	96	(31)	(28)
Sale of land and property interests	4	3	74	67
Restructuring of businesses	(13)	(9)	(22)	(16)
Other	(48)	(42)	(70)	(33)
	(161)	(572)	(3,039)	(1,986)

10 Intangible assets

	Goodwill US\$m	Franchise rights US\$m	Concession rights US\$m	Deferred exploration costs US\$m	Other US\$m	Total US\$m
2025						
Cost	1,071	146	657	1,376	693	3,943
Amortisation and impairment	(377)	(7)	(82)	(933)	(428)	(1,827)
Net book value at 1 January	694	139	575	443	265	2,116
Exchange differences	(14)	(4)	(21)	3	(5)	(41)
New subsidiaries	2	–	–	–	–	2
Additions	–	1	24	48	81	154
Disposals	(32)	–	–	–	(12)	(44)
Classified as held for sale	(16)	–	–	–	–	(16)
Amortisation	–	(2)	(11)	(54)	(63)	(130)
Impairment charge	(3)	–	–	(10)	(2)	(15)
Net book value at 31 December	631	134	567	430	264	2,026
Cost	989	143	657	1,433	708	3,930
Amortisation and impairment	(358)	(9)	(90)	(1,003)	(444)	(1,904)
	631	134	567	430	264	2,026
2024						
Cost	1,194	139	665	1,320	652	3,970
Amortisation and impairment	(364)	(2)	(77)	(842)	(411)	(1,696)
Net book value at 1 January	830	137	588	478	241	2,274
Exchange differences	(18)	(7)	(27)	1	(6)	(57)
New subsidiaries	4	–	–	–	25	29
Purchase price adjustment	58	–	–	–	13	71
Additions	–	10	23	55	71	159
Disposals	(38)	–	–	–	(1)	(39)
Amortisation	–	(1)	(9)	(72)	(70)	(152)
Impairment charge	(142)	–	–	(19)	(8)	(169)
Net book value at 31 December	694	139	575	443	265	2,116
Cost	1,071	146	657	1,376	693	3,943
Amortisation and impairment	(377)	(7)	(82)	(933)	(428)	(1,827)
	694	139	575	443	265	2,116
					2025	2024
					US\$m	US\$m
Goodwill allocation by business:						
Jardine Pacific					22	22
DFI Retail					73	94
Mandarin Oriental					12	40
Astra					524	538
					631	694

10 Intangible assets (continued)

Goodwill relating to DFI Retail is allocated to groups of cash-generating units (CGU) identified by banners or groups of stores acquired in each geographical segment. Management has assessed the recoverable amount of each CGU based on value-in-use calculations using cash flow projections in the approved budgets which have forecasts covering a period of three years and projections for a further two years. Cash flows beyond the projection periods were extrapolated using the assumptions on average sales growth rates, average annual profit growth rates, pre-tax discount rates and long-term growth rates. The pre-tax discount rates reflected business specific risks relating to the relevant industries, business life-cycle and the risk related to the places of operation.

Key assumptions used for value-in-use calculations for the DFI Retail goodwill in 2025 include budgeted gross margins between 29% and 62% (2024: 37% and 64%) and long-term sales growth rate of 2% and 3% (2024: 2% and 2.2%) to project cash flows, which vary across the group's business segments and geographical locations, over a five-year period, and were based on management's expectations for the market development; and pre-tax discount rate between 10% to 15% (2024: 9%) applied to the cash flow projections. The discount rates used reflect business specific risks relating to the relevant industry, business life-cycle and geographical location. On the basis of this review, DFI Retail management concluded that no impairment was required.

During 2024, the goodwill relating to its San Miu business in Macau of US\$120 million was fully impaired. Key assumptions used for value-in-use calculation for San Miu business in Macau in 2024, included average sales growth rate of 2.2% and average gross profit growth rate of 0.8%. Cash flows beyond the five-year period were extrapolated using long-term growth rate of 2.2% and pre-tax discount rate of 9.9%.

Goodwill relating to Astra mainly represents goodwill arising from acquisition of shares in Astra which is regarded as an operating segment, and those arising from Astra's acquisition of subsidiaries. In 2025, for the purpose of impairment review on goodwill arising from acquisition of Astra's shares, the carrying value of Astra is compared with the recoverable amount measured by reference to the quoted market price of the shares held. The impairment review of goodwill in 2024 was made by comparing the carrying amount of Astra, including the goodwill arising from the acquisition of shares, with the recoverable amount. The recoverable amount was determined based on a value-in-use calculation. This calculation used pre-tax cash flow projections based on financial budgets approved by management covering a three-year period. Cash flows beyond the three-year period were extrapolated using estimated growth rates between 5% and 6% and a pre-tax discount rate of 15%. The growth rate did not exceed the long-term average growth rate of the industries that Astra operated in. The pre-tax discount rate reflected business specific risks relating to Astra. On the basis of these reviews, management concluded no impairment had occurred at 31 December 2025 and 2024.

Franchise rights mainly include rights under franchise agreements with automotive and heavy equipment manufacturers. These franchise agreements are deemed to have indefinite lives because either they do not have any term of expiry or their renewal would be probable and would not involve significant costs, taking into account the history of renewal and the relationships between the franchisee and the contracting parties. The carrying amounts of these franchise rights comprise mainly Astra's automotive of US\$46 million (2024: US\$47 million) and heavy equipment of US\$80 million (2024: US\$84 million), are not amortised as such rights will contribute cash flows for an indefinite period. Management has performed an impairment review of the carrying amounts of these franchise rights at 31 December 2025 and has concluded that no impairment has occurred. The impairment review was made by comparing the carrying amounts of the CGU in which the franchise rights reside with the recoverable amounts of the CGU. The recoverable amounts of the CGU are determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a three-year period. Cash flows beyond the three-year period are extrapolated using growth rates between 3% and 4% (2024: 3% and 4%). Pre-tax discount rates between 19% and 22% (2024: 20% and 22%) reflecting specific risks relating to the relevant industries, are applied to the cash flow projections.

Other intangible assets comprise trademarks and computer software.

The amortisation charges are all recognised in arriving at operating profit and are included in cost of sales, selling and distribution costs and administration expenses.

The remaining amortisation periods for intangible assets are as follows:

Concession rights	by traffic volume over 30 to 34 years
Computer software	up to 8 years
Deferred exploration costs	by unit of production
Other	various

11 Tangible assets

	Freehold properties US\$m	Buildings on leasehold land US\$m	Leasehold improvements US\$m	Mining properties US\$m	Plant & machinery US\$m	Furniture, equipment & motor vehicles US\$m	Total US\$m
2025							
Cost	524	2,688	1,494	2,094	6,955	2,368	16,123
Depreciation and impairment	(86)	(1,309)	(1,063)	(1,122)	(4,464)	(1,505)	(9,549)
Net book value at 1 January	438	1,379	431	972	2,491	863	6,574
Exchange differences	26	(30)	5	(13)	(66)	(19)	(97)
New subsidiaries	–	–	2	–	–	1	3
Additions	–	201	121	–	612	363	1,297
Disposals	–	(2)	(22)	–	(29)	(16)	(69)
Transfer from investment properties (refer note 13)	–	52	–	–	–	–	52
Transfer from/(to) stock and work in progress	–	–	–	–	1	(33)	(32)
Transfer from properties for sale	–	49	–	–	–	7	56
Transfer	–	1	(1)	–	–	–	–
Classified as held for sale	(38)	(4)	(1)	–	(3)	(3)	(49)
Depreciation charge (Impairment charge)/reversal of impairment charge	(7)	(97)	(112)	(76)	(572)	(238)	(1,102)
Net book value at 31 December	419	1,549	418	883	2,432	926	6,627
Cost	478	2,929	1,493	1,998	6,954	2,449	16,301
Depreciation and impairment	(59)	(1,380)	(1,075)	(1,115)	(4,522)	(1,523)	(9,674)
	419	1,549	418	883	2,432	926	6,627
2024							
Cost	541	2,378	1,472	2,223	6,807	2,297	15,718
Depreciation and impairment	(85)	(1,093)	(1,035)	(1,065)	(4,405)	(1,450)	(9,133)
Net book value at 1 January	456	1,285	437	1,158	2,402	847	6,585
Exchange differences	(6)	(48)	(11)	(20)	(93)	(35)	(213)
New subsidiaries	–	7	–	–	2	6	15
Purchase price adjustment	–	3	–	(82)	–	–	(79)
Additions	8	122	119	–	735	312	1,296
Disposals	(13)	(37)	(5)	–	(37)	(15)	(107)
Transfer from right-of-use assets	–	–	–	–	1	–	1
Transfer from/(to) investment properties (refer note 13)	–	139	(1)	–	–	–	138
Transfer from/(to) stock and work in progress	–	–	–	–	34	(20)	14
Classified as held for sale	–	(2)	–	–	–	–	(2)
Depreciation charge Impairment charge	(7)	(90)	(106)	(84)	(544)	(231)	(1,062)
	–	–	(2)	–	(9)	(1)	(12)
Net book value at 31 December	438	1,379	431	972	2,491	863	6,574
Cost	524	2,688	1,494	2,094	6,955	2,368	16,123
Depreciation and impairment	(86)	(1,309)	(1,063)	(1,122)	(4,464)	(1,505)	(9,549)
	438	1,379	431	972	2,491	863	6,574

11 Tangible assets (continued)

In November 2025, the gold mining operations of Astra were affected by Cyclone Senyar which caused flash floods and landslides in several regions of Sumatera in Indonesia. In December 2025, management decided to temporarily halt gold mining operations. Within mining properties, the carrying values of gold mining properties and gold mining cash generating unit amounted to US\$296 million and US\$885 million, respectively, and based on impairment assessment, these amounts are considered recoverable. The recoverable amount was determined using key assumptions, including the gold price forecast, the post-tax discount rate, and the estimated timing for the resumption of mining operations.

Rental income from properties and other tangible assets amounted to US\$364 million (2024: US\$393 million) with contingent rents of US\$5 million (2024: US\$4 million).

The maturity analysis of the undiscounted lease payments to be received after the balance sheet date are as follows:

	2025 US\$m	2024 US\$m
Within one year	64	62
Between one and two years	30	28
Between two and five years	27	22
Beyond five years	12	–
	133	112

At 31 December 2025, the carrying amount of tangible assets pledged as security for borrowings amounted to US\$130 million (2024: US\$26 million) (*refer note 29*).

12 Right-of-use assets

	Leasehold land US\$m	Properties US\$m	Plant & machinery US\$m	Motor vehicles US\$m	Total US\$m
2025					
Cost	1,509	7,226	122	87	8,944
Amortisation/depreciation and impairment	(542)	(4,273)	(54)	(51)	(4,920)
Net book value at 1 January	967	2,953	68	36	4,024
Exchange differences	(18)	63	(3)	–	42
New subsidiaries	–	26	–	–	26
Additions	28	184	47	35	294
Disposals	(1)	(385)	–	–	(386)
Transfer from investment properties (<i>refer note 13</i>)	5	–	–	–	5
Transfer from properties for sale	11	–	–	–	11
Classified as held for sale	(1)	–	–	–	(1)
Modifications to lease terms	–	461	–	(1)	460
Amortisation/depreciation charge	(54)	(808)	(42)	(25)	(929)
Impairment charge	–	(13)	–	–	(13)
Net book value at 31 December	937	2,481	70	45	3,533
Cost	1,509	6,734	113	87	8,443
Amortisation/depreciation and impairment	(572)	(4,253)	(43)	(42)	(4,910)
	937	2,481	70	45	3,533

12 Right-of-use assets (continued)

	Leasehold land US\$m	Properties US\$m	Plant & machinery US\$m	Motor vehicles US\$m	Total US\$m
2024					
Cost	1,369	7,187	145	86	8,787
Amortisation/depreciation and impairment	(503)	(4,088)	(70)	(46)	(4,707)
Net book value at 1 January	866	3,099	75	40	4,080
Exchange differences	(31)	(56)	(3)	(2)	(92)
New subsidiaries	17	1	–	–	18
Purchase price adjustment	(7)	–	–	–	(7)
Additions	21	341	41	26	429
Disposals	(5)	(35)	–	–	(40)
Revaluation surplus before transfer to investment properties	97	–	–	–	97
Transfer to tangible assets	–	–	(1)	–	(1)
Transfer from investment properties (<i>refer note 13</i>)	68	–	–	–	68
Classified as held for sale	(4)	–	–	–	(4)
Modifications to lease terms	–	409	–	–	409
Amortisation/depreciation charge	(55)	(801)	(44)	(28)	(928)
Impairment charge	–	(5)	–	–	(5)
Net book value at 31 December	967	2,953	68	36	4,024
Cost	1,509	7,226	122	87	8,944
Amortisation/depreciation and impairment	(542)	(4,273)	(54)	(51)	(4,920)
	967	2,953	68	36	4,024

The typical lease term associated with the right-of-use assets are as follows:

Leasehold land	8 to 99 years
Properties	1 to 20 years
Plant & machinery	1 to 6 years
Motor vehicles	1 to 6 years

Leasehold land included a hotel property in Hong Kong with carrying value of US\$122 million (2024: US\$122 million) which is amortised over 895 years.

At 31 December 2025, the carrying amount of leasehold land pledged as security for borrowings amounted to US\$17 million (2024: none) (*refer note 29*).

13 Investment properties

	Commercial properties		Residential properties		Total US\$m
	Completed US\$m	Under development US\$m	Completed US\$m	Under development US\$m	
2025					
At 1 January	24,942	2,065	750	322	28,079
Exchange differences	(5)	(8)	(4)	–	(17)
New subsidiaries	414	10	–	–	424
Additions	153	149	–	–	302
Disposals	(1,119)	–	–	–	(1,119)
Transfer to tangible assets (<i>refer note 11</i>)	(52)	–	–	–	(52)
Transfer to right-of-use assets (<i>refer note 12</i>)	(5)	–	–	–	(5)
Transfer from properties for sale	832	–	–	–	832
Transfer	2,034	(2,034)	–	–	–
Classified as held for sale	(1,153)	–	–	–	(1,153)
Change in fair value	285	(110)	1	(4)	172
At 31 December	26,326	72	747	318	27,463
Freehold properties					117
Leasehold properties					27,346
					27,463
2024					
At 1 January	27,018	2,150	676	322	30,166
Exchange differences	87	13	7	2	109
Additions	78	184	–	–	262
Disposals	(6)	(1)	(13)	–	(20)
Transfer from/(to) tangible assets [#] (<i>refer note 11</i>)	(140)	1	1	–	(138)
Transfer from/(to) right-of-use assets [#] (<i>refer note 12</i>)	(85)	(71)	88	–	(68)
Classified as held for sale	(19)	–	–	–	(19)
Change in fair value [#]	(1,991)	(211)	(9)	(2)	(2,213)
At 31 December	24,942	2,065	750	322	28,079
Freehold properties					122
Leasehold properties					27,957
					28,079

[#] Movements in completed commercial properties in 2024 included the Group's reclassification of properties in Hong Kong, which are used for its own purposes (including as offices, hotel and retail outlets), to tangible assets of US\$142 million (cost of US\$343 million and accumulated depreciation of US\$201 million) and right-of-use assets of US\$94 million (cost of US\$102 million and accumulated depreciation of US\$8 million). Decrease in fair value for 2024 included US\$474 million reversal of cumulative historical fair value gains on these reclassified properties.

In April 2025, Hongkong Land entered into sale and purchase agreements with Hong Kong Exchanges and Clearing Limited for the sale of its interest in certain floors of One Exchange Square for a total cash consideration of approximately US\$810 million. The transaction will conclude in stages as individual floors are handed over, with the full transaction expected to conclude within 2026. US\$368 million cash consideration was received during 2025, with the remaining floors to be sold, previously classified as investment properties, classified as held for sale at 31 December 2025 (*refer note 23*).

In October 2025, Mandarin Oriental entered into a sale and purchase agreement with Alibaba Group and Ant Group for the sale of the top thirteen floors of One Causeway Bay (Levels 21–35), together with the building's rooftop signage and 50 parking spaces, for a consideration of US\$925 million. The sale of Levels 21 to 35 was completed in December 2025.

13 Investment properties (continued)

The Group measures its investment properties at fair value. The fair values of the Group's investment properties at 31 December 2025 and 2024 have been determined on the basis of valuations carried out by independent valuers holding a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. The completed commercial properties were principally held by Hongkong Land.

Hongkong Land engaged Jones Lang LaSalle to value the majority of their commercial investment properties in Hong Kong, Chinese mainland, Singapore and Cambodia which are either freehold or held under leases with unexpired lease terms of more than 25 years. The valuations, which conform to the International Valuation Standards issued by the International Valuation Standards Council and the HKIS Valuation Standards issued by the Hong Kong Institute of Surveyors, were arrived at by reference to the net income, allowing for reversionary potential, of each completed commercial property. The valuations are comprehensively reviewed by Hongkong Land.

Fair value measurements of residential properties using no significant unobservable inputs (Level 2)

Fair values of completed residential properties are generally derived using the direct comparison method. This valuation method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

Fair value measurements of commercial properties using significant unobservable inputs (Level 3)

Fair values of completed commercial properties in Hong Kong, the Chinese mainland and Singapore are generally derived using the income capitalisation method. This valuation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to valuers' views of recent lettings, within the subject properties and other comparable properties.

Fair values of completed commercial properties in Cambodia are generally derived using the discounted cash flow method. The net present value of the income stream is estimated by applying an appropriate discount rate which reflects the risk profile.

Fair values of under development commercial properties in Hongkong Land are generally derived using the residual method. This valuation method is essentially a means of valuing the land by reference to its development potential by deducting development costs together with developer's profit and risk from the estimated capital value of the proposed development assuming completion as at the date of valuation.

The table below analyses the Group's investment properties carried at fair value, by the levels in the fair value measurement hierarchy:

	Commercial properties		Residential properties		Total US\$m
	Completed US\$m	Under development US\$m	Completed US\$m	Under development US\$m	
2025					
Fair value measurements using					
– no significant unobservable inputs	145	14	265	–	424
– significant unobservable inputs	26,181	58	482	318	27,039
	26,326	72	747	318	27,463
2024					
Fair value measurements using					
– no significant unobservable inputs	202	14	750	–	966
– significant unobservable inputs	24,740	2,051	–	322	27,113
	24,942	2,065	750	322	28,079

13 Investment properties (continued)

Movement of investment properties which are valued based on unobservable inputs during the years ended 31 December 2025 and 2024 are as follows:

	Commercial properties		Residential properties		Total US\$m
	Completed US\$m	Under development US\$m	Completed US\$m	Under development US\$m	
2025					
At 1 January	24,740	2,051	–	322	27,113
Exchange differences	(1)	(8)	2	–	(7)
New subsidiaries	414	10	–	–	424
Additions	153	149	–	–	302
Disposals	(1,119)	–	–	–	(1,119)
Transfer to tangible assets	(52)	–	–	–	(52)
Transfer from properties for sale	832	–	–	–	832
Transfer	2,034	(2,034)	–	–	–
Transfer between categories	38	–	480	–	518
Classified as held for sale	(1,153)	–	–	–	(1,153)
Change in fair value	295	(110)	–	(4)	181
At 31 December	26,181	58	482	318	27,039
2024					
At 1 January	26,811	2,148	–	322	29,281
Exchange differences	92	14	–	2	108
Additions	78	182	–	–	260
Disposals	(6)	–	–	–	(6)
Transfer to tangible assets	(141)	–	–	–	(141)
Transfer to right-of-use assets	(88)	(82)	–	–	(170)
Classified as held for sale	(19)	–	–	–	(19)
Change in fair value	(1,987)	(211)	–	(2)	(2,200)
At 31 December	24,740	2,051	–	322	27,113

The Group's policy is to recognise transfers between fair value measurement categories as of the date of the event or change in circumstances that caused the transfer.

13 Investment properties (continued)

Information about fair value measurements of Hongkong Land's completed commercial properties using significant unobservable inputs at 31 December 2025:

	Fair value US\$m	Valuation method	Range of significant unobservable inputs	
			Prevailing market rent per month US\$	Capitalisation/ discount rate %
2025				
Hong Kong				
– office	17,849	Income capitalisation	12.7 per square foot	2.90 to 3.50
– retail	4,635	Income capitalisation	30.0 per square foot	4.25 to 5.00
	22,484			
Chinese mainland				
– office	31	Income capitalisation	12.3 per square metre	6.00
– retail	1,834	Income capitalisation	21.5 to 124.9 per square metre	3.50 to 5.00
	1,865			
Cambodia	63	Discounted cash flow	20.8 to 29.0 per square metre	12.50 to 13.50
Total	24,412			

Information about fair value measurements of Hongkong Land's and Mandarin Oriental's commercial properties using significant unobservable inputs at 31 December 2024:

	Fair value US\$m	Valuation method	Range of significant unobservable inputs	
			Prevailing market rent per month US\$	Capitalisation/ discount rate %
2024				
<i>Completed properties:</i>				
Hong Kong				
– office	18,593	Income capitalisation	12.8 per square foot	2.90 to 3.50
– retail	4,110	Income capitalisation	28.8 per square foot	4.25 to 5.00
	22,703			
Chinese mainland	996	Income capitalisation	105.1 per square metre	3.50
Singapore	581	Income capitalisation	7.5 per square foot	3.35 to 4.80
Cambodia	66	Discounted cash flow	21.0 to 30.0 per square metre	12.50 to 13.50
Total	24,346			
<i>Under development property:</i>				
Hong Kong	2,003	Residual	7.2 to 9.8 per square foot	2.55 to 3.95

Prevailing market rents are estimated based on independent valuers' view of recent lettings, within the subject properties and other comparable properties. Capitalisation and discount rates are estimated by independent valuers based on the risk profile of the properties being valued.

13 Investment properties (continued)

An increase/decrease to prevailing market rent will increase/decrease valuations, while an increase/decrease to capitalisation/discount rate will decrease/increase valuations. Sensitivity analyses have been performed to assess the impact on the valuations of changes in the two significant unobservable inputs for prevailing market rents and capitalisation rates on completed commercial properties (2024: completed and under development commercial properties) in Hong Kong, which contributed 82% (2024: 88%) of the total investment properties at 31 December 2025. The impact of any reasonably possible change in the assumptions for other investment properties would not be material. The Group believes this captures the range of variations in these key valuation assumptions. The results are shown in the table below:

	Change in assumption	Increase/(decrease) in valuations				
		%	Completed properties		Under development property	
			Increase in assumption US\$m	Decrease in assumption US\$m	Increase in assumption US\$m	Decrease in assumption US\$m
2025						
Prevailing market rent per month	5.00	1,053	(1,022)	N/A	N/A	
Capitalisation rate	0.10	(641)	707	N/A	N/A	
2024						
Prevailing market rent per month	5.00	1,035	(1,062)	104	(104)	
Capitalisation rate	0.10	(661)	703	(76)	82	

The maturity analysis of lease payments, showing the undiscounted lease payments to be received over the remainder of the contractual lease term after the balance sheet date, including the estimated impact on lease payments from contractual rent reviews, are as follows:

	2025	2024
	US\$m	US\$m
Within one year	733	732
Between one and two years	614	582
Between two and three years	464	437
Between three and four years	353	265
Between four and five years	252	190
Beyond five years	524	313
	2,940	2,519

Generally the Group's operating leases in respect of investment properties are for terms of three or more years.

At 31 December 2025, the carrying amount of investment properties pledged as security for borrowings amounted to US\$2,112 million (2024: US\$996 million) (refer note 29).

14 Bearer plants

	2025 US\$m	2024 US\$m
Cost	746	749
Depreciation	(284)	(268)
Net book value at 1 January	462	481
Exchange differences	(17)	(22)
Additions	31	35
Disposals	(5)	–
Depreciation charge	(31)	(32)
Net book value at 31 December	440	462
Immature bearer plants	83	89
Mature bearer plants	357	373
	440	462
Cost	732	746
Depreciation	(292)	(284)
	440	462

The Group's bearer plants are primarily for the production of palm oil.

At 31 December 2025 and 2024, the Group's bearer plants had not been pledged as security for borrowings.

15 Associates and joint ventures

	2025 US\$m	2024 US\$m
Associates		
Listed associates		
– Zhongsheng	674	1,342
– Nickel Industries	540	575
– Robinsons Retail	–	248
– other	495	339
	1,709	2,504
Unlisted associates	2,483	2,234
Share of attributable net assets	4,192	4,738
Goodwill on acquisition	538	333
	4,730	5,071
Amounts due from associates	435	435
	5,165	5,506
Joint ventures		
Share of attributable net assets of unlisted joint ventures	8,931	10,663
Goodwill on acquisition	122	95
	9,053	10,758
Amounts due from joint ventures	1,096	1,574
	10,149	12,332
	15,314	17,838

15 Associates and joint ventures (continued)

Fair value of the Group's listed associates at 31 December 2025, which were based on the quoted prices in active markets, amounted to US\$2,259 million (2024: US\$2,288 million).

In May 2025, DFI Retail completed the disposal of its entire interest in Robinsons Retail, which operated multi-format retail business in the Philippines, to its controlling shareholder (*refer note 33(i)*).

In September 2024, DFI Retail signed a share transfer agreement with a third party to sell its entire interest in Yonghui. The interest in Yonghui, with a carrying value of US\$759 million, was reclassified to assets held for sale (*refer note 23*) and the equity basis of accounting was discontinued. In February 2025, DFI Retail completed the disposal of its 21.4% interest in Yonghui (*refer note 33(i)*).

Siam City Cement Public Company Limited was disposed of in August 2024 (*refer note 33(i)*).

Amounts due from associates are interest free, unsecured and have no fixed terms of repayment.

Amounts due from joint ventures bear interest at fixed rates up to 8% per annum and are repayable within one to five years.

	Associates		Joint ventures	
	2025 US\$m	2024 US\$m	2025 US\$m	2024 US\$m
Movements of associates and joint ventures during the year:				
At 1 January	5,506	7,048	12,332	12,726
Share of results after tax and non-controlling interests	360	390	1,361	909
Share of net exchange translation gain/(loss) arising during the year after non-controlling interests	48	(125)	294	(360)
Share of other comprehensive (expense)/income after tax and non-controlling interests	(6)	11	(19)	(17)
Dividends received	(199)	(283)	(783)	(696)
Acquisitions, other increases in attributable interests and advances	467	148	180	383
Other disposals, decreases in attributable interests and repayment of advances	(252)	(415)	(1,454)	(573)
Classified as held for sale (<i>refer note 23</i>)	–	(759)	(1,710)	(39)
Impairment	(746)	(508)	(52)	–
Other	(13)	(1)	–	(1)
At 31 December	5,165	5,506	10,149	12,332

15 Associates and joint ventures (continued)

An impairment review was performed by management on the carrying values of investment in associates and joint ventures at 31 December 2025. Following the review, the fair value of the Corporate's investment in Zhongsheng was below its carrying value. Management assessed the recoverable amount based on fair value less costs to sell. Fair value was determined using a valuation model that reflects the characteristics of the investment as a single unit of account, being a 21.4% interest in Zhongsheng, measured by reference to the quoted market price of Zhongsheng shares at 31 December 2025 and making adjustments to take into consideration the size of the Group's shareholding. Management concluded impairment charge of US\$732 million was required on Zhongsheng.

At 31 December 2024, the fair value of Corporate's investment in Zhongsheng and DFI Retail's investment in Robinsons Retail were below their carrying values. Management conducted impairment reviews by using value-in-use calculations and concluded impairment of US\$231 million (Group's attributable share of US\$179 million) and US\$277 million were required on Robinsons Retail and Zhongsheng, respectively.

To calculate the value-in-use for Zhongsheng in 2024, management prepared detailed estimates for the next five years. The key assumptions used in 2024 included probability weighted average revenue growth rate of 4.6%. Cash flows beyond the five-year period were extrapolated using a probability weighted long-term growth rate of 2.1% and a pre-tax discount rate of 15.4%. The model was sensitive to changes in key assumptions. A 0.5% decrease in average revenue growth and a 1% increase in pre-tax discount rate would result in further impairment of US\$43 million and US\$115 million, respectively.

To calculate the value-in-use for Robinsons Retail in 2024, management estimated the discounted future cash inflows derived from holding the investment and from its ultimate disposal. For the disposal cash inflow, management used Robinsons Retail's 12-month average share price and referred to industry benchmarks for retail mergers and acquisitions, specifically to determine the average premium applied to the prevailing share price for these transactions. A discount rate of 11% was applied in calculating the discounted future cash inflows. A 10% decrease in the disposal cash inflow would result in a further impairment of US\$24 million.

15 Associates and joint ventures (continued)

(a) Investment in associates

The material associates of the Group are listed below. These associates have share capital consisting solely of ordinary shares, which are held directly by the Group.

Nature of investments in material associates in 2025 and 2024:

Name of entity	Nature of business	Place of incorporation/ principal place of business/ place of listing	% of ownership interest	
			2025	2024
Zhongsheng Group Holdings Limited (Zhongsheng)	Automotive	Cayman Islands/ Chinese mainland/ Hong Kong	21	21
Maxim's Caterers Limited (Maxim's)	Restaurants	Hong Kong/Hong Kong/ Unlisted	50	50
Robinsons Retail Holdings, Inc. (Robinsons Retail) [§]	Health and beauty, food, department stores, specialty and DIY stores	The Philippines/ The Philippines/ The Philippines	–	22
Yonghui Superstores Co., Ltd (Yonghui) [^]	Food	China/Chinese mainland/ Shanghai	–	21
Truong Hai Group Corporation (THACO)	Automotive, property development and agriculture	Vietnam/Vietnam/ Unlisted	27	27

[§] Disposed of in 2025.

[^] Reclassified as assets held for sale in September 2024. Disposed of in February 2025.

15 Associates and joint ventures (continued)

Summarised financial information for material associates

Summarised balance sheets at 31 December (unless otherwise indicated):

	Zhongsheng ^a	Maxim's	Robinsons Retail [§]	THACO
	US\$m	US\$m	US\$m	US\$m
2025				
Non-current assets	6,206	2,530	–	4,415
Current assets				
Cash and cash equivalents	1,795	321	–	307
Other current assets	7,062	304	–	4,049
Total current assets	8,857	625	–	4,356
Non-current liabilities				
Financial liabilities*	(2,583)	(827)	–	(2,167)
Other non-current liabilities*	(435)	(194)	–	(209)
Total non-current liabilities	(3,018)	(1,021)	–	(2,376)
Current liabilities				
Financial liabilities*	(2,152)	(603)	–	(2,703)
Other current liabilities*	(3,239)	(116)	–	(1,235)
Total current liabilities	(5,391)	(719)	–	(3,938)
Non-controlling interests	–	(166)	–	(311)
Net assets	6,654	1,249	–	2,146
2024				
Non-current assets	6,213	2,612	1,781	4,253
Current assets				
Cash and cash equivalents	2,360	195	161	65
Other current assets	6,148	263	633	3,490
Total current assets	8,508	458	794	3,555
Non-current liabilities				
Financial liabilities*	(2,323)	(604)	(510)	(1,287)
Other non-current liabilities*	(484)	(179)	(112)	(210)
Total non-current liabilities	(2,807)	(783)	(622)	(1,497)
Current liabilities				
Financial liabilities*	(2,362)	(889)	(275)	(2,625)
Other current liabilities*	(3,269)	(108)	(429)	(1,357)
Total current liabilities	(5,631)	(997)	(704)	(3,982)
Non-controlling interests	(23)	(141)	(86)	(322)
Net assets	6,260	1,149	1,163	2,007

* Financial liabilities exclude trade and other payables and provisions, which are presented under other current and non-current liabilities.

^a Based on the unaudited summarised balance sheets at 30 June 2025 and 2024.

[§] Disposed of in 2025. 2024 information was based on the unaudited summarised balance sheet at 30 September 2024.

15 Associates and joint ventures (continued)

Summarised financial information on comprehensive income for the year ended 31 December (unless otherwise indicated):

	Zhongsheng [□]	Maxim's	Robinsons Retail [§]	THACO
	US\$m	US\$m	US\$m	US\$m
2025				
Revenue	21,397	3,083	–	3,115
Depreciation and amortisation	N/A	(426)	–	(143)
Interest income	N/A	3	–	96
Interest expense	N/A	(42)	–	(260)
Profit from underlying business performance	N/A	199	–	308
Tax	N/A	(43)	–	(57)
Profit after tax from underlying business performance	N/A	156	–	251
Loss after tax from non-trading items	N/A	(4)	–	–
Profit after tax	283	152	–	251
Other comprehensive income	N/A	38	–	–
Total comprehensive income	283	190	–	251
Dividends received from associates	44	37	–	–
2024				
Revenue	24,523	3,070	3,461	2,916
Depreciation and amortisation	N/A	(435)	(129)	(134)
Interest income	N/A	4	3	102
Interest expense	N/A	(48)	(54)	(233)
Profit from underlying business performance	N/A	169	117	171
Tax	N/A	(28)	(25)	(19)
Profit after tax from underlying business performance	N/A	141	92	152
Profit/(loss) after tax from non-trading items	N/A	(4)	237	–
Profit after tax	427	137	329	152
Other comprehensive income/(expense)	N/A	(11)	5	–
Total comprehensive income	427	126	334	152
Dividends received from associates	52	41	11	–

[□] Information was based on management's estimate, with reference to the lowest recent external analyst forecasts for the year ended 31 December 2025 (2024: using an average of analyst estimates for the year ended 31 December 2024) as financial data for Zhongsheng is not available when the Group produces its consolidated financial results. When it was not possible to estimate certain summarised financial information, it has been marked as N/A.

[§] Disposed of in 2025. 2024 information was based on the unaudited summarised statement of comprehensive income for the 12 months ended 30 September 2024.

The information contained in the summarised balance sheets and financial information on comprehensive income reflect the amounts presented in the financial statements of the associates adjusted for differences in accounting policies between the Group and the associates, and fair value of the associates at the time of acquisition.

15 Associates and joint ventures (continued)

Reconciliation of the summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in its material associates for the year ended 31 December:

	Zhongsheng ^a	Maxim's	Robinsons Retail [§]	THACO
	US\$m	US\$m	US\$m	US\$m
2025				
Net assets	6,654	1,249	–	2,146
<i>Interest in associates (%)</i>	21	50	–	27
Group's share of net assets in associates	1,424	625	–	574
Goodwill	–	–	–	149
Impairment	(732)	–	–	–
Other	(18)	–	–	–
Carrying value	674	625	–	723
Fair value[#]	755	N/A	–	N/A
2024				
Net assets	6,260	1,149	1,163	2,007
<i>Interest in associates (%)</i>	21	50	22	27
Group's share of net assets in associates	1,340	574	256	534
Goodwill	–	–	–	151
Other	2	–	(8)	–
Carrying value	1,342	574	248	685
Fair value[#]	909	N/A	196	N/A

[#] Fair values of the listed associates were based on quoted prices in active markets at 31 December 2025 and 2024.

^a Based on the unaudited summarised balance sheets at 30 June 2025 and 2024.

[§] Disposed of in 2025, 2024 information was based on the unaudited summarised balance sheet at 30 September 2024.

15 Associates and joint ventures (continued)

The Group has interests in a number of individually immaterial associates. The following table analyses, in aggregate, the share of profit and other comprehensive income and carrying amount of these associates.

	2025 US\$m	2024 US\$m
Share of profit	142	192
Share of other comprehensive income/(expense)	22	(8)
Share of total comprehensive income	164	184
Carrying amount of interests in these associates	3,143	2,657

Contingent liabilities relating to the Group's interest in associates

No financial guarantee in respect of facilities was made available to associates at 31 December 2025 and 2024.

(b) Investment in joint ventures

The material joint ventures of the Group are listed below. These joint ventures have share capital consisting solely of ordinary shares, which are held directly by the Group.

Nature of investments in material joint ventures in 2025 and 2024:

Name of entity	Nature of business	Place of incorporation and principal place of business	% of ownership interest	
			2025	2024
Hongkong Land				
– Shanghai Yibin Property Co. Ltd.	Property investment	Shanghai	43	43
– Properties Sub F, Ltd	Property investment	Macau	49	49
– BFC Development LLP ^Δ	Property investment	Singapore	33	33
– Central Boulevard Development Pte Ltd [†]	Property investment	Singapore	–	33
– One Raffles Quay Pte Ltd ^Δ	Property investment	Singapore	33	33
Astra				
– PT Astra Honda Motor	Automotive	Indonesia	50	50

^ΔReclassified as assets held for sale in December 2025.

[†]Disposed of in 2025.

15 Associates and joint ventures (continued)

Summarised financial information for material joint ventures

Summarised balance sheets at 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP ^Δ US\$m	Central Boulevard Development Pte Ltd [†] US\$m	One Raffles Quay Pte Ltd ^Δ US\$m	PT Astra Honda Motor US\$m
2025						
Non-current assets	6,505	1,087	N/A	–	N/A	1,210
Current assets						
Cash and cash equivalents	92	139	N/A	–	N/A	847
Other current assets	35	41	N/A	–	N/A	468
Total current assets	127	180	N/A	–	N/A	1,315
Non-current liabilities						
Financial liabilities*	(834)	–	N/A	–	N/A	(3)
Other non-current liabilities*	(406)	(118)	N/A	–	N/A	(282)
Total non-current liabilities	(1,240)	(118)	N/A	–	N/A	(285)
Current liabilities						
Financial liabilities*	(49)	–	N/A	–	N/A	–
Other current liabilities*	(234)	(37)	N/A	–	N/A	(1,058)
Total current liabilities	(283)	(37)	N/A	–	N/A	(1,058)
Net assets	5,109	1,112	N/A	–	N/A	1,182
2024						
Non-current assets	3,607	1,134	3,977	3,099	2,910	1,260
Current assets						
Cash and cash equivalents	81	134	28	25	17	983
Other current assets	1,369	44	3	3	–	473
Total current assets	1,450	178	31	28	17	1,456
Non-current liabilities						
Financial liabilities*	(614)	–	(1,263)	(1,190)	(784)	(2)
Other non-current liabilities*	(43)	(124)	–	(22)	(212)	(268)
Total non-current liabilities	(657)	(124)	(1,263)	(1,212)	(996)	(270)
Current liabilities						
Financial liabilities*	–	–	–	(9)	(2)	–
Other current liabilities*	(207)	(44)	(80)	(46)	(50)	(1,166)
Total current liabilities	(207)	(44)	(80)	(55)	(52)	(1,166)
Net assets	4,193	1,144	2,665	1,860	1,879	1,280

* Financial liabilities exclude trade and other payables and provisions, which are presented under other current and non-current liabilities.

^Δ Reclassified as assets held for sale in December 2025.

[†] Disposed of in 2025.

15 Associates and joint ventures (continued)

Summarised statements of comprehensive income for the year ended 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP ^Δ US\$m	Central Boulevard Development Pte Ltd [†] US\$m	One Raffles Quay Pte Ltd ^Δ US\$m	PT Astra Honda Motor US\$m
2025						
Revenue	7	68	188	149	141	6,118
Depreciation and amortisation	–	(4)	–	–	–	(97)
Interest income	1	3	–	–	–	55
Interest expense	(2)	–	(43)	(40)	(22)	–
Profit/(loss) from underlying business performance	(8)	30	99	76	84	811
Tax	–	(4)	(17)	(13)	(14)	(171)
Profit/(loss) after tax from underlying business performance	(8)	26	82	63	70	640
Profit/(loss) after tax from non-trading items	738	(56)	200	115	149	–
Profit after tax	730	(30)	282	178	219	640
Other comprehensive income/ (expense)	185	(3)	141	89	99	2
Total comprehensive income/ (expense)	915	(33)	423	267	318	642
Dividends received from joint ventures	–	–	28	21	23	347
2024						
Revenue	–	83	183	135	134	6,111
Depreciation and amortisation	–	(3)	–	–	–	(93)
Interest income	1	3	–	–	–	52
Interest expense	–	–	(53)	(46)	(28)	–
Profit/(loss) from underlying business performance	(3)	44	87	55	73	772
Tax	1	(5)	(14)	(9)	(12)	(161)
Profit/(loss) after tax from underlying business performance	(2)	39	73	46	61	611
Profit/(loss) after tax from non-trading items	38	(14)	205	204	13	–
Profit after tax	36	25	278	250	74	611
Other comprehensive income/ (expense)	(120)	7	(73)	(68)	(65)	(3)
Total comprehensive income/ (expense)	(84)	32	205	182	9	608
Dividends received from joint ventures	–	–	25	15	20	284

^Δ Reclassified as assets held for sale in December 2025.[†] Disposed of in 2025.

The information contained in the summarised balance sheets and statements of comprehensive income reflect the amounts presented in the financial statements of the joint ventures adjusted for differences in accounting policies between the Group and the joint ventures, and fair value of the joint ventures at the time of acquisition.

15 Associates and joint ventures (continued)

Reconciliation of the summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in its material joint ventures for the year ended 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP ^Δ US\$m	Central Boulevard Development Pte Ltd [†] US\$m	One Raffles Quay Pte Ltd ^Δ US\$m	PT Astra Honda Motor US\$m
2025						
Net assets	5,109	1,112	N/A	–	N/A	1,182
Interest in joint ventures (%)	43	49	N/A	–	N/A	50
Group's share of net assets in joint ventures	2,197	545	N/A	–	N/A	591
Carrying value	2,197	545	N/A	–	N/A	591
2024						
Net assets	4,193	1,144	2,665	1,860	1,879	1,280
Interest in joint ventures (%)	43	49	33	33	33	50
Group's share of net assets in joint ventures	1,803	561	888	620	627	640
Amounts due from joint ventures	–	–	–	–	40	–
Carrying value	1,803	561	888	620	667	640

^Δ Reclassified as assets held for sale in December 2025.

[†] Disposed of in 2025.

The Group has interests in a number of individually immaterial joint ventures. The following table analyses, in aggregate, the share of profit and other comprehensive income and carrying amount of these joint ventures.

	2025 US\$m	2024 US\$m
Share of profit	516	376
Share of other comprehensive income/(expense)	108	(106)
Share of total comprehensive income	624	270
Carrying amount of interests in these joint ventures	6,816	7,153

Commitments and contingent liabilities in respect of joint ventures

The Group has the following commitments relating to its joint ventures as at 31 December:

	2025 US\$m	2024 US\$m
Commitment to provide funding if called	738	716

There were no contingent liabilities relating to the Group's interest in the joint ventures at 31 December 2025 and 2024.

16 Other investments

	2025 US\$m	2024 US\$m
Equity investments measured at fair value through profit and loss		
Listed securities		
– Schindler Holdings	23	348
– Toyota Motor Corporation	310	291
– Vietnam Dairy Products Joint Stock Company (Vinamilk)	293	552
– Other	81	229
	707	1,420
Unlisted securities	259	246
	966	1,666
Debt investments measured at fair value through profit and loss	373	399
Debt investments measured at fair value through other comprehensive income	1,115	984
Debt investments measured at amortised cost	179	–
Limited partnership investment funds measured at fair value through profit and loss	425	388
	3,058	3,437
Non-current	2,684	3,387
Current	374	50
	3,058	3,437

Debt investments measured at fair value through other comprehensive income comprised listed bonds.

	2025 US\$m	2024 US\$m
<i>Movements during the year:</i>		
At 1 January	3,437	3,384
Exchange differences	13	(100)
Additions	543	417
Disposals and capital repayments	(872)	(253)
Reclassification of other investments to associates and joint ventures	(156)	–
Change in fair value recognised in profit and loss	52	2
Change in fair value recognised in other comprehensive income	41	(13)
At 31 December	3,058	3,437

Movements of equity investments and limited partnership investment funds which were valued based on unobservable inputs during the year are disclosed in note 43.

Management considers debt investments have low credit risk when they have a low risk of default based on credit ratings from major rating agencies.

17 Debtors

	2025 US\$m	2024 US\$m
Consumer financing debtors		
– gross	5,367	5,048
– provision for impairment	(293)	(307)
	5,074	4,741
Financing lease receivables		
– gross investment	801	790
– unearned finance income	(81)	(81)
– net investment	720	709
– provision for impairment	(31)	(35)
	689	674
Financing debtors	5,763	5,415
Trade debtors		
– third parties	2,010	2,041
– associates	61	43
– joint ventures	138	122
	2,209	2,206
– provision for impairment	(97)	(75)
	2,112	2,131
Contract assets (refer note 3)		
– gross	89	112
– provision for impairment	(20)	(4)
	69	108
Other debtors		
– third parties	2,667	2,833
– associates	97	147
– joint ventures	160	147
	2,924	3,127
– provision for impairment	(61)	(47)
	2,863	3,080
	10,807	10,734
Non-current		
– consumer financing debtors	2,421	2,408
– financing lease receivables	305	303
– trade debtors	5	1
– other debtors	1,030	1,183
	3,761	3,895
Current		
– consumer financing debtors	2,653	2,333
– financing lease receivables	384	371
– trade debtors	2,107	2,130
– contract assets	69	108
– other debtors	1,833	1,897
	7,046	6,839
	10,807	10,734

17 Debtors (continued)

	2025 US\$m	2024 US\$m
<i>Analysis by geographical area of operation:</i>		
China	997	975
Indonesia	9,359	9,197
Other Southeast Asia	283	389
Rest of the world	168	173
	10,807	10,734
<i>Analysis by fair value:</i>		
Consumer financing debtors	4,613	4,288
Financing lease receivables	654	639
Financing debtors	5,267	4,927
Trade debtors	2,112	2,131
Other debtors*	1,450	1,654
	8,829	8,712

*Excluding prepayments and other non-financial debtors. The carrying amounts of other debtors are US\$1,456 million (2024: US\$1,661 million).

The fair values of financing debtors are determined based on a discounted cash flow method using unobservable inputs, which are mainly discount rates of 11% to 37% per annum (2024: 11% to 37% per annum). The fair values of other debtors, other than short-term debtors, are estimated using the expected future receipts discounted at market rates ranging from 5% to 14% per annum (2024: 5% to 14% per annum). The fair value of short-term debtors approximates their carrying amounts. Derivative financial instruments are stated at fair value. The higher the discount rates, the lower the fair value.

Financing debtors

Financing debtors comprise consumer financing debtors and financing lease receivables. They primarily relate to Astra's motor vehicle and motorcycle financing businesses.

Financing debtors are due within five years (2024: eight years) from the balance sheet date and the interest rates range from 7% to 46% per annum (2024: 7% to 46% per annum).

An analysis of financing lease receivables is set out below:

	2025 US\$m	2024 US\$m
Lease receivables	801	790
Guaranteed residual value	270	259
Security deposits	(270)	(259)
Gross investment	801	790
Unearned finance income	(81)	(81)
Net investment	720	709

17 Debtors (continued)

The maturity analyses of financing lease receivables at 31 December are as follows:

	2025		2024	
	Gross investment	Net investment	Gross investment	Net investment
	US\$m	US\$m	US\$m	US\$m
Within one year	456	402	444	390
Between one and two years	236	215	229	208
Between two and five years	102	96	104	98
Beyond five years	7	7	13	13
	801	720	790	709

Impairment of financing debtors

Before accepting any new customer, the Group assesses the potential customer's credit quality and sets credit limits by customer using internal scoring systems. These limits and scoring are reviewed periodically. The Group obtains collateral in the form of motor vehicles and motorcycles from consumer financing debtors.

The loan period ranges from 6 to 60 months for motor vehicles and motorcycles. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payment are factors in determining the credit risk of financing debtors. To measure the expected credit losses, the financing debtors have been grouped based on shared credit risk characteristics and the days past due. The calculation reflects the probability weighted outcome, the time value of money, historical loss rate, reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Changes in certain macroeconomic information, such as GDP and inflation rate, are relevant for determining expected credit loss rates. Financing debtors are performing when timely repayments are being made. Financing debtors are underperforming and subject to a significant increase in credit risk when motor vehicle financing debtors are overdue for 30 days and when motorcycle financing debtors are overdue, or for certain motor vehicle and motorcycle financing debtors who had restructured their loans. Lifetime expected credit losses are provided at this stage. Financing debtors are non-performing if they are overdue for 90 days. Financing debtors are written off when they are overdue for 150 days and there is no reasonable expectation of recovery. In case of default, the Group facilitates the customer to sell the collateral vehicles under fiduciary arrangement for the purpose of recovering the outstanding receivables.

The Group provides for credit losses against the financing debtors as follows:

	2025		2024	
	Expected credit loss rate	Estimated gross carrying amount at default	Expected credit loss rate	Estimated gross carrying amount at default
	%	US\$m	%	US\$m
Performing	0.31 – 4.65	4,342	0.07 – 5.66	4,218
Underperforming	0.22 – 23.07	1,640	0.07 – 40.70	1,443
Non-performing	10.01 – 59.29	105	14.05 – 66.00	96
		6,087		5,757

17 Debtors (continued)

Movements of provisions for impairment of financing debtors are as follows:

	Performing US\$m	Underperforming US\$m	Non-performing US\$m	Total US\$m
2025				
At 1 January	(127)	(154)	(61)	(342)
Exchange differences	5	5	3	13
Additional provisions	(11)	(64)	(26)	(101)
Transfer	17	6	(23)	–
Write off/utilisation	–	64	42	106
At 31 December	(116)	(143)	(65)	(324)
2024				
At 1 January	(182)	(117)	(66)	(365)
Exchange differences	7	6	3	16
(Additional provisions)/writeback	(50)	(60)	11	(99)
Transfer	98	(40)	(58)	–
Write off/utilisation	–	57	49	106
At 31 December	(127)	(154)	(61)	(342)

At 31 December 2025 and 2024, there are no financing debtors that are written off but still subject to enforcement activities.

Trade and other debtors

The average credit period on sale of goods and services varies among Group businesses and is generally not more than 60 days.

Other debtors net of provision for impairment are further analysed as follows:

	2025 US\$m	2024 US\$m
Derivative financial instruments (<i>refer note 34</i>)	20	59
Loans to employees	35	38
Other amounts due from associates	97	147
Other amounts due from joint ventures	146	147
Rental and other deposits	160	172
Repossessed collateral of finance companies	30	42
Restricted bank balances and deposits	58	67
Deferred consideration (<i>refer notes 33(h) and 33(k)</i>)	78	50
Other receivables	832	939
Financial assets	1,456	1,661
Costs to fulfil contracts (<i>refer note 3</i>)	116	107
Costs to obtain contracts (<i>refer note 3</i>)	6	2
Prepayments	729	729
Insurance contract assets	1	1
Reinsurance contract assets	166	131
Other	389	449
	2,863	3,080

17 Debtors (continued)

Impairment of trade debtors and contract assets

Before accepting any new customer, the individual Group business assesses the potential customer's credit quality and sets credit limits by customer using internal credit scoring systems. These limits and scoring are reviewed periodically.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payment are considered indicators that the debtor is impaired and an allowance for impairment is made based on the estimated irrecoverable amount determined by reference to past default experience.

The Group applied the simplified approach to measure expected credit loss, that is a lifetime expected loss allowance for trade debtors and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. Changes in certain macroeconomic information, such as GDP and inflation rate, are relevant for determining expected credit loss rates. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade debtors for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade debtors are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors and industry trends affecting the ability of the customers to settle the receivables.

The loss allowance for both trade debtors and contract assets at 31 December 2025 and 2024 were determined as follows:

	Below 30 days	Between 31 and 60 days	Between 61 and 120 days	More than 120 days	Total
2025					
Trade debtors					
Expected loss rate (%)	0.4	0.9	5.3	52.1	
Gross carrying amount (US\$m)	1,800	115	138	156	2,209
Loss allowance (US\$m)	(7)	(1)	(8)	(81)	(97)
Contract assets					
Expected loss rate (%)	22.6	N/A	N/A	N/A	
Gross carrying amount (US\$m)	89	–	–	–	89
Loss allowance (US\$m)	(20)	–	–	–	(20)
2024					
Trade debtors					
Expected loss rate (%)	0.5	1.7	4.5	58.4	
Gross carrying amount (US\$m)	1,862	162	81	101	2,206
Loss allowance (US\$m)	(10)	(3)	(3)	(59)	(75)
Contract assets					
Expected loss rate (%)	3.4	N/A	N/A	N/A	
Gross carrying amount (US\$m)	112	–	–	–	112
Loss allowance (US\$m)	(4)	–	–	–	(4)

17 Debtors (continued)

Movements in the provisions for impairment are as follows:

	Trade debtors		Contract assets		Other debtors	
	2025 US\$m	2024 US\$m	2025 US\$m	2024 US\$m	2025 US\$m	2024 US\$m
At 1 January	(75)	(73)	(4)	(61)	(47)	(46)
Exchange differences	(1)	2	1	1	1	2
Additional provisions	(25)	(14)	(17)	(1)	(8)	(8)
Unused amounts reversed	3	5	–	–	4	2
Amounts written off	1	5	–	57	2	3
Reclassified from held for sale	–	–	–	–	(13)	–
At 31 December	(97)	(75)	(20)	(4)	(61)	(47)

Trade debtors, contract assets and other debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

At 31 December 2025, the carrying amount of consumer financing debtors and other debtors pledged as security for borrowings amounted to US\$6 million and US\$5 million (2024: US\$18 million and US\$5 million), respectively (*refer note 29*). Financing lease receivables, trade debtors and contract assets had not been pledged as security for borrowings at 31 December 2025 and 2024.

18 Deferred tax assets/(liabilities)

	Accelerated tax depreciation US\$m	Fair value gains/ (losses) US\$m	Losses US\$m	Employee benefits US\$m	Lease liabilities and other temporary differences US\$m	Total US\$m
2025						
At 1 January	(490)	(432)	104	130	492	(196)
Exchange differences	(20)	4	1	(5)	10	(10)
New subsidiaries	–	–	–	–	(1)	(1)
Disposals	69	–	–	–	(68)	1
Credited/(charged) to profit and loss	20	(45)	(3)	21	(23)	(30)
Credited/(charged) to other comprehensive income	–	52	–	(5)	–	47
Classified as held for sale	–	–	–	–	1	1
Other	–	–	–	–	15	15
At 31 December	(421)	(421)	102	141	426	(173)
Deferred tax assets	(70)	2	67	136	487	622
Deferred tax liabilities	(351)	(423)	35	5	(61)	(795)
	(421)	(421)	102	141	426	(173)
2024						
At 1 January	(463)	(455)	91	121	488	(218)
Exchange differences	5	11	(2)	(6)	(16)	(8)
New subsidiaries	–	(1)	–	–	(5)	(6)
Disposals	(3)	–	–	–	9	6
Purchase price adjustment	(1)	15	–	–	1	15
Credited/(charged) to profit and loss	(28)	(1)	15	17	15	18
Charged to other comprehensive income	–	(1)	–	(2)	–	(3)
At 31 December	(490)	(432)	104	130	492	(196)
Deferred tax assets	(162)	(50)	77	122	595	582
Deferred tax liabilities	(328)	(382)	27	8	(103)	(778)
	(490)	(432)	104	130	492	(196)

Deferred tax balances predominantly comprise non-current items. Deferred tax assets and liabilities are netted when the taxes relate to the same taxation authority and where offsetting is allowed.

Deferred tax assets of US\$185 million (2024: US\$192 million) arising from unused tax losses of US\$819 million (2024: US\$860 million) have not been recognised in the financial statements. Included in the unused tax losses, US\$199 million have no expiry date and the remaining balance will expire at various dates up to and including 2035 (2024: US\$243 million had no expiry date and the remaining balance would expire at various dates up to and including 2030).

Deferred tax liabilities of US\$811 million (2024: US\$739 million) arising on temporary differences associated with investments in subsidiaries of US\$8,114 million (2024: US\$7,394 million) have not been recognised as there is no current intention of remitting the retained earnings of these subsidiaries to the holding companies in the foreseeable future.

19 Pension plans

The Group operates defined benefit pension plans in the main territories in which it operates, with the major plans in Hong Kong. Most of the pension plans are final salary defined benefit plans, calculated based on members' length of service and their salaries in the final years leading up to retirement. In Hong Kong, the pension benefits are usually paid in one lump sum. With the exception of certain plans in Hong Kong, all the other defined benefit plans are closed to new members. In addition, although all plans are impacted by the discount rate, liabilities in Hong Kong are driven by salary growth.

The Group's defined benefit plans are either funded or unfunded, with the assets of the funded plans held independently of the Group's assets in separate trustee administered funds. Plan assets held in trusts are governed by local regulations and practices in each country. Responsibility for governance of the plans, including investment decisions and contribution schedules, lies jointly with the company and the boards of trustees. The Group's major plans are valued by independent actuaries annually using the projected unit credit method.

The amounts recognised in the consolidated balance sheet are as follows:

	2025 US\$m	2024 US\$m
Fair value of plan assets	585	575
Present value of funded obligations	(556)	(569)
	29	6
Present value of unfunded obligations	(401)	(372)
Net pension liabilities	(372)	(366)
Analysis of net pension liabilities:		
Pension assets	31	11
Pension liabilities	(403)	(377)
	(372)	(366)

The movement in the net pension liabilities is as follows:

	Fair value of plan assets US\$m	Present value of obligations US\$m	Total US\$m
2025			
At 1 January	575	(941)	(366)
Current service cost	–	(70)	(70)
Interest income/(expense)	26	(47)	(21)
Past services cost and losses on settlements	–	(6)	(6)
Administration expenses	(2)	–	(2)
	24	(123)	(99)
	599	(1,064)	(465)
Exchange differences	4	9	13
New subsidiaries	–	(1)	(1)
Remeasurements			
– return on plan assets, excluding amounts included in interest income	34	–	34
– change in financial assumptions	–	(9)	(9)
– experience losses	–	7	7
	34	(2)	32
Contributions from employers	25	–	25
Contributions from plan participants	4	(4)	–
Benefit payments	(73)	95	22
Settlements	(8)	10	2
At 31 December	585	(957)	(372)

19 Pension plans (continued)

	Fair value of plan assets US\$m	Present value of obligations US\$m	Total US\$m
2024			
At 1 January	595	(957)	(362)
Current service cost	–	(62)	(62)
Interest income/(expense)	25	(46)	(21)
Past services cost and losses on settlements	–	(1)	(1)
Administration expenses	(3)	–	(3)
	<u>22</u>	<u>(109)</u>	<u>(87)</u>
	617	(1,066)	(449)
Exchange differences	–	17	17
Disposals	–	1	1
Remeasurements			
– return on plan assets, excluding amounts included in interest income	5	–	5
– change in financial assumptions	–	2	2
– experience losses	–	5	5
	5	7	12
Contributions from employers	29	–	29
Contributions from plan participants	4	(4)	–
Benefit payments	(71)	94	23
Settlements	(13)	14	1
Transfer from other plans	4	(4)	–
At 31 December	575	(941)	(366)

The weighted average duration of the defined benefit obligations at 31 December 2025 is 10 years (2024: 10 years).

Expected maturity analysis of undiscounted pension benefits at 31 December is as follows:

	2025 US\$m	2024 US\$m
Within one year	130	139
Between one and two years	82	82
Between two and five years	270	285
Between five and ten years	529	521
Between ten and fifteen years	595	619
Between fifteen and twenty years	972	987
Beyond twenty years	2,522	2,937
	5,100	5,570

The principal actuarial assumptions used for accounting purposes at 31 December are as follows:

	Hong Kong		Others	
	2025 %	2024 %	2025 %	2024 %
Discount rate	3.6	4.5	6.0	6.3
Salary growth rate	4.0	4.5	5.9	6.3
Inflation rate	N/A	N/A	5.4	3.5

As participants of the plans relating to Hong Kong usually take lump sum amounts upon retirement, mortality rate is not a principal assumption for these plans.

19 Pension plans (continued)

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

	Change in assumption %	(Increase)/decrease of defined benefit obligations	
		Increase in assumption US\$m	Decrease in assumption US\$m
Discount rate	1	73	(86)
Salary growth rate	1	(84)	69
Inflation rate	1	(1)	1

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the balance sheet.

The analysis of the fair value of plan assets at 31 December is as follows:

	2025 US\$m	2024 US\$m
Equity investments		
Asia Pacific	6	4
Europe	4	3
North America	11	10
	21	17
Debt investments		
Asia Pacific	13	22
Europe	5	4
North America	10	10
Global	5	4
	33	40
Investment funds		
Asia Pacific	75	77
Europe	136	122
North America	239	240
Global	83	82
	533	521
Total investments	587	578
Cash and cash equivalents	25	21
Benefits payable and other	(27)	(24)
	585	575

At 31 December 2025, 98% of equity investments, 94% of debt investments and 71% of investment funds were quoted on active markets (2024: 91%, 91% and 66%, respectively).

The strategic asset allocation is derived from the asset-liability modelling (ALM) review, done triennially to ensure the plans can meet future funding and solvency requirements. The latest ALM review was completed in 2024. The next ALM review is scheduled for 2027.

19 Pension plans (continued)

At 31 December 2025, the Hong Kong and United Kingdom plans had assets of US\$485 million and US\$80 million (2024: US\$471 million and US\$77 million), respectively.

The Group maintains an active and regular contribution schedule across all the plans. The contributions to all its plans in 2025 were US\$25 million and the estimated amount of contributions expected to be paid to all its plans in 2026 is US\$25 million.

20 Properties for sale

	2025	2024
	US\$m	US\$m
Properties in the course of development	872	1,118
Completed properties	653	1,761
	1,525	2,879

In view of the change of intention and to be in line with Group's strategy (*refer note 1*), certain properties for sale in Chinese mainland were reclassified to investment properties and tangible assets at 31 December 2025. Accordingly, a net gain on reclassification, after tax, of US\$247 million was recorded with reference to valuations performed by an independent valuer.

At 31 December 2025, properties in the course of development amounting to US\$746 million (2024: US\$899 million) were not scheduled for completion within the next twelve months.

At 31 December 2025, the carrying amount of properties for sale pledged as security for borrowings amounted to US\$162 million (2024: US\$872 million) (*refer note 29*).

21 Stocks and work in progress

	2025	2024
	US\$m	US\$m
Finished goods	2,613	2,854
Work in progress	49	57
Raw materials	128	143
Spare parts	132	131
Other	183	147
	3,105	3,332

At 31 December 2025 and 2024, the Group's stocks and work in progress had not been pledged as security for borrowings.

22 Cash and bank balances

	2025 US\$m	2024 US\$m
Deposits with banks and financial institutions	4,005	2,354
Bank balances	4,458	2,349
Cash balances	98	135
	8,561	4,838
Deposits with original maturities over three months	1	–
Restricted cash	1	9
	8,563	4,847
Analysis by currency:		
Chinese yuan	536	498
Euro	36	30
Hong Kong dollar	1,158	281
Indonesian rupiah	2,434	2,185
Japanese yen	22	23
Macau patacas	13	19
Malaysian ringgit	7	31
New Taiwan dollar	34	91
Singapore dollar	871	163
United Kingdom sterling	36	27
United States dollar	3,377	1,464
Other	39	35
	8,563	4,847

The weighted average interest rate on deposits with banks and financial institutions at 31 December 2025 was 3.4% (2024: 3.7%) per annum.

Restricted cash represents property sale proceeds placed with banks and financial institutions in accordance with the requirements of property development on the Chinese mainland and are restricted for use until certain conditions were fulfilled.

23 Assets and liabilities classified as held for sale

The major classes of assets and liabilities directly associated with assets classified as held for sale are set out below:

	2025 US\$m	2024 US\$m
Tangible assets	4	–
Right-of-use assets	1	4
Investment properties (refer note 13)	1,107	19
Associates and joint ventures	1,710	1,688
Current assets*	19	17
Total assets	2,841	1,728
Current liabilities	17	–
Non-current liabilities	1	–
Total liabilities	18	–

* Included cash and bank balances of US\$13 million (2024: US\$4 million) (refer note 33(o)).

23 Assets and liabilities classified as held for sale (continued)

In December 2025, Hongkong Land entered into a limited partnership agreement with independent third parties for the launch of its first private real estate fund – the Singapore Central Private Real Estate Fund (SCPREF). Hongkong Land also entered into sale and purchase agreements with SCPREF for the sale of its interests in its Singapore commercial portfolio. Accordingly, the interests in its Singapore commercial portfolio were classified as held for sale at 31 December 2025. The transaction was completed in February 2026.

At 31 December 2024, assets and liabilities classified as held for sale principally related to DFI Retail's disposal of its entire interest in Yonghui, for a total consideration of CNY4,496 million (US\$623 million).

As part of the financial risk management strategy, DFI Retail designated the share transfer agreement, representing a forward contract (*refer note 34*), as the hedging instrument to mitigate the changes in fair value of the shares associated with its interest in Yonghui, the hedged asset. As a result, fair value hedge accounting was applied, with changes in the fair value of both the forward contract and DFI Retail's interest in Yonghui recognised in profit and loss. Yonghui's share price indicated a fair value gain of US\$1,082 million on the Yonghui interest classified under held for sale. Simultaneously, a corresponding fair value loss of US\$1,051 million (*refer note 34*) was recorded on the forward contract.

To mitigate the potential losses from the Chinese yuan versus the United States dollar, forward foreign exchange contracts were secured in December 2024. At 31 December 2024, a total fair value gain of US\$8 million arose from the forward foreign exchange contracts (*refer note 34*) was credited to profit and loss.

The divestment of interest in Yonghui was completed in February 2025 (*refer note 33(i)*).

24 Share capital

			2025	2024
			US\$m	US\$m
Authorised:				
1,000,000,000 shares of US\$25 each			250	250
Issued and fully paid:				
	Ordinary shares in millions		2025	2024
	2025	2024	US\$m	US\$m
At 1 January	292	289	73	72
Scrip issued in lieu of dividends	5	6	1	1
Repurchased and cancelled	(1)	(3)	–	–
At 31 December	296	292	74	73

During the year, the Company repurchased 1 million (2024: 3 million) ordinary shares from the stock market at a cost of US\$32 million (2024: US\$101 million), which was accounted for by charging US\$4 million (2024: nil) to share premium and US\$28 million (2024: US\$101 million) to revenue reserves.

25 Share-based long-term incentive plans

Share-based long-term incentive plans (LTIP) have been put in place to provide incentives for selected executives. Awards take the form of share options to purchase ordinary shares in the Company with exercise prices based on the then prevailing market prices; however, share awards which will vest free of payment may also be made. Awards normally vest on or after the third anniversary of the date of grant and may be subject to the achievement of performance conditions.

The Jardine Matheson Holdings Share-based Long-term Incentive Plan (the 2015 LTIP) was adopted by the Company on 5 March 2015. Since the adoption of the 2015 LTIP, awards were granted in the form of options with exercise prices based on the then prevailing market prices and no free shares were granted. No awards were granted under the 2015 LTIP in 2025 and 2024.

Prior to the adoption of the 2015 LTIP, The Jardine Matheson International Share Option Plan 2005 and The Jardine Matheson Holdings Limited Tax-Qualified Share Option Plan 2005 (formerly The Jardine Matheson Holdings Limited Approved Share Option Plan 2005) provided selected executives with options to purchase ordinary shares in the Company.

The exercise prices of the options granted in prior years were based on the average market prices for the five trading days immediately preceding the dates of grant of the options. Options normally vest in tranches over a period of three to five years, and are exercisable for up to ten years following the date of grant.

Movements during the year:

	2025		2024	
	Weighted average exercise price US\$	Options in millions	Weighted average exercise price US\$	Options in millions
At 1 January	58.7	0.9	58.8	1.1
Exercised	54.9	(0.4)	–	–
Cancelled	63.4	(0.2)	59.2	(0.2)
At 31 December	60.8	0.3	58.7	0.9

The average share price during the year was US\$52.5 (2024: US\$38.6) per share.

Outstanding at 31 December:

Expiry date	Exercise price US\$	Options in millions	
		2025	2024
2025	63.4	–	0.1
2026	53.9 – 56.6	0.1	0.5
2027	65.6	0.1	0.1
2028	63.4	0.1	0.2
Total outstanding		0.3	0.9
of which exercisable		0.3	0.9

26 Share premium and capital reserves

	Share premium US\$m	Capital reserves US\$m	Total US\$m
2025			
At 1 January	–	23	23
Capitalisation arising on scrip issued in lieu of dividends	(1)	–	(1)
Repurchase of shares	(4)	–	(4)
Employee share option schemes			
– exercise of share option	4	–	4
– value of employee services	–	16	16
Transfer	5	(12)	(7)
At 31 December	4	27	31
2024			
At 1 January	–	22	22
Capitalisation arising on scrip issued in lieu of dividends	(1)	–	(1)
Employee share option schemes			
– value of employee services	–	9	9
Transfer	1	(8)	(7)
At 31 December	–	23	23

Capital reserves represent the value of employee services under the Group's employee share option schemes.

At 31 December 2025, US\$4 million (2024: US\$11 million) related to the Company's 2015 LTIP.

27 Dividends

	2025 US\$m	2024 US\$m
Final dividend in respect of 2024 of US\$1.65 (2023: US\$1.65) per share	481	477
Interim dividend in respect of 2025 of US\$0.60 (2024: US\$0.60) per share	177	174
	658	651
Shareholders elected to receive scrip in respect of the following:		
Final dividend in respect of previous year	146	156
Interim dividend in respect of current year	51	48
	197	204

A final dividend in respect of 2025 of US\$1.75 (2024: US\$1.65) per share amounting to a total of US\$515 million (2024: US\$481 million) is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the 2026 Annual General Meeting and will be accounted for as an appropriation of revenue reserves in the year ending 31 December 2026. Final dividend in respect of 2024 of US\$481 million was charged to reserves in the year ended 31 December 2025.

28 Non-controlling interests

	2025 US\$m	2024 US\$m
By business:		
Hongkong Land	13,954	13,913
DFI Retail	61	124
Mandarin Oriental	316	335
Jardine Cycle & Carriage	266	253
Astra	11,017	10,815
	25,614	25,440

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

Summarised balance sheets at 31 December:

	Hongkong Land US\$m	DFI Retail US\$m	Mandarin Oriental US\$m	Jardine Cycle & Carriage* US\$m	Astra* US\$m
2025					
Current					
Assets	6,796	1,012	1,253	12,441	11,630
Liabilities	(1,835)	(2,463)	(259)	(9,517)	(9,029)
Total current net assets/(liabilities)	4,961	(1,451)	994	2,924	2,601
Non-current					
Assets	33,262	3,640	2,139	20,777	18,397
Liabilities	(7,390)	(1,892)	(445)	(4,753)	(3,900)
Total non-current net assets	25,872	1,748	1,694	16,024	14,497
Net assets	30,833	297	2,688	18,948	17,098
2024					
Current					
Assets	3,873	2,870	337	11,787	11,312
Liabilities	(2,577)	(4,091)	(322)	(8,526)	(8,091)
Total current net assets/(liabilities)	1,296	(1,221)	15	3,261	3,221
Non-current					
Assets	35,180	4,402	3,186	20,566	17,700
Liabilities	(6,507)	(2,586)	(349)	(5,408)	(4,272)
Total non-current net assets	28,673	1,816	2,837	15,158	13,428
Net assets	29,969	595	2,852	18,419	16,649

* Jardine Cycle & Carriage has 50.5% effective interest in Astra in 2025 (2024: 50.1%).

28 Non-controlling interests (continued)

Summarised profit and loss for the year ended 31 December:

	Hongkong Land# US\$m	DFI Retail US\$m	Mandarin Oriental US\$m	Jardine Cycle & Carriage* US\$m	Astra* US\$m
2025					
Revenue	1,448	8,869	544	21,358	19,608
Profit after tax from underlying business performance	461	274	78	2,539	2,397
Profit/(loss) after tax from non-trading items	805	(35)	(228)	(125)	(18)
Profit/(loss) after tax	1,266	239	(150)	2,414	2,379
Other comprehensive income/(expense)	357	194	55	(676)	(152)
Total comprehensive income/(expense)	1,623	433	(95)	1,738	2,227
Total comprehensive income allocated to non-controlling interests	6	4	(1)	1,014	380
Dividends paid to non-controlling interests	–	(1)	–	(744)	(247)
2024					
Revenue	2,002	8,869	526	22,298	20,655
Profit after tax from underlying business performance	500	205	75	2,729	2,664
Loss after tax from non-trading items	(1,876)	(444)	(147)	(178)	(48)
Profit/(loss) after tax	(1,376)	(239)	(72)	2,551	2,616
Other comprehensive income/(expense)	(160)	(48)	22	(578)	8
Total comprehensive income/(expense)	(1,536)	(287)	(50)	1,973	2,624
Total comprehensive income allocated to non-controlling interests	7	5	–	1,255	587
Dividends paid to non-controlling interests	–	–	–	(922)	(263)

Hongkong Land's revenue includes revenue from non-strategic business in 2025 and 2024.

* Jardine Cycle & Carriage has 50.5% effective interest in Astra in 2025 (2024: 50.1%).

28 Non-controlling interests (continued)

Summarised cash flows at 31 December:

	Hongkong Land US\$m	DFI Retail US\$m	Mandarin Oriental US\$m	Jardine Cycle & Carriage* US\$m	Astra* US\$m
2025					
Cash flows from operating activities					
Cash generated from operations	735	1,224	126	3,381	3,280
Interest received	40	12	4	177	156
Interest and other financing charges paid	(217)	(137)	(11)	(275)	(221)
Tax paid	(118)	(48)	(28)	(723)	(656)
Dividends from associates and joint ventures	144	48	3	607	581
Cash flows from operating activities	584	1,099	94	3,167	3,140
Cash flows from investing activities	1,668	849	924	(1,732)	(1,947)
Cash flows from financing activities	(781)	(2,061)	(89)	(1,174)	(968)
Net increase/(decrease) in cash and cash equivalents	1,471	(113)	929	261	225
Cash and cash equivalents at 1 January	1,067	274	215	3,088	2,997
Effect of exchange rate changes	26	6	3	(80)	(87)
Cash and cash equivalents at 31 December	2,564	167	1,147	3,269	3,135
2024					
Cash flows from operating activities					
Cash generated from operations	902	1,121	108	3,380	3,316
Interest received	65	5	5	171	149
Interest and other financing charges paid	(246)	(154)	(12)	(326)	(245)
Tax paid	(147)	(51)	(24)	(824)	(753)
Dividends from associates and joint ventures	97	52	1	642	596
Cash flows from operating activities	671	973	78	3,043	3,063
Cash flows from investing activities	81	(64)	128	(1,092)	(1,352)
Cash flows from financing activities	(778)	(930)	(178)	(1,529)	(1,270)
Net increase/(decrease) in cash and cash equivalents	(26)	(21)	28	422	441
Cash and cash equivalents at 1 January	1,112	298	190	2,782	2,669
Effect of exchange rate changes	(19)	(3)	(3)	(116)	(113)
Cash and cash equivalents at 31 December	1,067	274	215	3,088	2,997

* Jardine Cycle & Carriage has 50.5% effective interest in Astra in 2025 (2024: 50.1%).

The information above is before any inter-company eliminations.

29 Borrowings

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	US\$m	US\$m	US\$m	US\$m
Current				
– other bank advances	1,759	1,759	1,404	1,404
– other advances	10	10	1	1
	1,769	1,769	1,405	1,405
Current portion of long-term borrowings				
– bank loans	2,198	2,198	1,954	1,954
– bonds and notes	950	950	1,181	1,181
– other loans	4	4	94	94
	3,152	3,152	3,229	3,229
	4,921	4,921	4,634	4,634
Long-term borrowings				
– bank loans	5,287	5,234	6,053	6,025
– bonds and notes	4,928	4,713	5,180	4,760
– other loans	17	17	21	21
	10,232	9,964	11,254	10,806
	15,153	14,885	15,888	15,440

The fair values are based on market prices or are estimated using the expected future payments discounted at market interest rates ranging from 1.5% to 7.1% (2024: 2.6% to 7.5%) per annum. This is in line with the definitions under the fair value measurement hierarchy (*refer note 43*). The fair value of current borrowings approximates their carrying amount, as the impact of discounting is not significant.

	2025	2024
	US\$m	US\$m
Secured	1,003	1,006
Unsecured	14,150	14,882
	15,153	15,888

Secured borrowings at 31 December 2025 included Hongkong Land's bank borrowings of US\$878 million (2024: US\$921 million) which were secured against its tangible assets, right-of-use assets, investment properties and properties for sale, and Astra's bank borrowings of US\$125 million (2024: US\$85 million) which were secured against its various assets.

29 Borrowings (continued)

<i>By currency:</i>	Weighted average interest rates %	Fixed rate borrowings		Floating rate borrowings US\$m	Total US\$m
		Weighted average period outstanding Years	US\$m		
2025					
Chinese yuan	2.9	1.1	505	894	1,399
Hong Kong dollar	3.6	5.4	2,974	1,599	4,573
Indonesian rupiah	6.2	1.7	3,955	2,216	6,171
Malaysian ringgit	3.9	0.3	5	34	39
Singapore dollar	2.5	13.4	231	714	945
Thai baht	2.5	–	–	411	411
United Kingdom sterling	5.3	2.0	20	27	47
United States dollar	3.2	7.0	1,190	360	1,550
Other	4.8	0.2	2	16	18
			8,882	6,271	15,153
2024					
Chinese yuan	3.1	2.1	483	986	1,469
Hong Kong dollar	4.0	5.4	3,715	1,240	4,955
Indonesian rupiah	6.2	1.7	4,262	1,441	5,703
Malaysian ringgit	4.1	0.3	7	33	40
Singapore dollar	3.6	14.4	218	585	803
Thai baht	3.3	–	–	360	360
United Kingdom sterling	5.7	3.0	19	31	50
United States dollar	3.7	6.0	1,612	883	2,495
Other	4.6	0.1	3	10	13
			10,319	5,569	15,888

The weighted average interest rates and period of fixed rate borrowings are stated after taking into account hedging transactions.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at 31 December after taking into account hedging transactions are as follows:

	2025 US\$m	2024 US\$m
Floating rate borrowings	6,271	5,569
Fixed rate borrowings		
– within one year	2,447	3,247
– between one and two years	1,559	1,441
– between two and three years	739	1,391
– between three and four years	180	253
– between four and five years	800	175
– beyond five years	3,157	3,812
	8,882	10,319
	15,153	15,888

29 Borrowings (continued)

Details of the bonds and notes outstanding at 31 December are as follows:

	Maturity	Interest rates %	Nominal values	2025		2024	
				Current US\$m	Non- current US\$m	Current US\$m	Non- current US\$m
Hongkong Land							
4.10% 15-year notes	2025	4.10	HK\$300 million	–	–	39	–
4.50% 15-year notes	2025	4.50	US\$600 million	–	–	601	–
3.75% 15-year notes	2026	3.75	HK\$302 million	39	–	–	39
3.50% 3-year notes	2026	3.50	CNY330 million	47	–	–	45
3.50% 3-year notes	2026	3.50	CNY1,000 million	143	–	–	136
4.00% 15-year notes	2027	4.00	HK\$785 million	–	101	–	101
4.04% 15-year notes	2027	4.04	HK\$473 million	–	61	–	61
3.95% 15-year notes	2027	3.95	HK\$200 million	–	26	–	26
3.15% 15-year notes	2028	3.15	HK\$300 million	–	38	–	38
4.22% 15-year notes	2028	4.22	HK\$325 million	–	42	–	41
3.83% 10-year notes	2028	3.83	HK\$450 million	–	58	–	58
3.75% 10-year notes	2028	3.75	HK\$355 million	–	46	–	45
4.40% 15-year notes	2029	4.40	HK\$400 million	–	51	–	51
2.93% 10-year notes	2029	2.93	HK\$550 million	–	71	–	71
2.875% 10-year notes	2030	2.875	US\$600 million	–	597	–	597
4.11% 20-year notes	2030	4.11	HK\$800 million	–	103	–	103
2.25% 10-year notes	2031	2.25	US\$500 million	–	497	–	497
1.957% 10-year notes	2031	1.957	HK\$375 million	–	48	–	48
4.125% 20-year notes	2031	4.125	HK\$200 million	–	25	–	25
4.00% 20-year notes	2032	4.00	HK\$240 million	–	31	–	31
2.83% 12-year notes	2032	2.83	HK\$863 million	–	110	–	110
5.25% 10-year notes	2033	5.25	US\$400 million	–	398	–	398
4.12% 15-year notes	2033	4.12	HK\$700 million	–	89	–	90
4.85% 10-year notes	2033	4.85	HK\$300 million	–	38	–	39
3.67% 15-year notes	2034	3.67	HK\$604 million	–	77	–	78
4.68% 10-year notes	2034	4.68	HK\$300 million	–	38	–	38
2.72% 15-year notes	2035	2.72	HK\$400 million	–	51	–	51
2.90% 15-year notes	2035	2.90	HK\$400 million	–	51	–	51
2.90% 15-year notes	2035	2.90	HK\$400 million	–	51	–	51
2.65% 15-year notes	2035	2.65	HK\$800 million	–	102	–	102
3.95% 20-year notes	2038	3.95	SG\$150 million	–	115	–	109
3.45% 20-year notes	2039	3.45	SG\$150 million	–	116	–	110
5.25% 30-year notes	2040	5.25	HK\$250 million	–	32	–	32
Astra Sedaya Finance (ASF)							
Berkelanjutan V Tahap IV bonds	2025	5.70	IDR1,972 billion	–	–	116	–
Berkelanjutan V Tahap V bonds	2025 – 2027	6.35 – 6.50	IDR380 billion	–	1	23	–
Berkelanjutan VI Tahap I bonds	2026	6.00	IDR1,973 billion	117	–	–	122
Berkelanjutan VI Tahap II bonds	2026 – 2028	6.40 – 6.45	IDR811 billion	41	4	–	47
Berkelanjutan VI Tahap III bonds	2025 – 2029	6.40 – 6.65	IDR2,500 billion	–	81	59	84
Berkelanjutan VI Tahap IV bonds	2025 – 2027	6.45 – 6.70	IDR2,600 billion	–	81	73	84
Berkelanjutan VI Tahap V bonds	2026 – 2028	6.45 – 6.75	IDR2,500 billion	89	58	–	–
Berkelanjutan VII Tahap I bonds	2026 – 2028	6.15 – 6.55	IDR1,000 billion	29	27	–	–
Berkelanjutan VII Tahap II bonds	2026 – 2030	5.40 – 5.90	IDR2,000 billion	18	99	–	–

29 Borrowings (continued)

Details of the bonds and notes outstanding at 31 December are as follows (continued):

	Maturity	Interest rate %	Nominal values	2025		2024	
				Current US\$m	Non- current US\$m	Current US\$m	Non- current US\$m
Federal International Finance (FIF)							
Berkelanjutan V Tahap III bonds	2025	5.60	IDR807 billion	–	–	41	–
Berkelanjutan V Tahap IV bonds	2025	6.80	IDR676 billion	–	–	39	–
Berkelanjutan V Tahap V bonds	2026	6.80	IDR1,965 billion	117	–	–	122
Berkelanjutan VI Tahap I bonds	2026	6.00	IDR434 billion	26	–	–	27
Berkelanjutan VI Tahap II bonds	2026	6.75	IDR251 billion	15	–	–	16
Berkelanjutan VI Tahap III bonds	2025 – 2027	6.40 – 6.55	IDR2,000 billion	–	50	67	52
Berkelanjutan VI Tahap IV bonds	2025 – 2027	6.55 – 6.90	IDR2,500 billion	–	73	77	77
Berkelanjutan VI Tahap V bonds	2026 – 2028	6.40 – 6.70	IDR2,500 billion	98	42	–	–
Berkelanjutan VII Tahap I bonds	2026 – 2028	6.15 – 6.55	IDR500 billion	7	20	–	–
Berkelanjutan VII Tahap II bonds	2026 – 2028	5.85 – 6.15	IDR2,500 billion	87	56	–	–
SAN Finance							
Berkelanjutan IV Tahap I bonds	2025	7.05	IDR600 billion	–	–	34	–
Berkelanjutan IV Tahap II bonds	2026 – 2028	7.00 – 7.25	IDR1,150 billion	48	12	–	62
Berkelanjutan IV Tahap III bonds	2025 – 2027	6.70 – 7.00	IDR750 billion	–	30	12	32
Berkelanjutan V Tahap I bonds	2026 – 2028	6.25 – 6.75	IDR1,353 billion	29	46	–	–
Jardine Matheson							
2031 bonds	2031	2.50	US\$800 million	–	792	–	791
2036 bonds	2036	2.875	US\$400 million	–	393	–	392
				950	4,928	1,181	5,180

All notes and bonds were unsecured at 31 December 2025 and 2024.

The ASF bonds, FIF bonds and SAN Finance bonds were issued by wholly-owned subsidiaries of Astra.

The movements in borrowings are as follows:

	Long-term borrowings	Short-term borrowings	Total
	US\$m	US\$m	US\$m
2025			
At 1 January	11,254	4,634	15,888
Exchange differences	26	(125)	(99)
New subsidiaries	92	32	124
Amortisation of borrowing costs	8	11	19
Transfer	(3,971)	3,971	–
Change in fair value	–	(2)	(2)
Drawdown of borrowings	4,983	2,533	7,516
Repayment of borrowings	(2,160)	(6,133)	(8,293)
At 31 December	10,232	4,921	15,153

29 Borrowings (continued)

	Bank overdrafts US\$m	Long-term borrowings US\$m	Short-term borrowings US\$m	Total US\$m
<i>2024</i>				
At 1 January	16	11,133	5,497	16,646
Exchange differences	–	(152)	(159)	(311)
New subsidiaries	–	10	25	35
Amortisation of borrowing costs	–	7	10	17
Transfer	–	(4,457)	4,457	–
Change in fair value	–	(2)	–	(2)
Change in bank overdrafts	(16)	–	–	(16)
Drawdown of borrowings	–	8,191	2,400	10,591
Repayment of borrowings	–	(3,476)	(7,596)	(11,072)
At 31 December	–	11,254	4,634	15,888

30 Lease liabilities

	2025 US\$m	2024 US\$m
At 1 January	3,514	3,720
Exchange differences	74	(66)
New subsidiaries	39	–
Additions	265	426
Disposals	(439)	(39)
Modifications to lease terms	440	350
Lease payments	(1,038)	(1,020)
Interest expense	143	143
At 31 December	2,998	3,514
Non-current	2,317	2,773
Current	681	741
	2,998	3,514

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

As at 31 December 2025 and 2024, the Group is not exposed to any residual guarantees in respect of the leases entered into and has not entered into any material lease contracts which have not commenced.

31 Creditors

	2025 US\$m	2024 US\$m
Trade creditors		
– third parties	3,827	4,055
– associates	71	85
– joint ventures	259	234
	4,157	4,374
Accruals	1,931	1,973
Other amounts due to associates	302	289
Other amounts due to joint ventures	1,331	1,187
Rental and other refundable deposits	303	306
Contingent consideration payable	4	17
Derivative financial instruments (<i>refer note 34</i>)	356	1,123
Other creditors	840	721
Financial liabilities	9,224	9,990
Contract liabilities (<i>refer note 3</i>)	812	867
Insurance contract liabilities	896	888
Rental income received in advance	40	32
Other	200	212
	11,172	11,989
Non-current	1,812	1,154
Current	9,360	10,835
	11,172	11,989
<i>Analysis by geographical area of operation:</i>		
China	4,769	5,701
Indonesia	5,212	5,031
Other Southeast Asia	794	866
Rest of the world	397	391
	11,172	11,989

Other amounts due to associates and other amounts due to joint ventures included distributions of surplus cash from Hongkong Land's associates and joint ventures of US\$302 million (2024:US\$289 million) and US\$1,192 million (2024: US\$1,046 million), respectively, which are in the form of advances and are interest free, unsecured and repayable based on contractual terms.

Derivative financial instruments are stated at fair value. At 31 December 2024, the derivative financial instruments included US\$1,051 million fair value loss on the forward contract associated with the divestment of interest in Yonghui. The forward contract was used as the hedging instrument to mitigate the changes in fair value of the shares associated with DFI Retail's interest in Yonghui, the hedged asset. As a result, fair value hedge accounting was applied, with changes in the fair value of both the forward contract and its interest in Yonghui recognised in profit and loss. The divestment of its interest in Yonghui was completed in February 2025 (*refer note 23*). Other creditors are stated at amortised cost. The fair values of these creditors approximate their carrying amounts.

32 Provisions

	Motor vehicle warranties US\$m	Closure cost provisions US\$m	Reinstatement and restoration costs US\$m	Statutory employee entitlements US\$m	Others US\$m	Total US\$m
2025						
At 1 January	58	17	217	247	74	613
Exchange differences	3	–	1	(9)	(1)	(6)
Additional provisions	3	6	19	55	14	97
Disposals	–	–	(21)	–	–	(21)
Interest on discounted liability in provisions	–	–	1	–	–	1
Loss on remeasurement of statutory employee entitlements	–	–	–	3	–	3
Unused amounts reversed	(13)	(4)	(4)	–	–	(21)
Utilised	(3)	(6)	(4)	(1)	(10)	(24)
At 31 December	48	13	209	295	77	642
Non-current	–	2	173	255	12	442
Current	48	11	36	40	65	200
	48	13	209	295	77	642
2024						
At 1 January	72	13	209	199	69	562
Exchange differences	(2)	–	(1)	(9)	(1)	(13)
Additional provisions	5	9	16	58	23	111
Interest on discounted liability in provisions	–	–	1	–	–	1
Loss on remeasurement of statutory employee entitlements	–	–	–	2	–	2
Unused amounts reversed	(14)	(3)	(3)	–	–	(20)
Utilised	(3)	(2)	(5)	(3)	(17)	(30)
At 31 December	58	17	217	247	74	613
Non-current	–	2	180	215	14	411
Current	58	15	37	32	60	202
	58	17	217	247	74	613

Motor vehicle warranties are estimated liabilities that fall due under the warranty terms offered on sale of new and used vehicles beyond that which are reimbursed by the manufacturers.

Closure cost provisions are established when legal or constructive obligations arise on closure or disposal of businesses.

Reinstatement and restoration costs comprised the estimated costs, to be incurred by the Group as lessees, in dismantling and removing the underlying assets, restoring the sites on which they are located or restoring the underlying assets to the condition required by the terms and conditions of the leases.

Statutory employee entitlements include long service leave and jubilee awards for employees.

Other provisions principally comprise provisions in respect of indemnities on disposal of businesses and legal claims.

33 Notes to Consolidated Cash Flow Statement

(a) Cash generated from operations

	2025 US\$m	2024 US\$m
By nature:		
Operating profit	3,716	1,166
Adjustments for:		
Depreciation and amortisation (<i>refer note 33(b)</i>)	2,192	2,174
Change in fair value of investment properties	(172)	2,213
(Profit)/loss on sale of subsidiaries	(130)	92
Loss on sale of associates and joint ventures	87	76
Loss relating to divestment in an associate	–	114
Loss on sale of investment properties	16	14
Profit on sale of right-of-use assets	(4)	(5)
Loss on sale of intangible assets	10	1
Profit on sale of tangible assets	(86)	(97)
Loss on sale of repossessed collateral of finance companies	63	62
Loss on sale of bearer plants	5	–
Fair value gain on other investments	(52)	(2)
Fair value gain on agricultural produce	(1)	(7)
Change in fair value of derivatives	74	–
Impairment of intangible assets	15	169
Impairment of tangible assets	6	12
Impairment of right-of-use assets	13	5
Impairment of debtors	144	115
Write down of properties for sale	314	147
Write down of stocks and work in progress	40	55
Reversal of write down of stocks and work in progress	(33)	(28)
Gain on lease modification and termination	(8)	(5)
Gain on sale and leaseback transactions	–	(2)
Net provisions	59	112
Net foreign exchange (gain)/loss	(14)	64
Gain on bargain purchase on acquisition of businesses	(28)	–
Amortisation of borrowing costs for financial services companies	10	8
Options granted under employee share option schemes	24	12
	2,544	5,299
	6,260	6,465
Change in working capital:		
Increase in concession rights	(27)	(22)
Decrease in properties for sale	145	614
Decrease in stocks and work in progress	33	59
(Increase)/decrease in debtors	(582)	311
Decrease in creditors and provisions	(147)	(1,824)
Increase in net pension liabilities	50	34
	(528)	(828)
	5,732	5,637

33 Notes to Consolidated Cash Flow Statement (continued)

(b) Depreciation and amortisation

	2025	2024
	US\$m	US\$m
By business:		
Jardine Pacific	133	138
Hongkong Land	16	14
DFI Retail	840	838
Mandarin Oriental	45	43
Jardine Cycle & Carriage	29	26
Astra	1,129	1,115
	2,192	2,174

(c) Purchase of subsidiaries

	2025
	Fair value
	US\$m
Non-current assets	(559)
Current assets	(58)
Non-current liabilities	130
Current liabilities	70
Fair value of identifiable net assets acquired	(417)
Goodwill	(2)
Gain on bargain purchase on acquisition of businesses	28
Adjustment for non-controlling interests	66
Total consideration	(325)
Carrying value of associates and joint ventures	14
Adjustment for deferred consideration	15
Cash and cash equivalents of subsidiaries acquired	18
Net cash outflow	(278)

Net cash outflow for acquisition of subsidiaries in 2025 mainly included US\$180 million for Astra's acquisition of 83.7% interest in PT Mega Manunggal Property Tbk, an industrial and logistics property development company; US\$49 million for a 100% interest in PT Pratista Industrial Properti Satu and US\$27 million for a 100% interest in PT Pratista Industrial Properti Dua, both companies operating in the modern warehousing industry; and US\$30 million for Astra's increased interest in PT Supreme Energy Sriwijaya, from 49.6% to 80.2%.

33 Notes to Consolidated Cash Flow Statement (continued)

(d) Purchase of associates and joint ventures in 2025 included US\$173 million, US\$56 million and US\$29 million for Astra's additional interests in PT Medikaloka Hermina Tbk, PT Polinasi Iddea Investama and PT Saka Surya Wisesa, respectively; US\$25 million for Astra's capital injections to certain associates and joint ventures in Indonesia; US\$37 million for Jardine Pacific's acquisition of 49% interest in Alba Green Gas Holding Limited and US\$11 million for Hongkong Land's investment in Chinese mainland.

Purchase in 2024 included US\$98 million for Jardine Cycle & Carriage's additional interest in Refrigeration Electrical Engineering Corporation; US\$87 million, US\$27 million and US\$22 million for Astra's acquisition of a 20% interest in PT Supreme Energy Rantau Dedap and a 49% interest in PT Saka Surya Wisesa, and capital injection into PT Bank Jasa Jakarta, respectively.

(e) Purchase of other investments in 2025 included US\$293 million for Astra's acquisition of securities in relation to its financial services businesses; US\$195 million for Astra's acquisition of bonds; US\$38 million for Astra's additional interests in PT Medikaloka Hermina Tbk; and US\$11 million for Corporate's additional investments in limited partnership investment funds.

Purchase in 2024 included US\$40 million for DFI Retail's subscription of listed securities; US\$288 million for Astra's acquisition of securities in relation to its financial services businesses and US\$76 million for Corporate's additional investments in limited partnership investment funds.

(f) Advances to and repayments to associates and joint ventures in 2025 and 2024 mainly included Hongkong Land's advances to and repayments to its property joint ventures.

(g) Repayments from and advances from associates and joint ventures in 2025 and 2024 comprised Hongkong Land's repayments from and advances from its property joint ventures.

(h) Sale of subsidiaries

	2025	2024
	US\$m	US\$m
Non-current assets	1,045	378
Current assets	163	17
Non-current liabilities	(407)	(36)
Current liabilities	(161)	(30)
Net assets	640	329
Cumulative exchange translation losses	13	69
Profit/(loss) on disposal	130	(92)
Deferred gain on sale and leaseback of properties	–	12
Loan repaid at date of disposal	(48)	–
Deferred consideration (<i>refer note 17</i>)	(21)	–
Transaction costs and other payables	24	3
Sales proceeds	738	321
Cash and cash equivalents of subsidiaries disposed of	(51)	(4)
Net cash inflow	687	317

Net cash inflow for sale of subsidiaries in 2025 mainly included US\$529 million from Hongkong Land's sale of Singapore and Malaysia residential development businesses; US\$67 million from DFI Retail's sale of Singapore Food business; US\$46 million from Mandarin Oriental's sale of the Munich Hotel; and US\$34 million from Astra's sale of PT Borneo Berkas Makmur.

Net cash inflow in 2024 mainly included US\$57 million and US\$37 million from DFI Retail's sale of property holding companies in Taiwan and Singapore, respectively; and US\$216 million from Mandarin Oriental's sale of the Paris Hotel.

33 Notes to Consolidated Cash Flow Statement (continued)

(i) Sale of associates and joint ventures in 2025 included US\$616 million and US\$281 million for DFI Retail's sale of Yonghui and Robinsons Retail, respectively; US\$701 million from Hongkong Land's divestment of one of the Singapore Commercial portfolio; and US\$36 million for Mandarin Oriental's sale of its Miami Hotel.

Sale in 2024 mainly included US\$39 million for DFI Retail's sale of Retail Technology Asia Limited and US\$344 million for Jardine Cycle & Carriage's sale of Siam City Cement Public Company Limited.

(j) Sale of other investments in 2025 comprised US\$429 million, US\$228 million, US\$185 million and US\$11 million sale of securities in Corporate, Jardine Cycle & Carriage, Astra's financial services businesses and DFI Retail, respectively.

Sale in 2024 comprised US\$171 million and US\$82 million sale of securities in Astra's financial services businesses and Corporate, respectively.

(k) Sale of tangible assets in 2025 included US\$117 million for Mandarin Oriental's sale of a hotel property; and US\$27 million for Astra's sale of heavy equipment.

Sale in 2024 included US\$105 million for Mandarin Oriental's sale of the retail units adjoining the Paris Hotel, with a deferred consideration of US\$54 million receivable in 2027 (*refer note 17*); and US\$27 million for Jardine Cycle & Carriage's sale of its properties in Malaysia under a sale and leaseback arrangement.

(l) Change in interests in other subsidiaries

	2025	2024
	US\$m	US\$m
Increase in attributable interests		
– Jardine Cycle & Carriage	(49)	(527)
– Mandarin Oriental	–	(172)
– Hongkong Land	(279)	–
– Astra	(107)	–
– PT United Tractors Tbk	(103)	–
– other	(19)	(1)
Decrease in attributable interests		
– PT Astra Digital Mobil	120	–
	(437)	(700)

(m) Sale of untraceable shares in 2025 included US\$57 million, US\$44 million and US\$5 million in Corporate, Hongkong Land and DFI Retail, respectively.

33 Notes to Consolidated Cash Flow Statement (continued)

(n) Cash outflows for leases

	2025	2024
	US\$m	US\$m
Lease rentals paid	(1,230)	(1,229)
Additions to leasehold land under right-of-use assets	(24)	(25)
	(1,254)	(1,254)
The above cash outflows are included in		
– operating activities	(335)	(352)
– investing activities	(24)	(25)
– financing activities	(895)	(877)
	(1,254)	(1,254)

(o) Analysis of balances of cash and cash equivalents

	2025	2024
	US\$m	US\$m
Cash and bank balances excluding restricted cash and deposits with original maturities over three months (<i>refer note 22</i>)	8,561	4,838
Cash and bank balances of subsidiaries classified as held for sale (<i>refer note 23</i>)	13	4
	8,574	4,842

34 Derivative financial instruments

The fair values of derivative financial instruments at 31 December are as follows:

	2025		2024	
	Positive fair value US\$m	Negative fair value US\$m	Positive fair value US\$m	Negative fair value US\$m
Designated as cash flow hedges				
– forward foreign exchange contracts	2	–	8	2
– interest rate swaps	–	2	3	1
– cross currency swaps	17	76	40	67
– commodity zero-cost collar	–	212	–	–
	19	290	51	70
Designated as fair value hedges				
– forward contract (<i>refer note 23</i>)	–	–	–	1,051
	–	–	–	1,051
Non-qualifying as hedges				
– forward foreign exchange contracts	1	–	8	2
– forward contract	–	66	–	–
	1	66	8	2

Forward foreign exchange contracts

The contract amounts of the outstanding forward foreign exchange contracts at 31 December 2025 were US\$355 million (2024: US\$1,362 million). Included in the contract amounts outstanding at 31 December 2024 was US\$613 million related to the divestment of interest in Yonghui with a fair value gain of US\$8 million (*refer note 23*).

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2025 were US\$123 million (2024: US\$624 million).

At 31 December 2025, the fixed interest rates relating to interest rate swaps varied from 3.9% to 4.1% (2024: 2.0% to 4.7%) per annum.

The fair values of interest rate swaps at 31 December 2025 were based on the estimated cash flows discounted at market rates ranging from 0.9% to 1.0% (2024: 0.9% to 4.6%) per annum.

Cross currency swaps

The contract amounts of the outstanding cross currency swap contracts at 31 December 2025 were US\$2,393 million (2024: US\$2,835 million).

Commodity zero-cost collar

The outstanding commodity zero-cost collar at 31 December 2025 related to contract for sales of gold. There was no outstanding commodity zero-cost collar at 31 December 2024.

Forward contract

The contract amount of outstanding forward contract at 31 December 2025 was US\$229 million (2024: US\$616 million). Included in the contract amount outstanding at 31 December 2024 was US\$616 million related to the divestment of interest in Yonghui (*refer note 23*).

35 Commitments

	2025 US\$m	2024 US\$m
Capital commitments:		
Authorised not contracted		
– capital expenditure and investments	1,026	1,197
Contracted not provided		
– investments in joint ventures	738	716
– capital expenditure and investments	599	642
	1,337	1,358
	2,363	2,555

At 31 December 2025 and 2024, there were no short-term lease commitments which were significantly dissimilar to those relating to the portfolio of short-term leases for which expenses were recognised for the years ended 31 December 2025 and 2024.

Total future sublease payments receivable amounted to US\$12 million at 31 December 2025 (2024: US\$10 million).

36 Contingent liabilities

Following the acquisition of the 15% of Jardine Strategic not previously owned by the Company and its wholly-owned subsidiaries, which was effected on 14 April 2021, a number of former Jardine Strategic shareholders are seeking an appraisal of the fair value of their shares in Jardine Strategic by the Bermuda court, relying upon the process referred to in the shareholder circular issued in connection with the acquisition. These shareholders claim the consideration of US\$33 per share that Jardine Strategic considered to be fair value for its shares, and that all shareholders have already received, did not represent fair value. Although the proceedings were commenced in April 2021, they are still ongoing. It is anticipated that the court appraisal process will not be concluded for at least a further 12 months and will likely extend further. The Board believes that the US\$33 per share that was paid represented fair value to Jardine Strategic minority shareholders and is of the opinion that no provision is required in relation to these claims.

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made.

37 Related party transactions

In the normal course of business the Group undertakes a variety of transactions with certain of its associates and joint ventures.

	2025	2024
	US\$m	US\$m
Sales to associates and joint ventures		
– motor vehicles and spare parts	749	759
– coal mining and heavy equipment	549	622
– crude palm oil	341	280
	1,639	1,661
Purchases from associates and joint ventures		
– motor vehicles and spare parts	5,173	5,925
– ready-to-eat products	42	46
	5,215	5,971
Services received from associates and joint ventures		
– point-of-sale system implementation and consultancy services	–	20

The Group manages six (2024: six) associate and joint venture hotels. Management fees received by the Group in 2025 from these managed hotels amounted to US\$20 million (2024: US\$19 million).

The Group has engaged one of its joint ventures in the construction business for capital expenditure works. The value of works completed amounted to US\$151 million (2024: US\$164 million) and commitments related to the works amounted to US\$173 million as of 31 December 2025 (2024: US\$313 million).

Amounts of outstanding balances with associates and joint ventures are included in debtors and creditors, as appropriate (*refer notes 17 and 31*).

Details of Directors' remuneration (being the key management personnel compensation) are shown on page 66 under the heading of 'Remuneration outcomes in 2025'.

The Company's Directors' remuneration includes payments made by a trust created in 1947 (the 1947 Trust) which represents distributions from the income of the 1947 Trust. The 1947 Trust's income consists solely of ordinary dividends it receives on its shareholding in the Company. The 1947 Trust was established and acts independently of, and is not controlled by the Company. Accordingly, the dividends that the Company paid to the 1947 Trust on its shareholding are accounted for as ordinary dividends and the amounts paid to the Company's Directors by the 1947 Trust are not accounted for as expenses of the Group. However, as the amounts paid to the Directors related to their service to the Company and depends on their performance, they have been included as part of the disclosure of Directors' remuneration.

38 Summarised balance sheet of the company

Included below is certain summarised balance sheet information of the Company disclosed in accordance with Bermuda law.

	2025	2024
	US\$m	US\$m
Subsidiaries	1,493	1,493
Current assets	594	962
Total assets	2,087	2,455
Share capital (<i>refer note 24</i>)	74	73
Share premium and capital reserves	8	11
Revenue and other reserves	1,366	1,697
Shareholders' funds	1,448	1,781
Current liabilities	639	674
Total equity and liabilities	2,087	2,455

Subsidiaries are shown at cost less impairment provided.

39 Post balance sheet events

In October 2025, the Company announced a recommended cash acquisition through its wholly-owned subsidiary, Jardine Strategic Limited (JSL), to acquire 11.96% of Mandarin Oriental's total issued share capital which the Company and its wholly-owned subsidiaries did not already own (the Acquisition). The Acquisition was completed in January 2026 by way of a scheme of arrangement under section 99 of the Bermuda Companies Act, the entire issued share capital of Mandarin Oriental is now owned by JSL. The total Acquisition value was US\$415 million, which was financed using the Company's cash on its balance sheet together with committed facilities.

On 20 January 2026, the Minister of the State Secretariat of Indonesia issued a press release announcing the revocation of the business licences of 28 companies. Astra's subsidiary, PT Agincourt Resources (PTAR), was among those listed. To date, PTAR has not yet received any official written notification regarding the revocation of the license. Subsequently, on 11 February 2026, the Minister of Energy and Mineral Resources announced in the media that, based on the direction of the President of the Republic of Indonesia, the Government will conduct an evaluation regarding the license of PTAR, and where no violations are found, investors' rights will be restored; conversely, if violations are identified, sanctions will be imposed proportionately. Management believes that PTAR has complied with relevant laws and regulations, in carrying out its activities. In connection with the above, there was no significant impact on the Group's consolidated financial statements for the year ended 31 December 2025.

On 23 January 2026, following the resignation of one of the Group's two representatives on Zhongsheng's board of directors, the Group revisited whether it continued to have significant influence over Zhongsheng and concluded the threshold for significant influence was not met. As a result, the Group's interest in Zhongsheng was no longer classified as an associate. The equity method of accounting was discontinued, and the investment was reclassified as other investment measured at fair value through profit and loss effective from January 2026.

On 26 February 2026, the Group, through a subsidiary of Jardine Cycle & Carriage, sold a further 3.5% interest in Vinamilk for approximately US\$188 million.

40 Principal subsidiaries

The Group's principal subsidiaries at 31 December 2025 are set out below:

	Place of incorporation/ principal place of business	Nature of business	Attributable interests		Proportion of ordinary shares and voting powers at 31 December 2025 held by	
			2025 %	2024 %	the Group %	non-controlling interests %
DFI Retail Group Holdings Ltd	Bermuda/ China and Southeast Asia	Health and beauty, convenience, food, house furnishing, restaurants and other retailing	78	78	78	22
Hongkong Land Holdings Ltd	Bermuda/ China and Southeast Asia	Property investment, management & development	55	53	55	45
Jardine Cycle & Carriage Ltd	Singapore/ Southeast Asia	A 50.5% effective interest in PT Astra International Tbk, automotive and holding	85	85	85	15
Jardine Matheson Ltd	Bermuda/ Hong Kong	Group management	100	100	100	–
Jardine Pacific Holdings Ltd	Bermuda/ China and Southeast Asia	Engineering & construction, transport services, automotive and restaurants	100	100	100	–
Jardine Strategic Ltd	Bermuda/ China and Southeast Asia	Holding	100	100	100	–
Mandarin Oriental International Ltd	Bermuda/ Worldwide	Hotel investment & management	88	88	88	12
Matheson & Co., Ltd	England/ United Kingdom	Holding and management	100	100	100	–
PT Astra International Tbk	Indonesia/ Indonesia	Automotive and mobility, financial services, heavy equipment, mining and construction and energy, agribusiness, infrastructure, information technology and property	43	42	50	50

All subsidiaries are included in the consolidation.

Attributable interests represent the proportional holdings of the Company, held directly or through its subsidiaries, in the issued share capitals of the respective companies, after the deduction of any shares held by the trustees of the employee share option schemes of any such company and any shares in any such company owned by its wholly-owned subsidiaries.

41 Material accounting policies

Basis of consolidation

(i) The consolidated financial statements include the financial statements of the Company, its subsidiaries, and the Group's interests in associates and joint ventures.

(ii) A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group 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 purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition includes the fair value at the acquisition date of any contingent consideration. The Group recognises the non-controlling interest's proportionate share of the recognised identifiable net assets of the acquired subsidiary. In a business combination achieved in stages, the Group remeasures its previously held interest in the acquiree at its acquisition-date fair value and recognises the resulting gain or loss in profit and loss. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions. When control over a previous subsidiary is lost, any remaining interest in the entity is remeasured at fair value and the resulting gain or loss is recognised in profit and loss.

All material intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated. The cost of and related income arising from shares held in the Company by subsidiaries are eliminated from shareholders' funds and non-controlling interests, and profit, respectively.

(iii) An associate is an entity, not being a subsidiary or joint venture, over which the Group exercises significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates and joint ventures are included on the equity basis of accounting.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognised in the consolidated financial statements only to the extent of unrelated investor's interests in the associates and joint ventures.

(iv) Non-controlling interests represent the proportion of the results and net assets of subsidiaries and their associates and joint ventures not attributable to the Group.

(v) The results of subsidiaries, associates and joint ventures are included or excluded from their effective dates of acquisition or disposal, respectively. The results of entities other than subsidiaries, associates and joint ventures are included to the extent of dividends received when the right to receive such dividend is established.

Foreign currencies

Transactions in foreign currencies are accounted for at the exchange rates ruling at the transaction dates.

Assets and liabilities of subsidiaries, associates and joint ventures, together with all other monetary assets and liabilities expressed in foreign currencies, are translated into United States dollars at the rates of exchange ruling at the year end. Results expressed in foreign currencies are translated into United States dollars at the average rates of exchange ruling during the year, which approximate the exchange rates at the dates of the transactions.

Exchange differences arising from the retranslation of the net investment in foreign subsidiaries, associates and joint ventures, and of financial instruments which are designated as hedges of such investments, are recognised in other comprehensive income and accumulated in equity under exchange reserves. On the disposal of these investments, such exchange differences are recognised in profit and loss. Exchange differences on other investments measured at fair value through profit and loss are recognised in profit and loss as part of the gains and losses arising from changes in their fair value. Exchange differences on other investments measured at fair value through other comprehensive income are recognised in other comprehensive income as part of the gains and losses arising from changes in their fair value. All other exchange differences are recognised in profit and loss.

Goodwill and fair value adjustments arising on acquisition of a foreign entity after 1 January 2003 are treated as assets and liabilities of the foreign entity and translated into United States dollars at the rate of exchange ruling at the year end.

Impairment of non-financial assets

Assets that have indefinite useful lives are not subject to amortisation and are tested for impairment annually and whenever there is an indication that the assets may be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Cash generating units or groups of cash-generating units to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the units may be impaired. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment annually.

Intangible assets

(i) Goodwill represents the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the acquisition-date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the Group's share of the net identifiable assets acquired. Non-controlling interests are measured at their proportionate share of the net identifiable assets at the acquisition date. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised directly in profit and loss. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates and joint ventures is included in investment in associates and joint ventures. Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing and is carried at cost less accumulated impairment loss.

The profit or loss on disposal of subsidiaries, associates and joint ventures is stated after deducting the carrying amount of goodwill relating to the entity sold.

(ii) Franchise rights, which are rights under franchise agreements, are separately identified intangible assets acquired as part of a business combination. These franchise agreements are deemed to have indefinite lives because either they do not have any term of expiry or their renewal by the Group would be probable and would not involve significant costs, taking into account the history of renewal and the relationships between the franchisee and the contracting parties. The useful lives are reviewed at each balance sheet date. Franchise rights are carried at cost less accumulated impairment loss.

(iii) Concession rights are operating rights for toll roads under service concession arrangements. Toll road concession rights are stated at cost, less accumulated amortisation and impairment. Toll road concession rights are amortised using the units of production (volume of traffic) method from the date of toll roads are ready for use. The amortisation is calculated based on estimated volume of traffic. Changes in estimated volume of traffic are accounted for, on a prospective basis, from the beginning of the period in which the change occurs.

(iv) Deferred exploration costs relating to mining resources are capitalised when the rights of tenure of a mining area are current and is considered probable that the costs will be recouped through successful development and exploitation of the area. Deferred exploration costs are amortised using the unit of production method, and are assessed for impairment if facts and circumstances indicate that impairment may exist.

(v) Other intangible assets are stated at cost less accumulated amortisation. Amortisation is calculated on the straight line basis to allocate the cost of intangible assets over their estimated useful lives.

Tangible fixed assets and depreciation

Freehold properties comprised land and buildings. Freehold land is stated at cost less any impairment. No depreciation is provided on freehold land as it is deemed to have an indefinite life. Buildings on freehold and leasehold land are stated at cost less any accumulated depreciation and impairment. Mining properties, which are contractual rights to mine and own coal and gold reserves in specified concession areas, and other tangible fixed assets are stated at cost less amounts provided for depreciation. Cost of mining properties includes expenditure to restore and rehabilitate coal and gold mining areas following the completion of production.

Depreciation of tangible fixed assets other than mining properties is calculated on the straight-line basis to allocate the cost or valuation of each asset to its residual value over its estimated useful life. The residual values and useful lives are reviewed at each balance sheet date. The estimated useful lives are as follows:

Buildings	
– hotels	21 to 150 years
– others	20 to 60 years
Surface, finishes and services of hotel properties	20 to 30 years
Leasehold improvements	shorter of unexpired lease term or useful life
Plant and machinery	2 to 25 years
Furniture, equipment and motor vehicles	2 to 25 years

Mining properties are depreciated using the unit of production method.

Where the carrying amount of a tangible fixed asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The profit or loss on disposal of tangible fixed assets is recognised by reference to their carrying amount.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease contracts may contain lease and non-lease components. The Group allocates the consideration in the contract to lease and non-lease component based on their relative stand-alone prices. For property leases where the Group is a lessee, it has elected not to separate lease and immaterial non-lease components and accounts for these items as a single lease component.

(i) As a lessee

The Group enters into property leases for use as retail stores and offices, as well as leases for plant & machinery and motor vehicles for use in its operations.

The Group recognises right-of-use assets and lease liabilities at the lease commencement dates, that is the dates the underlying assets are available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment, and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use assets includes amounts of the initial measurement of lease liabilities recognised, lease payments made at or before the commencement dates less any lease incentives received, initial direct costs incurred and restoration costs. Right-of-use assets are depreciated using the straight-line method over the shorter of their estimated useful lives and the lease terms.

When right-of-use assets meet the definition of investment properties, they are presented in investment properties, and are initially measured at cost and subsequently measured at fair value, in accordance with the Group's accounting policy.

The Group also has interests in leasehold land for use in its operations. Lump sum payments were made upfront to acquire these land interests from their previous registered owners or governments in the jurisdictions where the land is located. There are no ongoing payments to be made under the term of the land leases, other than insignificant lease renewal costs or payments based on rateable value set by the relevant government authorities. These payments are stated at cost and are amortised over the term of the lease which includes the renewal period if the lease can be renewed by the Group without significant cost.

Lease liabilities are measured at the present value of lease payments to be made over the lease terms. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised and payments of penalties for terminating a lease, if the lease term reflects the Group exercising that option. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities are measured at amortised cost using the effective interest method. After the commencement date, the amount of lease liabilities is increased by the interest costs on the lease liabilities and decreased by lease payments made.

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

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases. Low value assets comprised IT equipment and small items of office furniture. Short-term leases are leases with a lease term of 12 months or less. Lease payments associated with these leases are recognised on a straight-line basis as an expense in profit and loss over the lease term.

Lease liabilities are classified as non-current liabilities unless payments are within 12 months from the balance sheet date.

(ii) As a lessor

The Group enters into contracts with lease components as a lessor primarily on its investment properties. These leases are operating leases as they do not transfer the risk and rewards incidental to the underlying investment properties. The Group recognises the lease payments received under these operating leases on a straight line basis over the lease term as part of revenue in the profit and loss.

Investment properties

Properties including those under operating leases which are held for long-term rental yields or capital gains are classified and accounted for as investment properties, but the business model does not necessarily envisage that the properties will be held for their entire useful life. Investment properties are carried at fair value, representing estimated open market value determined annually by independent qualified valuers who have recent experience in the location and category of the investment property being valued. The market value of commercial properties are calculated on the discounted net rental income allowing for reversionary potential. The market value of residential properties are arrived at by reference to market evidence of transaction prices for similar properties. Changes in fair value are recognised in profit and loss.

Owner-occupied portions of multi-purpose properties are accounted for as tangible fixed assets unless the portion is considered insignificant, in which case this portion is treated as part of investment properties.

Bearer plants

Bearer plants are stated at cost less any accumulated depreciation and impairment loss. The cost of bearer plants includes costs incurred for field preparation, planting, fertilising and maintenance, capitalisation of borrowing costs incurred on loans used to finance the development of immature bearer plants and an allocation of other indirect costs based on planted hectares. Bearer plants are considered mature three to four years after planting and once they are generating fresh fruit bunches which average four to six tonnes per hectare per year. Depreciation of mature bearer plants commences in the year when the bearer plants are mature using the straight-line method over the estimated useful life of 20 years. Agricultural produce growing on bearer plants comprise oil palm fruits which are measured at fair value. Changes in fair value are recorded in the profit and loss.

Investments

The Group classifies its investments into the following measurement categories:

- (i) Those to be measured subsequently at fair value, either through other comprehensive income or through profit and loss; and
- (ii) Those to be measured at amortised cost.

The classification is based on the management's business model and their contractual cash flows characteristics.

Equity investments are measured at fair value with fair value gains and losses recognised in profit and loss, unless management has elected to recognise the fair value gains and losses through other comprehensive income. For equity investments measured at fair value through other comprehensive income, gains or losses realised upon disposal are not reclassified to profit and loss. Dividends from equity investments are recognised in profit and loss when the right to receive payments is established.

Debt investments that are held for collection of contractual cash flows and for sale, where the cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. On disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit and loss. Interest income calculated using the effective interest rate method is recognised in profit and loss.

Debt investments that are held for collection of contractual cash flows till maturity, where the cash flows represent solely payments of principal and interest, are measured at amortised cost. Any gain or loss arising on disposal is recognised in profit and loss. Interest income calculated using the effective interest rate method is recognised in profit and loss.

Limited partnership investment funds, which are structured in the form of limited partnerships for the purpose of managing investments for the benefit of its investors, are measured at fair value with fair value gains and losses recognised in profit and loss. Distributions from these investment funds are recognised in profit and loss when the right to receive payments is established.

At initial recognition, the Group measures an investment at its fair value plus, in the case of the investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment. Transaction costs of investments carried at fair value through profit and loss are expensed in profit and loss.

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

The Group assesses on a forward-looking basis the expected credit losses associated with both types of debt investments. They are considered 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows have occurred. Any impairment is recognised in profit and loss.

All purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the investments.

Investments are classified as non-current assets, unless in the case of debt investments with maturities less than 12 months after the balance sheet date, are classified as current assets.

Properties for sale

Properties for sale, which comprise land and buildings held for resale, are stated at the lower of cost and net realisable value. A portion of the properties for sale is leased out prior to sales to enhance shareholder profitability. These leased properties are classified and accounted for as properties for sale. The cost of properties for sale comprises land costs, construction and other development costs, and borrowing costs.

Stocks and work in progress

Stocks, which principally comprise goods held for resale, are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method, specific identification method and weighted average method. The cost of finished goods and work in progress comprises raw materials, labour and an appropriate proportion of overheads.

Debtors

Financing and trade debtors are recognised initially at the amount of consideration that is unconditional and measured subsequently at amortised cost using the effective interest method. Finance lease receivables are shown as the finance lease receivables plus the guaranteed residual values at the end of the lease period, net of unearned finance lease income, security deposits and provision for doubtful receivables. A contract asset arises if the Group has a right to consideration in exchange for goods or services the Group has transferred to a customer, that is conditional on something other than the passage of time. Repossessed collateral of finance companies are measured at the lower of the carrying amount of the debtors in default and fair value less costs to sell. All other debtors, excluding derivative financial instruments, are measured at amortised cost except where the effect of discounting would be immaterial. The Group assesses on a forward-looking basis using the three stages expected credit losses model on potential losses associated with its consumer financing debtors and financing lease receivables. The impairment measurement is subject to whether there has been a significant increase in credit risk. For trade debtors and contract assets, the Group applied the simplified approach as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the debtors. Provision for impairment is established by considering potential financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in arriving at operating profit. When a debtor is uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited to profit and loss.

Debtors with maturities greater than 12 months after the balance sheet date are classified under non-current assets.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise bank and cash balances, deposits at call with banks and financial institutions, and other liquid investments, with original maturities of three months or less, net of bank overdrafts. In the balance sheet, bank overdrafts are included in current borrowings. Restricted cash and bank balances that are not available for use within three months from the balance sheet date are excluded from cash and cash equivalents. If such balances are restricted in use for a period exceeding one year, they are classified as part of other debtors.

Liquid investments, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, are included in cash and bank balances and are stated at market value. Increases or decreases in market value are recognised in profit and loss.

Provisions

Provisions are recognised when the Group has present legal or constructive obligations as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate of the amount of the obligations can be made.

(i) Statutory employee entitlements

The Group recognises a provision for statutory employee entitlements which are related to long service leave and service awards in Indonesia.

Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method.

On the issue of bonds which are convertible into a fixed number of ordinary shares of the issuing entity, the fair value of the liability portion is determined using a market interest rate for an equivalent non-convertible bond; this amount is included in long-term borrowings on the amortised cost basis until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option which is recognised and included in shareholders' funds. On the issue of convertible bonds which are not convertible into the issuing entity's own shares or which are not convertible into a fixed number of ordinary shares of the issuing entity, the fair value of the conversion option component is determined and included in current liabilities, and the residual amount is allocated to the carrying amount of the bond. Any conversion option component included in current liabilities is shown at fair value with changes in fair value recognised in profit and loss.

Borrowing costs relating to major development projects are capitalised until the asset is substantially completed. Capitalised borrowing costs are included as part of the cost of the asset. All other borrowing costs are expensed as incurred.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the balance sheet date.

Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or direct in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Provision for deferred tax is made on the revaluation of certain non-current assets and, in relation to acquisitions, on the difference between the fair value of the net assets acquired and their tax base. Deferred tax is provided on temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Employee benefits

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held in trustee administered funds.

Pension accounting costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the costs of providing pensions are charged to profit and loss spreading the regular cost over the service period in which employees accrue benefits, in accordance with the advice of qualified actuaries, who carry out a full valuation of major plans every year. Plan assets are measured at fair value.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the year in which they occur.

Past service costs are recognised immediately in profit and loss.

The Group's total contributions relating to the defined contribution plans are charged to profit and loss in the year to which they relate.

Assets held for sale

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amounts are expected to be recovered principally through a sale transaction rather than through continuing use. Once classified as held for sale, non-current assets subjected to amortisation or depreciation are no longer amortised or depreciated, and associates and joint ventures cease application of the equity method of accounting.

Derivative financial instruments

The Group only enters into derivative financial instruments in order to hedge underlying exposures and not as speculative investments. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss is dependent on the nature of the item being hedged. The Group designates certain derivatives as a hedge of the fair value of a recognised asset or liability (fair value hedge), or a hedge of a forecasted transaction or of the foreign currency risk on a firm commitment (cash flow hedge), or a hedge of a net investment in a foreign entity.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective, are recognised in profit and loss, along with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit and loss within finance costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in profit and loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, the cumulative adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit and loss over the residual period to maturity.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are highly effective, are recognised in other comprehensive income and accumulated in equity under hedging reserves. Changes in the fair value relating to the ineffective portion is recognised immediately in profit and loss. Where the hedged item results in the recognition of a non-financial asset or of a non-financial liability, the deferred gains and losses are included in the initial measurement of the cost of the asset or liability. The deferred amounts are ultimately recognised in profit and loss as the hedged item affects profit and loss. Otherwise, amounts deferred in hedging reserves are transferred to profit and loss in the same periods during which the hedged firm commitment or forecasted transaction affects profit and loss. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit and loss within finance cost at the same time as the interest expense on the hedged borrowings. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in hedging reserves at that time remains in the hedging reserves and is recognised when the committed or forecasted transaction ultimately is recognised in profit and loss. When a committed or forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserves is immediately transferred to profit and loss.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management policies, do not qualify for hedge accounting under the specific rules in IFRS 9. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting under IFRS 9 are recognised immediately in profit and loss.

Hedges of net investments in foreign entities are accounted for on a similar basis to that used for cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in exchange reserves; the gain or loss relating to the ineffective portion is recognised immediately in profit and loss.

The fair value of derivatives which are designated and qualify as effective hedges are classified as non-current assets or liabilities if the remaining maturities of the hedged assets or liabilities are greater than 12 months after the balance sheet date.

Insurance contracts

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts.

On initial recognition, insurance contracts are measured as the total of (a) the fulfilment cash flows (FCF), adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the contractual service margin (CSM). The FCF are the current estimates of the future cash flows within the contract boundary that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. The CSM is a component of the carrying amount of the insurance contract asset or liability representing the unearned profit that the Group will recognise as it provides insurance contract services in the future. Subsequently, the carrying amount at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the FCF that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the FCF for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Non-trading items

Non-trading items are separately identified to provide greater understanding of underlying performance from continuing businesses. The Group presents the profit and loss account in columnar format with analysis of underlying business performance and items outside of the underlying business performance (non-trading items). The Group considers the following as non-trading items:

(i) Items that are unrealised valuation changes, infrequent or one-off in nature. Such items include fair value gains or losses on revaluation of investment properties, and equity and debt investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets, associates and joint ventures and other investments; provisions for the restructuring or closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

(ii) Result of non-strategic business. This relates to the profit or loss of business not aligned with the Group's strategy and where there is an explicit and announced intention to exit or wind-down the business.

Earnings per share

Basic earnings per share are calculated on profit attributable to shareholders and on the weighted average number of shares in issue during the year. The weighted average number excludes the Company's share of the shares held by subsidiaries. For the purpose of calculating diluted earnings per share, profit attributable to shareholders is adjusted for the effects of the conversion of dilutive potential ordinary shares of subsidiaries, associates or joint ventures, and the weighted average number of shares is adjusted for the number of shares which are deemed to be issued for no consideration under the share-based long-term incentive plan based on the average share price during the year.

Dividends

Dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date.

The nominal amount of the ordinary shares issued as a result of election for scrip is capitalised out of the share premium account or other reserves, as appropriate.

Revenue recognition

(i) Property

Properties for sale

Revenue from properties for sale is recognised when or as the control of the property is transferred to the customer. Revenue consists of the fair value of the consideration received and receivable, net of value added tax, rebates and discounts. Proceeds received in advance for pre-sale are recorded as contract liabilities. Depending on the terms of the contract and the laws that apply to the contract, control of the property may transfer over time or at a point in time.

If control of the property transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the property.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For properties for sale under development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

Investment properties

Rental income from investment properties are accounted for on an accrual basis over the lease terms.

(ii) Motor vehicles

Revenue from the sale of motor vehicles, including motorcycles, and rendering of aftersales services, is recognised through dealership structures. In instances where the contracts with customers include multiple deliverables, the separate performance obligations are identified. The transaction price, which is represented by the consideration fixed in the contract and net of discounts if any, is then allocated to each performance obligation based on their relative stand-alone selling prices. When a stand-alone selling price is not directly observable, it is estimated. Revenue from the sale of motor vehicles is recognised when control of the motor vehicles is transferred to the customer, which generally coincides with the point of delivery. Revenue from the aftersales services is recognised when the services are rendered. In instances where payments are received in advance from customers but there are unfulfilled aftersales services obligations by the Group, a contract liability is recognised for which revenue is subsequently recognised over time as the services are rendered.

(iii) Retail and restaurants

Revenue from retail includes sales from the supermarket, health and beauty stores, and home furnishing stores. Revenue consists of the fair value of goods sold to customers, net of returns, discounts and sales related taxes. Sale of goods is recognised at the point of sale, when the control of the asset is transferred to the customers, and is recorded at the net amount received from customers.

Revenue from restaurants comprises the sale of food and beverages and is recognised at the point when the Group sells the food and beverages to the customer and payment is due immediately when the customer purchases the food and beverages.

(iv) Financial services

Revenue from consumer financing and finance leases is recognised over the term of the respective contracts based on a constant rate of return on the net investment, using the effective interest method. Revenue from insurance contracts recognised in the period represents the transfer of services provided at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services. For insurance contracts not measured under the premium allocation approach, the Group reduces the liability for remaining coverage and recognises insurance revenue for the services provided.

*(v) Engineering, heavy equipment, mining, construction and energy**Engineering*

Revenue from engineering, including supplying, installing and servicing engineering equipment is recognised over time based on the enforceable right to payment for the performance completed to date and using the output method on the basis of direct measurements of the value to customer of the Group's performance to date, as evidenced by the certification by qualified architects and/or surveyors. When there is more than one single performance obligation under a contract or any contract modification creates a separate performance obligation, the revenue will be allocated to each performance obligation based on their relative stand-alone selling prices. Payments received in advance from customers but there are unfulfilled obligations, are recognised as contract liabilities.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

Heavy equipment

Revenue from heavy equipment includes sale of heavy equipment and rendering of maintenance services. In instances where the contracts with customers include multiple deliverables, the separate performance obligations are identified and generally referred as sale of heavy equipment and rendering of maintenance services. The transaction price, which is represented by the consideration fixed in the contract and net of discounts if any, is then allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from the sale of heavy equipment is recognised when control of the heavy equipment is transferred to the customer, which generally coincides with the point of delivery. Payments from customers for maintenance services are received in advance and recognised as a contract liability. Revenue from the maintenance services is recognised when customer has received and consumed benefit from the services.

Mining

Revenue from mining includes contract mining services and through the Group's own production. The performance obligations identified under contract mining services relate to the extraction of mining products and removal of overburden on behalf of the

customers. Revenue is recognised when the services are rendered by reference to the volume of mining products extracted and overburden removed at contracted rates, and payment is due upon delivery. Revenue from its own mining production is recognised when control of the output is transferred to the customer, which generally coincides with the point of delivery.

Construction

Revenue from construction includes contracts to provide construction and foundation services for building, civil and maritime works. Under the contracts, the Group's construction activities creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Under this method, the revenue recognised is based on the latest estimate of the total value of the contract and actual completion rate determined by reference to the physical state of progress of the works.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

(vi) Hotels

Revenue from hotel ownership comprises amounts earned in respect of rental of rooms, food and beverage sales, and other ancillary services and goods supplied by the subsidiary hotels. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue from the sale of food and beverages and goods is recognised at the point of sale when the food and beverages and goods are delivered to customers. Payment is due immediately when the hotel guest occupies the room and receives the services and goods.

Revenue from hotel and residences branding and management comprises gross fees earned from the branding and management of all the hotels and residences operated by the Group. Branding and management fees are recognised over time as determined by the relevant contract, taking into account the performance of the hotels, and the sales and operating expenses of the residences. Fees charged to the subsidiary hotels are eliminated upon consolidation. Hotels and residences are invoiced in accordance with the terms of contract and fees are payable when invoiced.

42 Standards and amendments issued but not yet effective

A number of amendments effective for accounting periods beginning after 2025 have been published and will be adopted by the Group from their effective dates. The Group is currently assessing the potential impact of these standards and amendments but expects their adoption will not have a significant impact on the Group's consolidated financial statements. The more important standard and amendments that are relevant to the Group are set out below.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective from 1 January 2026)

These amendments clarify (i) the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; (ii) further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion; (iii) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and (iv) update the disclosures for equity instruments designated at fair value through other comprehensive income. The Group is assessing the impact on the Group's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (effective from 1 January 2027)

The standard requires new presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit and loss. The key new concepts introduced in IFRS 18 relate to (i) the structure of the statement of profit and loss with defined subtotals; (ii) requirement to determine the most useful structure summary for presenting expenses in the statement of profit and loss; (iii) required disclosures in a single note within the financial statements for certain profit and loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iv) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Group is assessing the changes on presentation and disclosure required in the Group's consolidated financial statements.

43 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group's treasury function co-ordinates, under the directions of the board of Jardine Matheson Limited, financial risk management policies and sets, monitors and implements on a group-wide basis. The Group's treasury policies include hedging principles that are designed to manage the financial impact of fluctuations in interest rates and foreign exchange rates and to minimise the Group's financial risks. The Group uses derivative financial instruments, principally interest rate swaps, caps and collars, cross-currency swaps, forward foreign exchange contracts, foreign currency options, and commodity forward contracts and options as appropriate for hedging transactions and managing the Group's assets and liabilities in accordance with the Group's financial risk management policies. Financial derivative contracts are executed between third party banks and the Group entity that is directly exposed to the risk being hedged. Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through other comprehensive income and will be recognised in profit and loss when the hedged item affects profit and loss. The ineffective portion will be recognised in the profit and loss immediately. In general, the volatility in profit and loss can be reduced by applying hedge accounting.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group assesses whether the derivative designated in each hedging relationship has been and expected to be effective in offsetting changes in cash flow of the hedged item using the hypothetical derivative method.

Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated for hedges of foreign currency purchases, or if there are changes in the credit risk of the Group or the derivative counterparty.

The Group enters into interest rate swaps and caps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a designated portion of the loans up to the notional amount of the swaps. As all critical terms matched during the year, effective economic relationship existed between the swaps and the loans.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to:

- (i) The credit value/debit value adjustment on the interest rate swaps which is not matched by the loan; and
- (ii) Differences in critical terms between the interest rate swaps and loans.

The ineffectiveness during 2025 and 2024 in relation to interest rate swaps was not material.

(i) Market risk

Foreign exchange risk

Entities within the Group are exposed to foreign exchange risk from future commercial transactions, net investments in foreign operations and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

Entities in the Group use cross-currency swaps, forward foreign exchange contracts and foreign currency options in a consistent manner to hedge firm and anticipated foreign exchange commitments and manage their foreign exchange risk arising from future commercial transactions. The Group does not usually hedge its net investments in foreign operations except in circumstances where there is a material exposure arising from a currency that is anticipated to be volatile and the hedging is cost effective. Group entities are required to manage their foreign exchange risk against their functional currency. Foreign currency borrowings are swapped into

the entity's functional currency using cross-currency swaps except where the foreign currency borrowings are repaid with cash flows generated in the same foreign currency. The purpose of these hedges is to mitigate the impact of movements in foreign exchange rates on assets and liabilities and the profit and loss account of the Group.

Currency risks as defined by IFRS 7 arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency. At 31 December 2025, the Group's Indonesian rupiah functional entities had United States dollar denominated net monetary assets of US\$243 million (2024: liabilities of US\$181 million). At 31 December 2025, if the United States dollar had strengthened/weakened by 10% against the Indonesian rupiah with all other variables unchanged, the Group's profit after tax would have been US\$19 million higher/lower (2024: US\$14 million lower/higher), arising from foreign exchange gains/losses taken on translation. The impact on amounts attributable to the shareholders of the Company would be US\$6 million higher/lower (2024: US\$5 million lower/higher).

At 31 December 2025, the Group's Singapore dollar functional entities had United States dollar denominated net monetary assets of US\$18 million (2024: liabilities of US\$533 million). At 31 December 2025, if the United States dollar had strengthened/weakened by 10% against the Singapore dollar with all other variables unchanged, the Group's profit after tax would have been US\$2 million higher/lower (2024: US\$53 million lower/higher), arising from foreign exchange gains/losses taken on translation. The impact on amounts attributable to the shareholders of the Company would be US\$1 million higher/lower (2024: US\$45 million lower/higher).

This sensitivity analysis ignores any offsetting foreign exchange factors and has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date. The stated change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. There are no other significant monetary balances held by Group companies at 31 December 2025 that are denominated in a non-functional currency. Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration.

Since the Group manages the interdependencies between foreign exchange risk and interest rate risk of foreign currency borrowings using cross-currency swaps, the sensitivity analysis on financial impacts arising from cross-currency swaps is included in the sensitivity assessment on interest rates under the interest rate risk section.

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly through fixed rate borrowings and the use of derivative financial instruments such as interest rate swaps, caps and collars. The Group monitors interest rate exposure on a monthly basis by currency and business unit, taking into consideration proposed financing and hedging arrangements. The Group's guideline is to maintain 40% to 60% of its gross borrowings, exclusive of the financial services companies, in fixed rate instruments. At 31 December 2025, the Group's interest rate hedge exclusive of the financial services companies was 49% (2024: 57%), with an average tenor of six years (2024: six years). The financial services companies borrow predominately at a fixed rate. The interest rate profile of the Group's borrowings after taking into account hedging transactions are set out in note 29.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages this risk by entering into interest rate swaps, caps and collars for a maturity of up to 5 years. Interest rate swaps have the economic effect of converting borrowings from floating rate to fixed rate, caps provide protection against a rise in floating rates above a pre-determined rate, whilst collars combine the purchase of a cap and the sale of a floor to specify a range in which an interest rate will fluctuate. Details of interest rate swaps and cross currency swaps are set out in note 34.

Fair value interest rate risk is the risk that the value of a financial asset or liability and derivative financial instruments will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swaps which have the economic effect of converting borrowings from fixed rate to floating rate, to maintain the Group's fixed rate instruments within the Group's guideline.

At 31 December 2025, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's profit after tax would have been US\$18 million (2024: US\$4 million) higher/lower, and hedging reserves would have been US\$78 million (2024: US\$93 million) higher/lower as a result of fair value changes to cash flow hedges. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. There is no significant sensitivity resulting from interest rate caps and collars. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in those interest rates which have the most impact on the Group, specifically the United States, Hong Kong and Indonesian rates, over the period until the next annual balance sheet date. In the case of effective fair value hedges, changes in the fair value of the hedged items caused by interest rate movements balance out in the profit and loss account against changes in the fair value of the hedging instruments. Changes in market interest rates affect the interest income or expense of non-derivative variable-interest financial instruments, the interest payments of which are not designated as hedged items of cash flow hedges against interest rate risks. As a consequence, they are included in the calculation of profit after tax sensitivities. Changes in the market interest rate of financial instruments that were designated as hedging instruments in a cash flow hedge to hedge payment fluctuations resulting from interest rate movements affect the hedging reserves and are therefore taken into consideration in the equity related sensitivity calculations.

Price risk

The Group is exposed to securities price risk because of its equity investments and limited partnership investment funds (LP investment funds) which are measured at fair value through profit and loss, and debt investments which are measured at fair value through other comprehensive income. Gains and losses arising from changes in the fair value of these investments are recognised in profit and loss or other comprehensive income according to their classification. The performance of these investments are monitored regularly, together with an assessment of their relevance to the Group's long-term strategic plans. Details of these investments are contained in note 16.

The Group's interest in these investments is unhedged. At 31 December 2025, if the price of these investments had been 25% higher/lower with all other variables held constant, total equity would have been US\$720 million (2024: US\$859 million) higher/lower, of which US\$242 million (2024: US\$417 million) relating to equity investments would be reflected in operating profit as non-trading items. The sensitivity analysis has been determined based on a reasonable expectation of possible valuation volatility over the next 12 months.

The Group is exposed to financial risks arising from changes in commodity prices, primarily coal, gold, steel rebar, nickel and copper. The Group considers the outlook for these commodities prices regularly in considering the need for active financial risk management. Hedging of the price risk of commodity can be undertaken for certain strategic reasons by entering into forward contracts and foreign currency options to hedge the price risk. To mitigate or hedge the price risk, Group entities may enter into a forward contract and foreign currency options to buy the commodity at a fixed price at a future date, or a forward contract to sell the commodity at a fixed price or pre-determined range of prices at a future date.

(ii) Credit risk

The Group's credit risk is primarily attributable to counterparty default risk in respect of deposits held with banks, contractual cash flows of debt investments carried at amortised cost and those measured at fair value through other comprehensive income, credit exposures to customers and derivative financial instruments with a positive fair value. The Group has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group manages its deposits with banks and financial institutions and transactions involving derivative financial instruments by setting credit limit policies that monitor credit ratings and capital adequacy ratios of counterparties, and limiting the aggregate risk to any individual counterparty. The utilisation of credit limits is regularly monitored. Similarly transactions involving derivative financial instruments are with banks with sound credit ratings and capital adequacy ratios. In developing countries it may be necessary to deposit money with banks that have a lower credit rating, however the Group only enters into derivative transactions with counterparties which have credit ratings of at least investment grade. Management does not expect any counterparty to fail to meet its obligations.

The Group's debt investments are considered to be low risk investments. The investments are monitored for credit deterioration based on credit ratings from major rating agencies.

In respect of credit exposures to customers, the Group has policies in place to ensure that sales on credit without collateral are made principally to corporate companies with an appropriate credit history and credit insurance is purchased for businesses where it is economically effective. The Group normally obtains collateral over vehicles from consumer financing debtors towards settlement of vehicle receivables. Customers contractually provide the Group with the right to sell the repossessed collateral or take any other action to settle the outstanding receivable. Sales to other customers are made in cash or by major credit cards.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance.

(iii) Liquidity risk

Prudent liquidity risk management includes managing the profile of debt maturities and funding sources, maintaining sufficient cash and marketable securities, and ensuring the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group's ability to fund its existing and prospective debt requirements is managed by maintaining diversified funding sources with adequate committed funding lines from high quality lenders, and by monitoring rolling short-term forecasts of the Group's cash and gross debt on the basis of expected cash flows. In addition, long-term cash flows are projected to assist with the Group's long-term debt financing plans.

At 31 December 2025, total available borrowing facilities amounted to US\$26.2 billion (2024: US\$27.6 billion) of which US\$15.1 billion (2024: US\$15.9 billion) was drawn down. Undrawn committed facilities, in the form of revolving credit and term loan facilities, and undrawn uncommitted facilities totalled US\$6.4 billion (2024: US\$7.3 billion) and US\$4.7 billion (2024: US\$4.4 billion), respectively.

The following table analyses the Group's non-derivative financial liabilities, net-settled derivative financial liabilities and gross-settled derivative financial instruments into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within one year US\$m	Between one and two years US\$m	Between two and three years US\$m	Between three and four years US\$m	Between four and five years US\$m	Beyond five years US\$m	Total undiscounted cash flows US\$m
At 31 December 2025							
Borrowings	5,451	3,120	2,139	1,012	1,160	4,139	17,021
Lease liabilities	781	616	462	356	255	915	3,385
Creditors	7,367	1,157	40	18	34	251	8,867
Gross settled derivative financial instruments							
– inflow	1,095	259	133	50	639	959	3,135
– outflow	1,140	254	132	50	637	958	3,171
At 31 December 2024							
Borrowings	5,408	3,016	3,088	1,023	672	4,929	18,136
Lease liabilities	869	685	524	420	334	1,200	4,032
Creditors	7,703	902	43	24	13	182	8,867
Gross settled derivative financial instruments							
– inflow	2,934	343	113	52	50	1,598	5,090
– outflow	2,290	334	113	53	50	1,599	4,439

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern whilst seeking to maximise benefits to shareholders and other stakeholders. Capital is equity as shown in the consolidated balance sheet plus net borrowings.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, purchase Group shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the Group's consolidated gearing ratio and consolidated interest cover before taking into account the impact of IFRS 16 'Leases'. The gearing ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as total borrowings less cash and bank balances. Interest cover is calculated as the sum of underlying operating profit, before the deduction of amortisation/depreciation of right-of-use assets, net of actual lease payments, and share of results of associates and joint ventures, divided by net financing charges excluding interest on lease liabilities. The ratios are monitored both inclusive and exclusive of the Group's financial services companies, which by their nature are generally more highly leveraged than the Group's other businesses. The Group does not have a defined gearing or interest cover benchmark or range.

The ratios at 31 December 2025 and 2024 are as follows:

	2025	2024
Gearing ratio exclusive of financial services companies (%)	5	14
Gearing ratio inclusive of financial services companies (%)	12	21
Interest cover exclusive of financial services companies (times)	13	10
Interest cover inclusive of financial services companies (times)	16	12

Fair value estimation

(i) Financial instruments that are measured at fair value

For financial instruments that are measured at fair value in the balance sheet, the corresponding fair value measurements are disclosed by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (quoted prices in active markets/Level 1)

The fair values of listed securities and bonds are based on quoted prices in active markets at the balance sheet date. The quoted market price used for listed investments held by the Group is the current bid price.

(b) Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly (observable current market transactions/Level 2)

The fair values of derivative financial instruments, excluding the forward contract relating to the divestment of an associate, are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps and caps, cross-currency swaps and forward foreign exchange contracts are calculated by reference to market interest rates and foreign exchange rates.

The fair value of derivative financial instrument of the forward contract relating to the divestment of an associate was determined using the quoted price in active market at the balance sheet date, adjusted for the time value of money and other factors.

The fair values of unlisted investments mainly include club and school debentures, are determined using prices quoted by brokers at the balance sheet date.

(c) Inputs for assets or liabilities that are not based on observable market data (unobservable inputs/Level 3)

The fair values of other unlisted equity and debt investments, and limited partnership investment funds are determined using valuation techniques by reference to observable current market transactions (including price-to earnings and price-to book ratios of listed securities of entities engaged in similar industries) or the market prices of the underlying investments with certain degree of entity specific estimates or discounted cash flow by projecting the cash inflows from these investments.

There were no changes in valuation techniques during the year.

The table below analyses financial instruments carried at fair value, by the levels in the fair value measurement hierarchy:

	Quoted prices in active markets US\$m	Observable current market transactions US\$m	Unobservable inputs US\$m	Total US\$m
2025				
Assets				
Other investments				
– equity investments	707	55	204	966
– debt investments	1,115	–	373	1,488
– limited partnership investment funds	–	–	425	425
	1,822	55	1,002	2,879
Derivative financial instruments at fair value	–	20	–	20
	1,822	75	1,002	2,899
Liabilities				
Contingent consideration payable	–	–	(4)	(4)
Derivative financial instruments at fair value	–	(356)	–	(356)
	–	(356)	(4)	(360)
2024				
Assets				
Other investments				
– equity investments	1,420	54	192	1,666
– debt investments	984	–	399	1,383
– limited partnership investment funds	–	–	388	388
	2,404	54	979	3,437
Derivative financial instruments at fair value	–	59	–	59
	2,404	113	979	3,496
Liabilities				
Contingent consideration payable	–	–	(17)	(17)
Derivative financial instruments at fair value	–	(1,123)	–	(1,123)
	–	(1,123)	(17)	(1,140)

Movement of unlisted equity and debt investments, and limited partnership investment funds, which are valued based on unobservable inputs during the year ended 31 December are as follows:

	2025	2024
	US\$m	US\$m
At 1 January	979	917
Exchange differences	15	(20)
Additions	16	86
Disposals	(22)	–
Net change in fair value during the year included in profit and loss	14	(4)
At 31 December	1,002	979

There were no transfers among the three categories during the years ended 31 December 2025 and 2024.

(ii) Financial instruments that are not measured at fair value

The fair values of current debtors, cash and bank balances, current creditors, current borrowings and current lease liabilities are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates. The fair values of non-current lease liabilities are estimated using the expected future payments discounted at market interest rates.

Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 31 December 2025 and 2024 are as follows:

	Fair value of hedging instruments	Fair value through profit and loss	Fair value through other comprehensive income	Financial assets at amortised costs	Other financial liabilities	Total carrying amount	Fair value
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
2025							
Financial assets							
measured at fair value							
Other investments							
– equity investments	–	966	–	–	–	966	966
– debt investments	–	373	1,115	–	–	1,488	1,488
– limited partnership investment funds	–	425	–	–	–	425	425
Derivative financial instruments	19	1	–	–	–	20	20
	19	1,765	1,115	–	–	2,899	2,899
Financial assets not measured at fair value							
Amounts due from associates	–	–	–	435	–	435	435
Amounts due from joint ventures	–	–	–	1,096	–	1,096	1,096
Other investments							
– debt investments	–	–	–	179	–	179	141
Debtors	–	–	–	9,311	–	9,311	8,809
Bank balances	–	–	–	8,563	–	8,563	8,563
	–	–	–	19,584	–	19,584	19,044
Financial liabilities measured at fair value							
Derivative financial instruments	(290)	(66)	–	–	–	(356)	(356)
Contingent consideration payable	–	(4)	–	–	–	(4)	(4)
	(290)	(70)	–	–	–	(360)	(360)
Financial liabilities not measured at fair value							
Borrowings	–	–	–	–	(15,153)	(15,153)	(14,885)
Lease liabilities	–	–	–	–	(2,998)	(2,998)	(2,998)
Trade and other payable excluding non-financial liabilities	–	–	–	–	(8,864)	(8,864)	(8,864)
	–	–	–	–	(27,015)	(27,015)	(26,747)

	Fair value of hedging instruments	Fair value through profit and loss	Fair value through other comprehensive income	Financial assets at amortised costs	Other financial liabilities	Total carrying amount	Fair value
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
2024							
<i>Financial assets</i>							
<i>measured at</i>							
<i>fair value</i>							
Other investments							
– equity investments	–	1,666	–	–	–	1,666	1,666
– debt investments	–	399	984	–	–	1,383	1,383
– limited partnership investment funds	–	388	–	–	–	388	388
Derivative financial instruments	51	8	–	–	–	59	59
	51	2,461	984	–	–	3,496	3,496
<i>Financial assets</i>							
<i>not measured at</i>							
<i>fair value</i>							
Amounts due from associates	–	–	–	435	–	435	435
Amounts due from joint ventures	–	–	–	1,574	–	1,574	1,574
Debtors	–	–	–	9,148	–	9,148	8,653
Bank balances	–	–	–	4,847	–	4,847	4,847
	–	–	–	16,004	–	16,004	15,509
<i>Financial liabilities</i>							
<i>measured at</i>							
<i>fair value</i>							
Derivative financial instruments	(1,121)	(2)	–	–	–	(1,123)	(1,123)
Contingent consideration payable	–	(17)	–	–	–	(17)	(17)
	(1,121)	(19)	–	–	–	(1,140)	(1,140)
<i>Financial liabilities</i>							
<i>not measured at</i>							
<i>fair value</i>							
Borrowings	–	–	–	–	(15,888)	(15,888)	(15,440)
Lease liabilities	–	–	–	–	(3,514)	(3,514)	(3,514)
Trade and other payable excluding non-financial liabilities	–	–	–	–	(8,850)	(8,850)	(8,850)
	–	–	–	–	(28,252)	(28,252)	(27,804)

44 Critical accounting estimates and judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable according to circumstances and conditions available. The existing and potential impacts arising from climate change has been considered when applying estimates and assumptions in the preparation of the financial statements, including the Group's assessment of impairment of assets and the independent valuers' valuation of the Group's investment properties.

The estimates and assumptions that have a significant effect on the reported amounts of assets and liabilities, and income and expenses are discussed below.

Significant areas of estimation uncertainty

Acquisition of subsidiaries, associates and joint ventures

The initial accounting on the acquisition of subsidiaries, associates and joint ventures involves identifying and determining the fair values to be assigned to the identifiable assets, liabilities and contingent liabilities of the acquired entities. The fair values of franchise rights, concession rights, tangible assets, right-of-use assets, investment properties and bearer plants are determined by independent valuers by reference to market prices or present value of expected net cash flows from the assets. Any changes in the assumptions used and estimates made in determining the fair values, and management's ability to measure reliably the contingent liabilities of the acquired entity will impact the carrying amount of these assets and liabilities.

On initial acquisition or acquisition of further interests in an entity, an assessment of the level of control or influence exercised by the Group is required. For entities where the Group has a shareholding of less than 50%, an assessment of the Group's level of voting rights, board representation and other indicators of influence is performed to consider whether the Group has de facto control, requiring consolidation of that entity, or significant influence, requiring classification as an associate, or joint control, requiring classification as a joint venture.

Investment properties

The fair values of completed commercial investment properties, which are held by subsidiaries and joint ventures of Hongkong Land, are determined by independent valuers on an open market for existing-use basis calculated on the discounted net income allowing for reversionary potential. For these investment properties in Hong Kong, the Chinese mainland and Singapore, capitalisation rates in the range of 2.90% to 6.00% for office (2024: 2.90% to 3.50%) and 3.50% to 5.00% for retail (2024: 3.50% to 5.00%) are used by Hongkong Land in the fair value determination.

Consideration has been given to assumptions that are mainly based on market conditions existing at the balance sheet date and appropriate capitalisation rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

The independent valuers have considered climate change, sustainability, resilience and environmental, social and governance (ESG) within their valuations. Properties held by the Group are considered to currently display ESG characteristics that would be expected in the market, and therefore there were no direct and tangible pricing adjustments required to the valuation of investment properties. The Group will monitor these considerations for each reporting period.

Properties for sale

The Group assesses the carrying amounts of properties for sale held by subsidiaries, associates and joint ventures according to their estimated net realisable value, taking into account construction costs to complete based on the existing development plans, and an estimation of future selling prices based on properties of comparable locations and conditions. Write-downs are made when events or changes in circumstances indicate that the carrying amounts may not be realised.

Given market significant volatility in the Chinese mainland property market, the Group considers that selling price is a significant estimate in determining the net realisable value of certain properties for sale.

Impairment of assets

The Group tests annually whether goodwill and other assets that have indefinite useful lives suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is determined based on the higher of its fair value less costs to sell and its value-in-use, calculated on the basis of management's assumptions and estimates. Changing the key

assumptions, including the amount of estimated coal and gold reserves, the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the value-in-use calculations. The results of the impairment reviews undertaken at 31 December 2025 on the Group's goodwill and the associates and joint ventures were included in note 10 and note 15, respectively.

The results of the impairment reviews undertaken at 31 December 2025 on the Group's indefinite life franchise rights indicated that no impairment charge was necessary. If there is a significant increase in the discount rate and/or a significant adverse change in the projected performance of the business to which these rights attach, it may be necessary to take an impairment charge to profit and loss in the future.

Pension obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions.

Significant areas of judgement

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the balance sheet date (*refer note 17*).

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for worldwide income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Provision for deferred tax follows the way management expects to recover or settle the carrying amount of the related assets or liabilities, which the management may expect to recover through use, sale or combination of both. Accordingly, deferred tax will be calculated at income tax rate, capital gains tax rate or combination of both. There is a rebuttable presumption in International Financial Reporting Standards that investment properties measured at fair value are recovered through sale. Thus, deferred tax on revaluation of investment properties held by the Group are calculated at the capital gain tax rate.

Recognition of deferred tax assets, which principally relate to tax losses, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

Leases

Liabilities and the corresponding right-of-use assets arising from leases are initially measured at the present value of the lease payments at the commencement date, discounted using the interest rates implicit in the leases, or if that rate cannot be readily determinable, the Group uses the incremental borrowing rate. The Group generally uses the incremental borrowing rate as the discount rate.

The Group applies the incremental borrowing rate with reference to the rate of interest that the Group would have to pay to borrow, over a similar term as that of the lease, the funds necessary to obtain an asset of a similar value to the right-of-use asset in the country where it is located.

Lease payments to be made during the lease term will be included in the measurement of a lease liability. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any period covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, the Group considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew. The assessment of whether the Group is reasonably certain to exercise the options impacts the lease terms, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Assets held for sale/liabilities associated with assets held for sale

Assets are classified as held for sale if their carrying amounts are expected to be recovered principally through a sale transaction rather than through continuing use. Liabilities directly associated with those assets and will be transferred in a single sale transaction are classified as liabilities associated with assets held for sale. These assets are measured at the lower of carrying amounts and fair values less costs to sell. The Group considers all relevant factors in determining how the carrying amounts of the assets will be recovered and the liabilities will be extinguished, and only reclassifies the assets and liabilities to held for sale when the sale is highly probable.

Revenue recognition

The Group uses the percentage of completion method to account for its contract revenue of certain development properties sales. The stage of completion is measured by reference to the contract costs incurred to date compared to the estimated total costs for the contract. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

For revenue from the heavy equipment maintenance contracts, the Group exercises judgement in determining the level of actual service provided to the end of the reporting period as a proportion of the total services to be reported, and estimated total costs of the maintenance contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognised as a current year expense.

For other contracts with customers which include multiple deliverables, the separate performance obligations are identified. The transaction price is then allocated to each performance obligation based on their stand-alone selling prices. From time to time, when a stand-alone selling price may not be directly observable, the Group estimated the selling price using expected costs of rendering such services and adding an appropriate margin.

Non-trading items

The Group uses underlying business performance in its internal financial reporting to distinguish between the underlying profits and non-trading items. The identification of non-trading items requires judgement by management, but follows the consistent methodology as set out in the Group's accounting policies.

Independent Auditor's Report

To the Members of Jardine Matheson Holdings Limited
(incorporated in Bermuda with limited liability)

Report on the Audit of the Consolidated Financial Statements

Opinion

What we have audited

The consolidated financial statements of Jardine Matheson Holdings Limited (the 'Company') and its subsidiaries (the 'Group'), included within the Annual Report, which comprise:

- the Consolidated Balance Sheet as at 31 December 2025;
- the Consolidated Profit and Loss Account for the year then ended;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended;
- the Consolidated Cash Flow Statement for the year then ended; and
- the Notes to the Financial Statements, comprising material accounting policy information and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the consolidated financial statements. These disclosures are cross-referenced from the consolidated financial statements and are identified as audited.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ('IESBA Code') as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our Audit Approach

Overview

Materiality

- Overall Group materiality: US\$546 million (2024: US\$533 million), based on 1% (2024: 1%) of the net assets of the Group.
- Specific Group materiality, applied to balances and transactions not related to investment properties: US\$218 million (2024: US\$220 million), based on 5% (2024: 5%) of consolidated underlying profit before tax of the Group.

Audit scope

- A full scope audit was performed on three entities – Jardine Cycle & Carriage Limited (which includes PT Astra International Tbk), Hongkong Land Holdings Limited and DFI Retail Group Holdings Limited.
- Targeted procedures were performed over certain balances within Mandarin Oriental International Limited.
- These entities, and procedures, together with the procedures performed at the Group level, accounted for 92% of the Group's revenue, 89% of the Group's profit before tax, 90% of the Group's underlying profit before tax and 92% of the Group's net assets.

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment properties held by the Group and its joint ventures
- Carrying value of the investment in Zhongsheng Group Holdings Limited ('Zhongsheng')
- Provisioning for consumer financing debtors
- Recoverability of properties for sale held by the Group and its joint ventures

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	US\$546 million (2024: US\$533 million)
How we determined it	1% of the net assets of the Group (2024: 1% of the net assets of the Group)
Rationale for the materiality benchmark applied	Net assets is a primary measure used by the shareholders in assessing the performance of the Group, together with consolidated underlying profit before tax, which we have used as the basis for our specific materiality as detailed below.

For each component in the scope of our Group audit, we allocated a materiality that was less than our overall Group materiality.

We also set a Group specific materiality level of US\$218 million (2024: US\$220 million), which was applied to balances and transactions not related to investment properties. This was based upon 5% of the Group's consolidated underlying profit before tax for the year ended 31 December 2025 (2024: 5% of the Group's consolidated underlying profit before tax for the year ended 31 December 2024). In arriving at this judgement, we had regard to the fact that underlying profit is one of the primary financial indicators of the Group.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above US\$10 million (2024: US\$11 million), other than classifications within the Consolidated Profit and Loss Account or Consolidated Balance Sheet, which were only reported above US\$54 million (2024: US\$53 million). We would also report misstatements below these amounts that in our view, warranted reporting for qualitative reasons.

Key Audit Matters

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

Key Audit Matter**Valuation of investment properties held by the Group and its joint ventures**

Refer to note 13 (Investment properties), note 15 (Associates and joint ventures) and note 44 (Critical accounting estimates and judgements) to the consolidated financial statements.

The fair value of the Group's investment properties amounted to US\$27,463 million as at 31 December 2025, with a revaluation gain of US\$172 million recognised as a non-trading item in the Consolidated Profit and Loss Account for the year. The Group's investment property portfolio principally consists of commercial properties. The Group also has significant interests in investment properties held by its joint ventures.

The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location, prevailing market rents and the expected future rentals for that particular property.

The valuations were carried out by third party valuers (the 'valuers'). The valuers were engaged by management and performed their work in accordance with International Valuation Standards.

Valuations of the completed commercial properties were principally derived using the income capitalisation method. There is an inherent estimation uncertainty and judgement involved in determining a property's fair value as the valuers and management make assumptions, in particular in respect of capitalisation rates and prevailing market rents.

The valuation of the commercial properties under development is derived using the residual method. There is inherent estimation uncertainty and judgement involved in determining the gross development value, estimated costs to complete and expected developer's profit margin.

We focused on the valuation of investment properties due to the significant judgements and estimates involved in determining the valuations.

How our audit addressed the Key Audit Matter

We understood management's controls and processes for determining the valuation of investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied.

We assessed the valuers' qualifications and their expertise and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised or that their scope was limited in any way.

Our work focused on the highest value properties in the portfolio, in particular the commercial properties located in Hong Kong, held by Hongkong Land, which is a subsidiary of the Group, and the investment properties held by joint ventures of Hongkong Land.

We read a sample of the valuation reports covering the majority of the Group's investment property portfolio to consider whether the valuation methodology used was appropriate in determining the fair value. We performed testing, on a sample basis, of the input data used in the valuations to assess the accuracy of the property information supplied to the valuers by management, which included comparing lease data to tenancy agreements and other supporting documents.

We tested certain controls over the valuation process of the Group's investment property portfolio, including controls over accuracy of the data used in the valuations.

With the support of our valuations experts, we attended meetings with the valuers at which the valuation methodology, key assumptions used, and climate change risk considerations were discussed. We compared the capitalisation rates used by the valuers with our estimated range of expected rates, determined via reference to published benchmarks and market information. We assessed the year-on-year movements in fair value with reference to publicly available information and rentals with reference to prevailing market conditions. We assessed the capitalisation rates and prevailing market rents used against relevant recent transactions.

With the support of our valuation experts, we challenged the external valuers regarding the recent market transactions and expected rental values used in their valuations and the extent to which they took into account the impact of climate change and related sustainability considerations.

In respect of the valuations of the commercial properties under development, we assessed certain assumptions adopted in the assessment of the gross development value by comparing to available market data on capitalisation rates and unit rentals. We also compared the expected developer's profit margin to market data and the estimated construction costs to complete against approved budgets.

Based on the procedures performed and available evidence, we found the key assumptions used in the valuations were supportable.

We also assessed the adequacy of the disclosures related to investment properties and related fair value measurements in the context of IFRS Accounting Standards. We are satisfied that appropriate disclosure has been made.

Key Audit Matter

Carrying value of the investment in Zhongsheng Group Holdings Limited ('Zhongsheng')

Refer to note 15 (Associates and joint ventures) and note 44 (Critical accounting estimates and judgements) to the consolidated financial statements.

As at 31 December 2025, investments in associates and joint ventures totalled US\$15,314 million and the carrying value of the investment in Zhongsheng was US\$674 million.

Management undertook an impairment assessment for the investment in Zhongsheng, as required by accounting standards, as indicators of impairment were identified. Based on management's assessment, the recoverable amount of Zhongsheng, which was determined based on the higher of fair value less cost to sell and value in use, was lower than the carrying value of the investment as at 31 December 2025. An impairment charge of US\$732 million was recognised as a non-trading item in the Consolidated Profit and Loss Account for the year.

Management concluded that fair value less cost to sell was higher than value in use. There is inherent estimation uncertainty and judgement in determining the recoverable amount of the carrying value of the investment in Zhongsheng. Assumptions were made by management in preparing the valuation used in the impairment assessment particularly management's view on adjustments made to the quoted market price of Zhongsheng at 31 December 2025 to take into consideration the size of the Group's shareholding.

We focused on the carrying value of the investment in Zhongsheng due to the significant estimation uncertainty involved in the impairment assessment.

How our audit addressed the Key Audit Matter

We assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining the assumptions to be applied.

We understood the indicators of impairment identified by management and assessed the valuation methodology adopted, including management's judgement that fair value less cost to sell was higher than management's assessed value in use.

With the support of our valuation experts, we benchmarked and challenged key assumptions used to determine the recoverable amount against market data. This included checking the quoted market price of Zhongsheng as at 31 December 2025 to publicly available information and assessing whether adjustments made to the quoted market price to take into consideration the size of the Group's shareholding were supportable.

Based on the procedures performed and available evidence, we found that the key assumptions made by management in assessing the carrying value of the investment in Zhongsheng were supportable.

We also assessed the adequacy of the disclosures related to the carrying value of the investment in Zhongsheng in the context of IFRS disclosure requirements. We are satisfied that appropriate disclosure has been made.

Key Audit Matter

Provisioning for consumer financing debtors
Refer to note 17 (Debtors) and note 44
(Critical accounting estimates and judgements)
to the consolidated financial statements

As at 31 December 2025, consumer financing debtors of the Group amounted to US\$5,074 million, held primarily in PT Astra Sedaya Finance ('ASF') and PT Federal International Finance ('FIF'), subsidiaries of the Group.

The provisions for impairment of consumer financing debtors were calculated using complex expected credit loss models based on segmentation of the consumer financing debtors portfolios that share similar characteristics and incorporate a number of inputs and assumptions.

Assessing the provisions for impairment of consumer financing debtors required management to consider the delinquency status of consumer financing debtors and make judgements over expected credit loss rates, which were an estimation of any impairment required considering the probability of default, estimated irrecoverable amounts and forecasts of economic conditions. There is an inherent degree of uncertainty in estimating the expected credit loss rates, which were determined using historical data adjusted to reflect current and forward-looking information on macroeconomic factors.

We focused on the provisions for impairment of consumer financing debtors due to the complex models and significant assumptions involved in determining any impairment provisions required.

How our audit addressed the Key Audit Matter

We understood management's controls and processes for determining the provisions for impairment of consumer financing debtors and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty, the complexity of management's models and judgement involved in determining the assumptions applied.

We assessed the methodology used in the models against the requirements of the accounting standards and, on a sample basis, tested the accuracy of the consumer financing debtors data used in the models to relevant supporting documents. We also tested the completeness of the data to information technology systems and, on a sample basis, to underlying supporting documents.

We assessed management's basis for determining when there was an increase in credit risk for the consumer financing debtors, whether that basis was justified, and whether the debtors that experienced an increase in credit risk were appropriately grouped based on their delinquency status in the models.

We assessed the expected credit loss rate assumptions applied by management in its models and whether historical experience considered by management, including the historical amounts recovered against delinquent debtors, was representative of current circumstances and losses incurred. In assessing the assumptions, we challenged management on the key areas of judgement, including the segmentation of the debtors, the period of historical data used, and the relevant macroeconomic factors identified affecting the recoverability of the debtors and assessed these against available industry, historical and actual loss rate data. We engaged professionals with experience in expected credit loss modelling to assess the appropriateness of methodologies, assumptions and related models.

We also independently recalculated the provisions for impairment of consumer financing debtors and compared them to management's provisions.

Based on the procedures performed and the available evidence, we found that management's expected credit loss models and the judgements made by management to determine the key assumptions in these models were supportable.

We also assessed the adequacy of the disclosures related to provisions for consumer financing debtors in the context of IFRS Accounting Standards. We are satisfied that appropriate disclosure has been made.

Key Audit Matter

Recoverability of properties for sale held by the Group and its joint ventures

Refer to note 20 (Properties for sale), note 15 (Associates and joint ventures) and note 44 (Critical accounting estimates and judgements) to the consolidated financial statements.

The carrying amount of the Group's properties for sale was US\$1,525 million as at 31 December 2025, which were primarily held by Hongkong Land, a subsidiary. The Group also has significant interests in properties for sale held by its joint ventures.

Management assessed the recoverability of the properties for sale held by the Group and its joint ventures based on estimates of the net realisable values of the underlying properties.

The determination of these net realisable values involved making estimates in respect of: the expected selling prices of the properties based on prevailing market conditions, such as current market prices for properties of comparable location and condition; estimated costs necessary to make the sales; and the estimated construction costs required to complete the properties based on existing development plans, where applicable.

Where the estimated net realisable value of an underlying property was determined to be below its carrying value due to changes in market conditions and/or significant variations in the development plans, write-downs were recorded during the year totalling US\$314 million attributable to subsidiaries and US\$60 million of the Group's share attributable to joint ventures.

We focused on the recoverability of properties for sale due to the significant judgements and estimates involved in determining the estimated net realisable values for certain properties as a result of changes in market conditions.

How our audit addressed the Key Audit Matter

We understood management's controls and processes for determining the net realisable value of properties for sale and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied.

We understood and tested certain controls over cost budgeting and monitoring of estimated costs to complete.

We assessed management's consideration of the recoverability of properties for sale, which included assessing the reasonableness of certain assumptions and estimates used.

We compared, on a sample basis, estimated selling prices to the selling prices of the underlying and comparable properties, management-approved price lists and latest market prices of properties in comparable locations and condition.

We assessed the assumptions made on the estimated costs necessary to make the sales by referencing historical benchmarks and market information.

We assessed the estimated costs to complete the properties by comparing the total costs to the latest approved budget and tested, on a sample basis, the estimated construction costs to committed contracts and other supporting information.

Based on the procedures performed and available evidence, we found the key assumptions applied in determining the net realisable values of the underlying properties to be supportable.

We also assessed the disclosures in note 1 (Basis of preparation), which relate to properties for sale.

How We Tailored Our Group Audit Scope

Jardine Matheson Holdings Limited is the holding company of a diversified group of businesses, some of which are separately listed.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

The Group's accounting processes are based upon the finance function in each main business. Each business reports to a group finance function for that business and is responsible for its own accounting records and controls in accordance with the Group's accounting policies. Each of the Group's listed subsidiaries have, in addition to their own group finance functions, corporate governance structures and public reporting requirements. With an appropriate level of oversight, these businesses report financial information to the Group's finance function to enable the preparation of the Group's consolidated financial statements.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by members of the Group engagement team or by component auditors from member firms within the PwC Network operating under our instruction. Where the work was performed by component auditors, we determined the scope and level of direction and supervision necessary for us to have in the audit work at those components to be able to conclude whether sufficient, appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. The Group engagement team directed and supervised the component auditors in scope for Group reporting during the audit cycle through a combination of meetings, visits and conference calls. The Group engagement partner and/or other senior Group engagement team members undertook visits to the Chinese mainland, Singapore and Indonesia during the year to direct and supervise the component audits, along with regular communication through conference calls and on site review of the work of component teams in those locations.

For three entities – Jardine Cycle & Carriage Limited (which includes PT Astra International Tbk), Hongkong Land Holdings Limited and DFI Retail Group Holdings Limited – a full scope audit was performed. Additionally, targeted procedures were performed over certain balances within Mandarin Oriental International Limited. These entities, together with procedures performed at the Group level (on the consolidation and other areas involving significant judgement), accounted for 92% of the Group's revenue, 89% of the Group's profit before tax, 90% of the Group's underlying profit before tax and 92% of the Group's net assets.

This gave us the evidence we needed for our opinion on the consolidated financial statements as a whole.

Other Information

The Directors of the Company are responsible for the other information. The other information comprises all of the information included in the Annual Report other than the consolidated financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

As explained more fully in the Responsibility Statements and the Corporate Governance section in the Annual Report, the Directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee assists the Directors in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

Use of this report

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 90 of the Companies Act 1981 (Bermuda) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The engagement partner on the audit resulting in this independent auditor's report is James Noel Crockford.

Other Matter

The Company is required by the United Kingdom Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these consolidated financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditor's report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong,

10 March 2026

Five-year summary

Profit and Loss

	2025 US\$m	2024 [^] US\$m	2023 US\$m	2022* US\$m	2021 US\$m
Revenue	34,217	35,779	36,049	37,496	35,862
Profit/(loss) attributable to shareholders	1,109	(468)	686	354	1,881
Underlying profit attributable to shareholders	1,681	1,518	1,661	1,584	1,513
Earnings/(loss) per share (US\$)	3.78	(1.61)	2.37	1.22	6.01
Underlying earnings per share (US\$)	5.72	5.24	5.74	5.49	4.83
Dividends per share (US\$)	2.35	2.25	2.25	2.15	2.00

Balance Sheet

	2025 US\$m	2024 US\$m	2023 [#] US\$m	2022* US\$m	2021 US\$m
Total assets excluding right-of-use assets	82,603	82,755	86,403	84,894	87,215
Right-of-use assets	3,533	4,024	4,080	4,184	4,274
Total assets	86,136	86,779	90,483	89,078	91,489
Total liabilities excluding total lease liabilities	(28,491)	(29,945)	(30,832)	(29,095)	(29,287)
Total lease liabilities	(2,998)	(3,514)	(3,720)	(3,723)	(3,834)
Total liabilities	(31,489)	(33,459)	(34,552)	(32,818)	(33,121)
Total equity	54,647	53,320	55,931	56,260	58,368
Shareholders' funds	29,033	27,880	29,010	28,850	29,781
Net borrowings (excluding net borrowings of financial services companies)	2,717	7,320	8,372	7,515	6,635
Net asset value per share (US\$)	98.19	95.51	100.31	99.55	102.87

Cash Flow

	2025 US\$m	2024 US\$m	2023 [#] US\$m	2022 US\$m	2021 US\$m
Cash flows from operating activities	5,309	4,999	4,584	4,825	5,076
Cash flows from investing activities	2,093	(971)	(2,463)	(2,593)	231
Net cash flow before financing	7,402	4,028	2,121	2,232	5,307
Net cash flow after principal elements of lease payments	6,507	3,151	1,265	1,357	4,413
Cash flow per share from operating activities (US\$)	18.07	17.24	15.83	16.71	16.22

[^] Figures in 2024 have been re-presented due to presenting the profit or loss from non-strategic businesses within non-trading items (*refer note 1*).

[#] Figures in 2023 have been restated due to reclassification of certain amounts payable to associates and joint ventures previously included in associates and joint ventures to creditors to align with market practice.

* Figures in 2022 have been restated due to changes in accounting policies upon adoption of IFRS 17 Insurance Contracts.

Responsibility statements

The Directors of the Company confirm that, to the best of their knowledge:

(a) the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), including International Accounting Standards and Interpretations as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and

(b) the Chairman’s statement, Chief Executive Officer’s statement, Chief Financial Officer’s statement and the description of Principal Risks and Uncertainties facing the Company as set out in this Annual Report, which constitute the management report required by the Disclosure Guidance and Transparency Rule 4.1.8, include a fair review of all information required to be disclosed under Rules 4.1.8 to 4.1.11 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom.

For and on behalf of the Board

Lincoln Pan
Graham Baker
Directors

10 March 2026