

**Singapore Totalisator Board
and its subsidiaries**

Financial Statements
Year ended 31 March 2025

SINGAPORE TOTALISATOR BOARD AND ITS SUBSIDIARIES

ANNUAL FINANCIAL STATEMENTS 31 MARCH 2025

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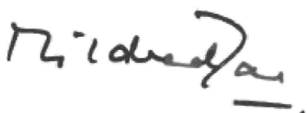
Statement by the Singapore Totalisator Board

In our opinion:

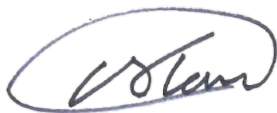
- (a) the accompanying financial statements of the Singapore Totalisator Board (“Tote Board” or the “Board”) and its subsidiaries (the “Group”) as set out on pages FS1 to FS30 are drawn up in accordance with the provisions of Public Sector (Governance) Act 2018 (the “Public Sector (Governance) Act”), the Singapore Totalisator Board Act 1987 and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and Board as at 31 March 2025, and the results and changes in capital and reserves of the Group and Board and cash flows of the Group for the year ended on that date;
- (b) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Board during the year are, in all material respects, in accordance with the provisions of the Public Sector (Governance) Act, the Singapore Totalisator Board Act 1987 and the requirements of any other written law applicable to moneys of or managed by the Board;
- (c) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise; and
- (d) proper accounting records and other records of those subsidiaries incorporated in Singapore have been kept with the provisions of Companies Act 1967.

The Board members of Tote Board have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Singapore Totalisator Board



Sim Beng Mei Mildred
Chairman



Tan Choon Shian
Chief Executive

26 June 2025



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Independent auditors' report

Member of the Board
Singapore Totalisator Board

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Totalisator Board (the “Board”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Board as at 31 March 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in capital and reserves, the consolidated statement of cash flows of the Group and the statement of profit or loss and other comprehensive income, statement of changes in capital and reserves of the Board for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS30.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of profit or loss and other comprehensive income and statement of changes in capital and reserves of the Board are properly drawn up in accordance with the provisions of Public Sector (Governance) Act 2018 (“the PSG Act”), the Singapore Totalisator Board Act 1987 (“the Act”) and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and Board as at 31 March 2025 and the results and changes in capital and reserves of the Group and of the Board and cash flows of the Group for the year ended on that date.

Basis for opinion

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

Other information

Management is responsible for the other information contained in the annual report. The other information obtained at the date of this auditors' report is the Statement by the Singapore Totalisator Board, as set out on page 1, but does not include the financial statements and our auditors' report thereon.

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, the Act and Statutory Board Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Board'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 there is intention to wind up the Board or for the Board to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

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

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

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

Report on other legal and regulatory requirements

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Board during the year are, in all material respects, in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board;
- (b) proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise; and
- (c) the accounting and other records of those subsidiaries incorporated in Singapore of which we are the auditors have been kept in accordance with the provisions of Companies Act 1967.

Basis for opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the compliance audit*' section of our report. We are independent of the Board in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of management for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's responsibilities for the compliance audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board.



Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

A handwritten signature in black ink, appearing to read 'KPMG LLP', written in a cursive style.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
26 June 2025

Statements of financial position
As at 31 March 2025

	Note	Group		Board	
		2025	2024	2025	2024
		\$'million	\$'million	\$'million	\$'million
Non-current assets					
Property, plant and equipment	4	301	363	112	176
Right-of-use assets	5	124	61	3	1
Intangible assets	6	93	98	*	*
Investment in subsidiaries	7	—	—	170	170
Other receivables	9	1	—	—	—
		519	522	285	347
Current assets					
Financial assets at fair value					
through profit or loss	8	4,165	4,053	4,165	4,053
Trade and other receivables	9	80	91	34	44
Cash and cash equivalents	10	1,807	1,485	993	787
		6,052	5,629	5,192	4,884
Total assets		6,571	6,151	5,477	5,231
Capital and reserves and liabilities					
Capital account	11	295	295	295	295
Accumulated surpluses		5,356	5,055	4,502	4,374
Total capital and reserves		5,651	5,350	4,797	4,669
Non-current liabilities					
Deferred capital grants	12	69	105	69	105
Lease liabilities	13	108	46	2	—
Other liabilities	14	13	17	13	17
Deferred tax liabilities	15	10	11	—	—
		200	179	84	122
Current liabilities					
Trade payables and other liabilities	14	522	514	537	439
Financial liabilities at fair value through profit or loss	8	*	*	*	*
Government grants received in advance	16	58	—	58	—
Lease liabilities	13	16	15	1	1
Current tax payable		124	93	—	—
		720	622	596	440
Total liabilities		920	801	680	562
Total capital and reserves and liabilities		6,571	6,151	5,477	5,231

* Amount less than \$1 million

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

Statements of profit or loss and other comprehensive income
Year ended 31 March 2025

	Note	Group 2025 \$'million	2024 \$'million (re-presented [^])	Board 2025 \$'million	2024 \$'million (re-presented [^])
Continuing operations					
Income from betting and gaming activities	17(a)	3,285	3,072	—	—
Other operating income	17(b)	50	57	39	39
Total operating income		3,335	3,129	39	39
Gambling duties		(2,221)	(2,197)	—	—
Staff costs	18(a)	(143)	(133)	(18)	(16)
Other operating expenses	18(b)	(191)	(181)	(23)	(21)
Depreciation and amortisation expenses	18(c)	(53)	(47)	(1)	(1)
Total operating expenditure		(2,608)	(2,558)	(42)	(38)
Total operating surplus/(deficit)		727	571	(3)	1
Net finance income	19	239	294	659	634
Casino entry levy		139	149	139	149
Other non-operating expenditure, net		(8)	(6)	—	—
Total non-operating surplus		370	437	798	783
Total surplus		1,097	1,008	795	784
Grant disbursements		(568)	(522)	(568)	(522)
Surplus before tax and contribution to Consolidated Fund		529	486	227	262
Tax expense	20	(123)	(96)	—	—
Surplus before contribution to Consolidated Fund from continuing operations		406	390	227	262
Discontinued operation					
Deficit from discontinued operation	21	(105)	(132)	(99)	(119)
Surplus before contribution to Consolidated Fund		301	258	128	143
Contribution to Consolidated Fund	22	—	—	—	—
Surplus for the year, representing total comprehensive surplus for the year		301	258	128	143

* Amount less than \$1 million

[^] The comparative information is re-presented due to a discontinued operation. Refer to Note 1 and Note 21 for more details.

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

Statement of changes in capital and reserves
Year ended 31 March 2025

Group	Capital account \$'million	Accumulated surpluses \$'million	Total \$'million
At 1 April 2023	295	4,797	5,092
Total comprehensive surplus for the year	—	258	258
At 31 March 2024	295	5,055	5,350
Total comprehensive surplus for the year	—	301	301
At 31 March 2025	295	5,356	5,651
Board			
At 1 April 2023	295	4,231	4,526
Total comprehensive surplus for the year	—	143	143
At 31 March 2024	295	4,374	4,669
Total comprehensive surplus for the year	—	128	128
At 31 March 2025	295	4,502	4,797

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

Consolidated statement of cash flows
Year ended 31 March 2025

	Note	Group^ 2025 \$'million	2024 \$'million
Cash flows from operating activities			
Surplus before contribution to Consolidated Fund		301	258
Adjustments for:			
Tax expense	20	123	96
Amortisation of deferred capital grants	12	(36)	(32)
Amortisation of intangible assets	6	12	12
Depreciation of right-of-use assets	5	21	18
Depreciation of property, plant and equipment	4	84	74
Grant disbursements		568	522
Net finance income	19	(239)	(294)
Interest expense on lease liabilities	13	2	1
Operating profit before movements in working capital		836	655
Trade and other receivables		8	(20)
Trade payables and other liabilities		3	49
Grants received in advance		58	(20)
Cash generated from operations		905	664
Grants disbursed		(563)	(527)
Income taxes paid, net		(93)	(78)
Net cash generated from operating activities		249	59
Cash flows from investing activities			
Acquisition of property, plant and equipment	A	(29)	(38)
Redemption/(Acquisition) of financial assets at fair value through profit or loss, net		57	(158)
Interest received from cash and cash equivalents	B	42	39
Income received from financial assets at fair value through profit or loss	C	25	23
Net cash generated from/(used in) investing activities		95	(134)
Cash flows from financing activity			
Payment of lease liabilities	13	(22)	(18)
Net cash used in financing activity		(22)	(18)
Net increase/(decrease) in cash and cash equivalents		322	(93)
Cash and cash equivalents at beginning of the year		1,485	1,578
Cash and cash equivalents at end of the year	10	1,807	1,485

^ Cash flows relating to a discontinued operation are included in the consolidated statement of cash flows. Refer to Note 1 and Note 21 for more details.

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

Consolidated statement of cash flows
Year ended 31 March 2025

Note:

- A. During the year, the Group acquired property, plant and equipment with an aggregate cost of \$29,000,000 (2024: \$43,000,000) of which \$12,000,000 (2024: \$12,000,000) relates to accruals.
- B. During the year, the Group recognised interest income from cash and cash equivalents of \$45,000,000 (2024: \$39,000,000) of which \$17,000,000 (2024: \$14,000,000) is not yet received and recorded as interest income receivable.
- C. During the year, the Group recognised income derived from financial assets at fair value through profit or loss of \$25,000,000 (2024: \$24,000,000) of which \$5,000,000 (2024: \$5,000,000) is not yet received and recorded as income receivable from financial assets at fair value through profit or loss.

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements of the Group and Board were authorised for issue by the Board members of Tote Board on 26 June 2025.

1 Domicile and activities

Singapore Totalisator Board (“Tote Board”) was established on 1 January 1988 in the Republic of Singapore under the Singapore Totalisator Board Act 1987. The office of Tote Board is located at 210 Middle Road, #06-01, Singapore 188994.

As a statutory board, Tote Board is subject to the directions of the Ministry of Finance (the “Ministry”) and is required to implement policies and policy changes as determined by the Ministry.

The principal activities of Tote Board includes:

- (a) the support of public, social or charitable purposes and the promotion of culture, art and sport in Singapore via grant-making;
- (b) to work collaboratively with the Gambling Regulatory Authority of Singapore to foster responsible gambling and reduce the prevalence of unauthorised gambling; and
- (c) to conduct equine research and maintain places used in connection with racing (these activities will be carried out by Tote Board’s agent, the Singapore Turf Club).

The financial statements of Tote Board and the Singapore Turf Club (proprietary club of Tote Board) are collectively disclosed and referred to as the “Board”. The consolidated financial statements relate to the Board and its subsidiaries (together referred to as the “Group”).

Facility closure of the Singapore Turf Club and presentation as a discontinued operation

On 5 June 2023, the Ministry of Finance together with the Ministry of National Development released a press statement announcing that the Singapore Turf Club will close its facility at the Kranji racecourse by March 2027. The land will be returned to the Singapore Government for redevelopment.

The last race meeting at the Singapore Turf Club took place on 5 October 2024. With the cessation of racing in Singapore, the results relating to the operations of the Singapore Turf Club are presented separately as a “discontinued operation” on the statements of profit or loss and other comprehensive income. The comparative information is also re-presented, as if the operations had been discontinued from the start of the comparative year. Further information is set out in Note 21.

Cash flows relating to the discontinued operation are included in the consolidated statement of cash flows. All other accompanying notes to the financial statements relate to continuing operations, unless indicated otherwise.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Public Sector (Governance) Act and the Statutory Board Financial Reporting Standards (“SB-FRS”). SB-FRSs includes Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General’s Department. The changes in material accounting policies are described in Note 2.5.

As the Public Sector (Governance) Act only applies to Tote Board, the compliance audit about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets are in accordance with the Public Sector (Governance) Act does not apply to the Singapore Turf Club (proprietary club of Tote Board) and Singapore Pools (Private) Limited (subsidiary of Tote Board).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value as stated in the respective accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Group’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest million, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with SB-FRSs requires management to make judgements, estimates and assumptions about the future, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised on a prospective basis.

Measurement of fair values

The Group has financial assets and liabilities which are classified as measured at fair value through profit or loss and require the measurement of fair values. Information about the assumptions made in measuring fair values are disclosed in Note 25.

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SB-FRS, INT SB-FRS, amendments to and interpretations of SB-FRS for the first time for the annual period beginning on 1 April 2024:

- Amendments to SB-FRS 1: *Classification of Liabilities as Current or Non-current* and Amendments to SB-FRS 1-1: *Non-current Liabilities with Covenants*
- Amendments to SB-FRS 7 and SB-FRS 107: *Supplier Finance Arrangements*
- Amendments to SB-FRS 116: *Lease Liability in a Sale and Leaseback*

The application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

3 **Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in the financial statements by the Group entities, except as explained in Note 2.5, which addresses changes in material accounting policies.

3.1 Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are classified as measured at fair value through profit or loss. These assets and liabilities are measured at fair value, with the net change in carrying value recognised in profit or loss.

3.2 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses. The value of leasehold land includes the leasehold land situated at Kranji which was ascribed the same value as that of the freehold land situated at Bukit Timah given up in 1999 during a land exchange.

Capital work-in-progress is stated at cost, which consists of construction costs incurred during the period of construction, less accumulated impairment losses. No depreciation is provided on capital work-in-progress until the construction is completed and the properties and assets are ready for use.

The gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives for the current* and comparative years are as follows:

Group

Leasehold land	- 84 years
Buildings	- 11 to 74 years
Computer and betting equipment	- 3 to 10 years
Other assets (including furniture & fittings, office equipment, renovations, motor vehicles, and others)	- 3 to 10 years

* *Excludes the useful life of property, plant and equipment used by the Singapore Turf Club, which is separately disclosed in Note 21.*

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.3 Goodwill arising on consolidation

Upon the acquisition of a subsidiary, the excess of the purchase consideration over the fair values of attributable net assets acquired is recorded as goodwill.

Goodwill is not amortised but is reviewed for impairment at least annually. The impairment testing of goodwill is described in Note 6.

On disposal of a subsidiary or the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.4 Government grants

(i) Deferred capital grants

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred capital grants in the statement of financial position.

These grants are transferred to profit or loss on a systematic basis over the periods necessary to match the depreciation and/or disposal of the related assets purchased with the grants.

(ii) Other government grants

Government grants received in advance are recognised in profit or loss on a systemic basis over the periods necessary to match them with the costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured.

(i) Income from betting and gaming activities

Under SB-FRS 115, a customer is a party that has entered into a contract with the Group for betting services. Customers mainly comprise private individuals, who have placed the bet through betting counters or the online betting system. When customers wager in advance, the revenue is not recognised and deferred until the draw or match has taken place.

The Group recognises revenue on a net basis, which is defined as wagered amounts received from bets less dividends or prizes.

Totalisator revenue

Revenue from the totalisator is recognised upon the completion of each race.

Lotteries and Sports revenue

Revenue from lotteries is recognised as revenue at the point the draw takes place. Revenue from sports betting is recognised at the point when the event completes.

(ii) Dividend income from a subsidiary

Dividend income is recognised when the right to receive payment is established.

(iii) Interest income from cash and cash equivalents

Interest income is recognised using the effective interest method.

(iv) Income derived from financial assets at fair value through profit or loss

The income is recognised when the right to receive payment is established.

(v) Casino entry levy

Casino entry levy is recognised when the Board obtains control of the resources or has an enforceable claim to the resources.

3.6 Grant disbursements

Grants are taken to profit or loss when there is an obligation to disburse.

3.7 New standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 April 2025 and earlier application is permitted. However, the Group and the Board have not early adopted the new or amended standards in preparing these financial statements.

(i) **SB-FRS 118 *Presentation and Disclosure in Financial Statements***

SB-FRS 118 will replace SB-FRS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 April 2027. As SB-FRS 118 will apply retrospectively, the financial statements for the comparative reporting period beginning on 1 April 2026 will be restated accordingly.

Although SB-FRS 118 will not impact the recognition or measurement of items in the financial statements, its impact on presentation and disclosure is expected to be pervasive with the introduction of new requirements. The Group is still assessing the detailed implications of applying the new standard on the financial statements.

(ii) **Other accounting standards**

The following new SB-FRSs are not expected to have a significant impact on the Group's consolidated financial statements and the Board's statement of financial position.

- *Lack of Exchangeability* (Amendments to SB-FRS 21)
- *Subsidiaries without Public Accountability: Disclosures* (SB-FRS 119)
- *Classification and Measurement of Financial Instruments* (Amendments to SB-FRS 109 and FRS 107)
- *Annual Improvements to SB-FRSs - Volume 11*

4 Property, plant and equipment

Group	Leasehold land \$'million	Buildings \$'million	Computer and betting equipment \$'million	Other assets \$'million	Capital work- in-progress \$'million	Total \$'million
Cost						
At 1 April 2023	141	539	125	525	14	1,344
Additions	—	—	13	6	24	43
Disposals	—	—	(32)	(51)	—	(83)
Transfers to intangible assets (Note 6)	—	—	—	—	(24)	(24)
Reclassifications	—	—	2	3	(5)	—
At 31 March 2024	141	539	108	483	9	1,280
Additions	—	—	14	7	8	29
Disposals	—	—	(25)	(16)	—	(41)
Transfers to intangible assets (Note 6)	—	—	—	—	(7)	(7)
At 31 March 2025	141	539	97	474	10	1,261
Accumulated depreciation						
At 1 April 2023	20	311	98	497	—	926
Depreciation for the year (Note 18(c))	2	50	12	10	—	74
Disposals	—	—	(32)	(51)	—	(83)
At 31 March 2024	22	361	78	456	—	917
Depreciation for the year (Note 18(c))	1	56	12	15	—	84
Disposals	—	—	(25)	(16)	—	(41)
At 31 March 2025	23	417	65	455	—	960
Carrying amounts						
At 1 April 2023	121	228	27	28	14	418
At 31 March 2024	119	178	30	27	9	363
At 31 March 2025	118	122	32	19	10	301

As at 31 March 2025, capital work-in-progress includes \$4,000,000 (2024: \$3,000,000) of work-in-progress that will be transferred to intangible assets upon becoming ready for use.

Board	Leasehold land \$'million	Buildings \$'million	Computer and betting equipment \$'million	Other assets \$'million	Capital work- in-progress \$'million	Total \$'million
Cost						
At 1 April 2023	2	499	17	413	—	931
Additions	—	—	—	—	3	3
Disposals	—	—	—	(7)	—	(7)
Reclassifications	—	—	—	3	(3)	—
At 31 March 2024	2	499	17	409	—	927
Disposals	—	—	—	(11)	—	(11)
At 31 March 2025	2	499	17	398	—	916
Accumulated depreciation						
At 1 April 2023	1	289	14	397	—	701
Depreciation for the year (Note 18(c))	*	49	1	7	—	57
Disposals	—	—	—	(7)	—	(7)
At 31 March 2024	1	338	15	397	—	751
Depreciation for the year (Note 18(c))	*	56	1	7	—	64
Disposals	—	—	—	(11)	—	(11)
At 31 March 2025	1	394	16	393	—	804
Carrying amounts						
At 1 April 2023	1	210	3	16	—	230
At 31 March 2024	1	161	2	12	—	176
At 31 March 2025	1	105	1	5	—	112

* Amount less than \$1 million

5 Right-of-use assets

The Group has contracts for the lease of buildings and IT infrastructure and equipment.

	Buildings \$'million	IT infrastructure and equipment \$'million	Total \$'million
Group			
At 1 April 2023	56	—	56
Depreciation charge for the year	(18)	—	(18)
Modifications to right-of-use assets	7	—	7
Additions to right-of-use assets	1	15	16
At 31 March 2024	46	15	61
At 1 April 2024	46	15	61
Depreciation charge for the year	(17)	(4)	(21)
Modifications to right-of-use assets	25	1	26
Additions to right-of-use assets	2	56	58
At 31 March 2025	56	68	124

6 Intangible assets

	Group 2025 \$'million	2024 \$'million
Software development expenditure	35	40
Goodwill arising on consolidation	58	58
	93	98

(a) Software development expenditure

Cost		
At 1 April	124	111
Transfers from capital work-in-progress (Note 4)	7	24
Disposals/write-offs	(7)	(11)
At 31 March	124	124
Accumulated amortisation		
At 1 April	84	83
Amortisation charged during the year	12	12
Disposals/write-offs	(7)	(11)
At 31 March	89	84
Carrying amounts		
At 1 April	40	28
At 31 March	35	40

Software development expenditure is amortised on a straight-line basis over their estimated useful lives of 5 to 10 years.

(b) Goodwill arising on consolidation

Goodwill is from the acquisition of Singapore Pools (Private) Limited, a subsidiary which is considered as a separate cash-generating unit (“CGU”).

Impairment testing of goodwill

The recoverable amount of the CGU was determined based on value-in-use calculations. The following describes the key assumptions on which management has based its cash flow projection:

- Budgeted gross margins of 7.0% (2024: 7.0%)
- Pre-tax discount rate of 5.4% (2024: 5.5%).

The cash flow projections are based on actual operating results and management’s 3-year financial projection of the operations for the years 2026 to 2028. The financial projection is based on management’s past experience and future expectations.

The pre-tax discount rate applied reflects specific risks relating to the relevant business activities.

The recoverable amount is determined to be in excess of the CGU’s operating assets carrying value as at 31 March 2025. Management believes that any reasonable possible change in the above key assumptions is not likely to cause the recoverable amount to be materially lower than its carrying amount.

No impairment loss has been recognised for the financial years ended 31 March 2025 and 2024.

7 Investment in subsidiaries

	Board
	2025 2024
	\$’million \$’million
Unquoted equity shares, at cost	<u>170 170</u>

Details of the Board’s subsidiaries are as follows:

Name of subsidiaries	Place of incorporation and business	Principal activity	Board’s Effective Equity Interest 2025 2024	% %
<i>Held by the Board</i>				
Singapore Pools (Private) Limited	Singapore	To operate lotteries, sports and totalisator betting	100	100
<i>Held by Singapore Pools (Private) Limited</i>				
Selegie Management Pte. Ltd.	Singapore	Dormant	100	100

8 Financial assets and liabilities at fair value through profit or loss

	Group and Board	
	2025	2024
	\$'million	\$'million
Financial assets at fair value through profit or loss		
Unit trust investments	3,746	3,653
Quoted debt investments	419	400
Derivative financial instruments	*	—
	<u>4,165</u>	<u>4,053</u>
Financial liabilities at fair value through profit or loss		
Derivative financial instruments	*	*
	<u></u>	<u></u>
Net financial assets at fair value through profit or loss	<u>4,165</u>	<u>4,053</u>

* Amount less than \$1 million

Financial assets and liabilities at fair value through profit or loss are managed by professional fund managers recommended by the Board's investment consultant, and held with an external custodian bank.

Unit trust investments include \$1,003,000,000 (2024: \$916,000,000) which is denominated in US dollar and \$157,000,000 (2024: \$Nil) which is denominated in Euro. Quoted debt investments include \$154,000,000 (2024: \$155,000,000) which is denominated in US dollar.

Derivative financial instruments

Derivative financial instruments are entered into for efficient portfolio management and hedging purposes to manage currency risk and interest rate risk of the investment portfolio. The following table sets out the notional amount, which is the value of the underlying forward foreign exchange contracts translated into Singapore dollar at the financial year-end rate.

Group and Board	Derivative financial instruments		
	Notional Amount	Assets	Liabilities
	\$'million	\$'million	\$'million
2025			
Forward foreign exchange contracts	159	*	*
	<u></u>	<u></u>	<u></u>
2024			
Forward foreign exchange contracts	154	—	*
	<u></u>	<u></u>	<u></u>

* Amount less than \$1 million

The Group's and the Board's exposure to credit and market risk is disclosed in Note 25.

9 Trade and other receivables

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
Non-current				
Prepayments	1	—	—	—
Current				
Trade receivables	13	18	—	—
Advances to retailers	16	14	—	—
Casino entry levy receivable	12	13	12	13
Interest income receivable from cash and cash equivalents	17	14	16	12
Deposits and other receivables	2	2	*	1
Amounts due from a subsidiary	—	—	*	3
Grant refunds receivable from beneficiaries	—	5	—	5
Grants receivable (Note 16)	—	4	—	4
Income receivable relating to financial assets at fair value through profit or loss	5	5	5	5
	65	75	33	43
Prepayments	15	16	1	1
	80	91	34	44
Total trade and other receivables	81	91	34	44

* Amount less than \$1 million

Trade and other receivables are primarily denominated in Singapore dollar.

The amounts due from a subsidiary, Singapore Pools (Private) Limited, are unsecured, interest-free and repayable within the next 12 months.

The Group's and the Board's exposure to credit risk is disclosed in Note 25.

10 Cash and cash equivalents

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
Cash placed with custodian bank	7	6	7	6
Short-term time deposits	470	387	—	22
Cash and bank balances	370	343	26	10
Cash with AGD	960	749	960	749
	1,807	1,485	993	787

Cash and cash equivalents are primarily denominated in Singapore dollar.

Short-term time deposits bear interest ranging from 2.46% to 3.10% (2024: 2.50% to 3.95%) per annum and have a tenure of approximately 96 to 183 days (2024: 31 to 105 days).

Cash with the Accountant-General's Department ("AGD") is managed by AGD under Centralised Liquidity Management, as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries.

Cash with AGD earned interest ranging from 2.75% to 3.36% (2024: 2.62% to 3.65%) per annum during the financial year.

The Group's and the Board's exposure to credit, liquidity and market risk is disclosed in Note 25.

11 Capital account

The capital account consists of the value of net assets transferred from the former Singapore Turf Club on the establishment of the Board on 1 January 1988 and a Government grant of \$500,000.

12 Deferred capital grants

Deferred capital grants relate to grants received from the Government for the purchase of certain property, plant and equipment used by the Singapore Turf Club.

	Group and Board	
	2025	2024
	\$'million	\$'million
At 1 April	105	137
Amortisation for the year (Note 21)	(36)	(32)
At 31 March	<u>69</u>	<u>105</u>

13 Lease liabilities

As a lessee, the Group has contracts for the lease of betting outlets, off-course betting centres and IT infrastructure and equipment. The leases typically run for a period of two to fifteen years (2024: two to seven years), with an option to renew the lease after that date.

	Group	
	2025	2024
	\$'million	\$'million
At 1 April	61	56
Payment of lease liabilities (Financing cash flows)	(22)	(18)
New leases	57	16
Modifications to lease liabilities	26	6
Interest expense on lease liabilities	2	1
At 31 March	<u>124</u>	<u>61</u>

	Group	
	2025	2024
	\$'million	\$'million
Classified as:		
Non-current	108	46
Current	16	15
	124	61

14 Trade payables and other liabilities

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
Non-current				
Other provisions	13	17	13	17
Current				
Trade payables	73	69	1	4
Other taxes and duties payable	276	272	—	—
Other payables and accruals	143	151	27	28
Payables relating to financial assets at fair value through profit or loss	5	5	5	5
	497	497	33	37
Advances from a subsidiary	—	—	504	402
Advance sales	25	17	—	—
	522	514	537	439
Total trade payables and other liabilities	535	531	550	456

Trade payables and other liabilities are primarily denominated in Singapore dollar.

Payables relating to financial assets at fair value through profit or loss include outstanding amounts payable on purchase transactions as at the end of the reporting period.

Advances from a subsidiary, Singapore Pools (Private) Limited, are unsecured and interest-free. The advances will be recognised in profit or loss as dividend income in subsequent reporting periods, when the right to receive the payment is established.

Advance sales relate to collections for draws and matches that are held subsequent to the year end.

The Group's and the Board's exposure to liquidity risk is disclosed in Note 25.

15 Deferred tax liabilities

Deferred tax liabilities arise from subsidiaries of the Board, which are subject to tax under Singapore income tax legislation.

Group	Lease liabilities \$'million	Right-of-use assets \$'million	Accelerated tax depreciation \$'million	Provisions \$'million	Total \$'million
At 1 April 2023	(9)	9	10	(2)	8
Debit/(Credit) to profit or loss for the year (Note 20)	(1)	1	3	*	3
At 31 March 2024	(10)	10	13	(2)	11
Debit/(Credit) to profit or loss for the year (Note 20)	(11)	11	(1)	*	(1)
At 31 March 2025	(21)	21	12	(2)	10

* Amount less than \$1 million

16 Government grants received in advance

	Group and Board	
	2025 \$'million	2024 \$'million
At 1 April	—	20
Grants received from the Ministry	100	14
Grants receivable from the Ministry (Note 9)	—	4
Reversal of grants receivable from the Ministry	(4)	—
Recognised in profit or loss during the year	(38)	(38)
At 31 March	58	—

To provide exceptional support for charities during Covid-19, the Ministry of Finance (the “Ministry”) had announced in 2021 and 2022 that it would provide up to \$200,000,000 to support charities through the Board’s Enhanced Fund-Raising (“EFR”) Programme. In 2025, the Ministry announced an additional support of \$100,000,000 for the milestone year of Singapore’s 60th anniversary.

In line with the accounting policy for government grants described in Note 3.4(i), the Board recognises government grants received from the Ministry in profit and loss, on a matching basis against grants disbursed by the Board to qualifying charities. The amounts as at financial year-end represent the unutilised portion of the grants received from the Ministry.

17 Operating income

(a) Income from betting and gaming activities

	Totalisator \$'million	Lotteries and Sports betting \$'million	Total \$'million
Group			
2025			
Turnover [^]	1,143	11,549	12,692
Dividends or prizes	(904)	(8,503)	(9,407)
Income from betting and gaming activities	239	3,046	3,285
2024			
Turnover [^]	1,202	11,012	12,214
Dividends or prizes	(950)	(8,192)	(9,142)
Income from betting and gaming activities	252	2,820	3,072

[^] Turnover represents wagered amounts received in respect of bets placed by customers for races / events completed during the financial year.

(b) Other operating income

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
		(re-presented [^])		(re-presented [^])
Government grants and rebates	39	41	38	38
Others	11	16	1	1
	50	57	39	39

[^] As mentioned in Note 1, the comparative information is re-presented due to a discontinued operation.

Government grants and rebates includes grant income recognised in respect of the Enhanced Fund-Raising ("EFR") Programme (Note 16).

18 Operating expenditure

(a) Staff costs

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
		(re-presented [^])		(re-presented [^])
Salaries and other costs	131	120	17	15
Contributions to defined contribution scheme	12	13	1	1
	143	133	18	16

[^] As mentioned in Note 1, the comparative information is re-presented due to a discontinued operation.

(b) Other operating expenses

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
		(re-presented [^])		(re-presented [^])
Commission expenses	45	46	—	—
Raceday expenses	34	31	—	—
General administrative expenses	46	41	5	3
Office and property related expenses	17	18	11	11
Upkeep of property, plant and equipment	14	13	—	—
Information technology expenses	35	32	7	7
	<u>191</u>	<u>181</u>	<u>23</u>	<u>21</u>

[^] As mentioned in Note 1, the comparative information is re-presented due to a discontinued operation.

Raceday expenses relate to the broadcast of races from racing jurisdictions outside Singapore.

(c) Depreciation and amortisation expenses

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
Depreciation of property, plant and equipment (Note 4)	84	74	64	57
Depreciation of right-of-use assets (Note 5)	21	18	1	1
Amortisation of intangible assets (Note 6)	12	12	*	*
	<u>117</u>	<u>104</u>	<u>65</u>	<u>58</u>
Attributable to:				
Continuing operations	53	47	1	1
Discontinued operation (Note 21)	64	57	64	57
	<u>117</u>	<u>104</u>	<u>65</u>	<u>58</u>

* Amount less than \$1 million

19 Net finance income

	Group		Board	
	2025	2024	2025	2024
	\$'million	\$'million	\$'million	\$'million
Dividend income from a subsidiary	—	—	437	353
Interest income from cash and cash equivalents	45	39	28	26
Income derived from financial assets at fair value through profit or loss	25	24	25	24
Net change in carrying values of financial assets and liabilities at fair value through profit or loss	169	231	169	231
	<u>239</u>	<u>294</u>	<u>659</u>	<u>634</u>

Income derived from financial assets at fair value through profit or loss includes investment management fee rebate, dividend income, interest and other income.

20 Tax expense

The Board is a tax exempt institution under the provision of the Income Tax Act 1947. The Board has withholding tax expense on interest income from quoted debt investments domiciled in certain foreign jurisdictions.

The subsidiaries of the Board are subject to tax under Singapore income tax legislation.

	Group	
	2025	2024
	\$'million	\$'million
Current tax expense		
Current year	124	93
Withholding tax	*	*
	<u>124</u>	<u>93</u>
Deferred tax (income)/expense		
Net (reversal) and origination of temporary differences	<u>(1)</u>	<u>3</u>
Tax expense on continuing operations	<u>123</u>	<u>96</u>

* Amount less than \$1 million

Reconciliation of effective tax rate

	Group	
	2025	2024
	\$'million	\$'million
		(re-presented [^])
Surplus before tax from continuing operations	529	486
Tax using Singapore tax rate of 17% (2024: 17%)	90	83
Surplus of the Board exempted from tax	(39)	(45)
Non-deductible expenses	75	61
Income not subject to tax	(3)	(3)
Withholding tax	*	*
Tax expense	123	96

* Amount less than \$1 million

[^] As mentioned in Note 1, the comparative information is re-presented due to a discontinued operation.

21 Facility closure of the Singapore Turf Club and presentation as a discontinued operation

The Singapore Turf Club is a component of the Group's business, with operations and cash flows that can be clearly distinguished from the rest of the Group. As described in Note 1, with the cessation of racing in Singapore after 5 October 2024, the operations of the Singapore Turf Club are presented as a "discontinued operation" in the financial statements.

The results and cash flows relating to the discontinued operation are as follows:

	Group	
	2025	2024
	\$'million	\$'million
Results of discontinued operation		
Operating income	8	12
Operating expenditure including cessation-related expenses	(85)	(119)
Depreciation of property, plant and equipment (Note 18(c))	(64)	(57)
Total operating deficit	(141)	(164)
Amortisation of deferred capital grants (Note 12)	36	32
Deficit from discontinued operation	(105)	(132)
Cash flows used in discontinued operation		
Net cash used in operating activities	(82)	(85)
Net cash used in investing activities		
(Acquisition of property, plant and equipment)	*	(3)
Net cash flows for the year	(82)	(88)

* Amount less than \$1 million

The Singapore Turf Club is a tax exempt institution under the provision of the Income Tax Act 1947.

The winding down exercise of the Singapore Turf Club will continue until March 2027. Key activities included in the winding down exercise are described in notes (a) – (c) below.

(a) Cessation-related expenses

Following the announcement of the facility closure, the Singapore Turf Club has rolled out a series of initiatives to support stakeholders. This includes:

- Provision for employee offboarding, which will be conducted in phases up to March 2027.
- Racing transition support and horse export incentives, which are provided to racehorse owners and trainers for horse welfare, maintenance and exportation.
- Heritage commemoration & community engagement, which includes community outreach and commemoration initiatives to celebrate the Club's history and heritage of horse racing in Singapore.

(b) Depreciation of property, plant and equipment

From June 2023 onwards, the depreciation of property, plant and equipment used by the Singapore Turf Club is accelerated by stages to fully depreciate the assets by March 2027, in accordance with the intended use and planned winding down phase of the assets.

(c) Amortisation of deferred capital grants

In line with the accounting policy for deferred capital grants described in Note 3.4(i), the amortisation of deferred capital grants is increased to match the depreciation and/or disposal of the related assets purchased with the grants.

22 Provision for contribution to Consolidated Fund

The Board contributes to the Consolidated Fund in accordance with Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The contribution is based on the Board's net surplus for the financial year, after netting off any prior years' accounting deficit, at the applicable corporation tax rate of 17% (2024: 17%).

There was no provision for contribution in the current or prior year, as the Board has unutilised accounting deficit carried forward from prior years, available for offset against current year net surplus. As of 31 March 2025, the Board has \$249,000,000 (2024: \$377,000,000) unutilised accounting deficit to be carried forward.

23 Related party transactions

(a) Related party transactions

The Board is a statutory board established under the Singapore Totalisator Board Act 1987. As a statutory board, all government ministries, organs of state and other statutory boards are deemed related parties to the Group.

During the financial year, the Group engaged in various transactions with entities related to the Group, at terms agreed between the parties. These transactions include procurement of services and grants disbursed in the ordinary course of the Group's operations.

(b) Compensation of key management personnel

The remuneration of the Board members and committee members of Tote Board, directors of a subsidiary and other key management personnel of the Group are as follows:

	Group	
	2025	2024
	\$'million	\$'million
Short-term benefits	10	8
Contributions to defined contribution scheme	*	*
	<u>10</u>	<u>8</u>

* Amount less than \$1 million

24 Commitments

Commitments authorised and contracted as at 31 March but not provided for in the financial statements are as follows:

	Group	
	2025	2024
	\$'million	\$'million
Acquisition of property, plant and equipment	<u>25</u>	<u>5</u>
Grants committed but not disbursed	<u>2,338</u>	<u>2,705</u>

25 Financial risk management

(a) Overview and risk management framework

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

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Each entity within the Group has a Management Board or Committee which reviews and agrees policies and procedures for the management of these risks, which are executed by the respective management team of each entity.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and their exposure to credit risk are set out below. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Financial assets and liabilities at fair value through profit or loss (Note 8)

Financial assets and liabilities at fair value through profit or loss are managed by professional fund managers recommended by the Board's investment consultant.

The Group manages its credit risk by transacting with entities of acceptable creditworthiness. Credit risks are also mitigated by diversifying credit exposures across counterparties and issuers.

The Group's unit trust investments are regulated by the respective regulators of the jurisdictions in which they are domiciled. The professional fund managers of the Group's quoted debt investments are regulated by the Monetary Authority of Singapore.

Cash and cash equivalents (Note 10)

The Group's cash and cash equivalents are placed with AGD under Centralised Liquidity Management, and also with reputable bank and financial institutions.

The Group considers that its cash and cash equivalents have low credit risk based on the high credit ratings of the counterparties.

Trade receivables and advances to retailers (Note 9)

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its major customers and other debtors.

The Group has policies in place to only deal with counterparties who meet certain credit requirements and requires banker's guarantee to reduce its risks.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the respective management team of each entity based on ongoing evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management team.

The Group's maximum exposure to credit risk for trade receivables and advances to retailers at the reporting date by type of counterparty was:

	Group	
	2025	2024
	\$'million	\$'million
By type of counterparty		
Retailers	16	20
Others	13	12
	<u>29</u>	<u>32</u>

In order to manage the Group's credit risk for trade receivables and advances to retailers, the Group obtains bankers' guarantees issued by their customers' banks for most of the customers. These bankers' guarantees are used as a form of security against the outstanding trade receivables and advances to retailers. As at the statement of financial position date, the bankers' guarantees amounted to \$20,000,000 (2024: \$19,000,000).

As at the end of the financial year, there is no significant concentration of credit risk on the trade receivables and advances to retailers of the Group. All trade receivables are not credit impaired, and all advances to retailers are not past due. The average credit period is 30 days (2024: 30 days).

For purpose of impairment assessment, the Group's debtors are considered to have low credit risk as they mainly relate to counterparties that have a good record with the Group with no instances of default historically. There is no impairment arising from the outstanding balances.

(c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its obligations as and when they fall due. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

(d) Market risk

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

Foreign exchange risk

The Group operates solely in Singapore. The Group's business operations are not exposed to significant foreign exchange risks as the majority of the Group's transactions are denominated in Singapore dollar. The Group does not engage in speculative foreign exchange transactions.

The Group's primary exposure to foreign exchange risk is from unit trust investments (Note 8) managed by professional fund managers. If the Singapore dollar had been 5% stronger/weaker against the US dollar and Euro at the reporting date with all other variables held constant, the Group's and the Board's surplus before contribution to Consolidated Fund would have been lower/higher by \$58,000,000 (2024: \$46,000,000).

The Group's quoted debt investments (Note 8) denominated in US dollar are hedged to Singapore dollar via forward foreign exchange contracts as at the end of the financial year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

Variable rate instruments

The Group has interest-bearing financial assets such as cash with AGD (Note 10), where the deposit rates are determined by the bank and financial institutions where the cash is deposited, and is expected to move in tandem with market interest rate movements. Any reasonably possible change in interest rates at the reporting date is not expected to have a material impact on the future cash flows to the Group.

The Group does not have any borrowings or other interest-bearing financial liabilities as at the end of the financial year.

Fixed rate instruments

As the Group's interest-bearing financial assets such as quoted debt investments (Note 8) have interest rates that are fixed over the contractual period, a change in interest rates at the reporting date would not affect the future cash flows to the Group.

Changes in interest rates may also result in market price fluctuations for the Group's quoted debt investments. This is addressed further under market price risk.

Market price risk

At the reporting date, the Group is exposed to market price risk arising from financial assets and liabilities at fair value through profit or loss (Note 8).

The Group's portfolio is managed by professional fund managers and is diversified in accordance with its investment mandate to manage exposure to fluctuation in market prices. The Group's investment strategies and policies are determined by Tote Board's Investment Committee and approved by the Board members of Tote Board.

If the market prices for the Group's financial assets and liabilities at fair value through profit and loss had been 5% higher/lower at the reporting date with all other variables held constant, the Group's and the Board's surplus before contribution to Consolidated Fund would have been higher/lower by \$208,000,000 (2024: \$203,000,000).

(e) Capital management

Tote Board manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board. There were no changes in the capital management approach during the financial year.

The capital structure of the Group consists of capital account (Note 11) and accumulated surplus.

(f) Fair value measurements**Financial assets and liabilities at amortised cost**

The carrying amounts of current financial assets and liabilities such as trade and other receivables (excluding prepayments) (Note 9), cash and cash equivalents (Note 10), trade and other payables (excluding advances) (Note 14), approximate their fair values due to the short period to maturity of less than one year.

Financial assets and liabilities at fair value through profit or loss (Note 8)

The Group categorises its financial assets and liabilities measured at fair value through profit or loss within the fair value hierarchy described below, based on the inputs used in the valuation techniques:

- *Level 1* : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2* : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3* : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used in the valuation techniques fall into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety based on the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The following table presents the Group's financial assets and liabilities at fair value through profit or loss by level of fair value hierarchy, including the respective valuation method used in measuring the fair values:

	Types of financial instruments	Valuation method
Level 1	Quoted debt investments Exchange-traded bond futures contracts	The fair value is based on quoted prices in active markets for identical assets or liabilities.
Level 2	Unit trust investments Forward foreign exchange contracts	The fair value is based on valuation provided by professional fund managers. The fair value is determined using valuation techniques with market observable inputs, such as forward pricing using present value calculations.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers between the levels during 2025 and 2024.