Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Societe Generale, the Certificates, or the Company (as defined below).

6,000,000 European Style Cash Settled Long Certificates

relating to the ordinary shares of Sembcorp Industries Ltd

with a Daily Leverage of 5x

issued by

SG Issuer

(Incorporated in Luxembourg with limited liability)

unconditionally and irrevocably guaranteed by

Societe Generale

Issue Price: S$0.70 per Certificate

This document is published for the purpose of obtaining a listing of all the above certificates (the "**Certificates**") to be issued by SG Issuer (the "**Issuer**") unconditionally and irrevocably guaranteed by Societe Generale (the "**Guarantor**"), and is supplemental to and should be read in conjunction with a base listing document dated 13 June 2025 including such further base listing documents as may be issued from time to time (the "**Base Listing Document**") for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see "Placing and Sale" contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products[1] and Specified Investment Products (SIPs)[2], and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 13 June 2025 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 25 June 2025.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

24 June 2025

[1] As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.
[2] As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed "Placing and Sale" contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the "**Conditions**" shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

Table of Contents

RISK FACTORS

The following are risk factors relating to the Certificates:

(a) in respect of certain corporate adjustment events on the Underlying Stock, trading in the Certificates may be suspended on the relevant ex-date of the Underlying Stock and trading in the Certificates will resume on the next immediate trading day on the SGX-ST. Please note that trading in the Certificates on the SGX-ST may be suspended for more than one trading day in certain circumstances;

(b) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;

(c) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;

(d) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;

(e) in the event that the Company is subject to any sanction by governmental authorities, (i) such sanction may impact general investor interest in the Underlying Stock, which may in turn affect the liquidity and market price of the Underlying Stock, and (ii) investors should consult their own legal advisers to check whether and to what extent investing in the Certificates will be in violation of applicable laws and regulations;

(f) in the event that the Company is controlled through weighted voting rights, certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters, and depending on the action taken by the Company, the market price of the Certificates could be adversely affected;

(g) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;

(h) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period;

(i) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;

(j) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;

(k) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 30 to 34 and the examples and illustrations of adjustments set out in the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section of this document for more information;

(l) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;

(m) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);

(n) investors holding their position overnight should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the Funding Cost (as defined below) and Rebalancing Cost (as defined below);

(o) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;

(p) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous trading day. This process, referred to as compounding, may lead to a performance difference from 5 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideway trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;

(q) the Air Bag Mechanism (as defined below) is triggered only when the Underlying Stock is calculated or traded, which may not be during the trading hours of the Relevant Stock Exchange for the Certificates (as defined below);

(r) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;

(s) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is a 20% or greater gap between the previous trading day closing price and the opening price of the Underlying Stock the following trading day, as the Air Bag Mechanism will only be triggered when market opens (including pre-opening session or opening auction, as the case may be) the following trading day or (ii) a sharp intraday fall in the price of the Underlying Stock of 20% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors may refer to pages 51 to 52 of this document for more information;

(t) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Certificates may be terminated prior to its Expiry Date for the following reasons which are not exhaustive: Illegality and force majeure, occurrence of a Holding Limit Event (as defined in the Conditions of the Certificates) or Hedging Disruption (as defined in the Conditions of the Certificates). For more detailed examples of when early termination may occur, please refer to the FAQ section under the "Education" tab on the website at dlc.socgen.com.

The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be substantially less than the amount initially invested, and at the worst case, be zero. Investors may refer to the Condition 13 on pages 37 to 39 of this document for more information;

(u) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;

(v) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;

(w) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

(x) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

(y) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;

(z) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:

– Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and

– The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;

(aa) the value of the Certificates depends on the Leverage Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Strategy last closing level and a calculation tool available to the investors on a website;

(bb) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;

(cc) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited ("**CDP**"):

(i) investors should note that no definitive certificate will be issued in relation to the Certificates;

(ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;

(iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and

(iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;

(dd) the US Foreign Account Tax Compliance Act ("**FATCA**") withholding risk:

FATCA generally imposes a 30 per cent. withholding tax on certain U.S.-source payments to certain non-US persons that do provide certification of their compliance with IRS rules to disclose the identity of their US owners and account holders (if any) or establish a basis for exemption for such disclosure. The Issuer or an investor's broker or custodian may be subject to FATCA and, as a result, may be required to obtain certification from investors that they have complied with FATCA disclosure requirements or have established a basis for exemption from FATCA. If an investor does not provide the Issuer or the relevant broker or custodian with such certification, the Issuer and the Guarantor or other withholding agent could be required to withhold U.S. tax on U.S.-source income (if any) paid pursuant to the Certificates. In certain cases, the Issuer or the relevant broker or custodian could be required to close an account of an investor who does not comply with the FATCA certification procedures.

FATCA IS PARTICULARLY COMPLEX. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO DETERMINE HOW THIS LEGISLATION MIGHT AFFECT EACH INVESTOR IN ITS PARTICULAR CIRCUMSTANCES;

(ee) U.S. withholding tax

The Issuer has determined that this Certificate is not linked to U.S. Underlying Equities within the meaning of applicable regulations under Section 871(m) of the United States Internal Revenue Code, as discussed in the accompanying Base Listing Document under "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986." Accordingly, the Issuer expects that Section 871(m) will not apply to the Certificates. Such determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on a Certificate Holder's particular circumstances. Certificate Holders should consult with their own tax advisers regarding the potential application of Section 871(m) to the Certificates;

(ff) risks arising from the taxation of securities

Tax law and practice are subject to change, possibly with retroactive effect. This may have a negative impact on the value of the Certificates and/or the market price of the Certificates. For example, the specific tax assessment of the Certificates may change compared to its assessment at the time of purchase of the Certificates. This is especially true with regard to derivative Certificates and their tax treatment. Holders of Certificates therefore bear the risk that they may misjudge the taxation of the income from the purchase of the Certificates. However, there is also the possibility that the taxation of the income from the purchase of the Certificates will change to the detriment of the holders.

Holders of the Certificates bear the risk that the specific tax assessment of the Certificates will change. This can have a negative impact on the value of the Certificates and the investor may incur a corresponding loss. The stronger this negative effect, the greater the loss may be; and (gg) risk factors relating to the BRRD

French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the "**BRR Act 2015**"). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank pari passu with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal is still subject to further discussions and as a result its precise legal application date is unknown. As such, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Framework (the "**SRM Regulation**") has established a centralised power of resolution entrusted to a Single Resolution Board (the "**SRB**") in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank ("**ECB**") has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism ("**SSM**"). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States' resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the "**SSM Regulation**") and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the "**Resolution Authority**") with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions while minimising the impact of an institution's failure on the economy and financial system (including taxpayers' exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions' resolution plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the "**Bail-in Power**"). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD and the SRM Regulation provide the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution's business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with the aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which imposes a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**"), as amended notably by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the "**CRR II**") and Regulation (EU) 2022/2036 of the

European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions with a multiple-point-of-entry resolution strategy and methods for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities, EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended notably by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail- in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

TERMS AND CONDITIONS OF THE CERTIFICATES

The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	6,000,000 European Style Cash Settled Long Certificates relating to the ordinary shares of Sembcorp Industries Ltd (the “**Underlying Stock**”)
ISIN:	LU2079526211
Company:	Sembcorp Industries Ltd (RIC: SCIL.SI)
Underlying Price[3] and Source:	S$6.85 (Reuters)
Calculation Agent:	Societe Generale
Strike Level:	Zero
Daily Leverage:	5x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 0.70
Management Fee (p.a.)[4]:	0.40%
Gap Premium (p.a.)[5]:	15.00%, is a hedging cost against extreme market movements overnight.
Funding Cost[6]:	The annualised costs of funding, referencing a publicly published reference rate plus spread.
Rebalancing Cost[6]:	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Underlying Stock.
Launch Date:	18 June 2025
Closing Date:	24 June 2025
Expected Listing Date:	25 June 2025

[3] These figures are calculated as at, and based on information available to the Issuer on or about 24 June 2025. The Issuer is not obliged, and undertakes no responsibility to any person, to update or inform any person of any changes to the figures after 24 June 2025.
[4] Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to “Fees and Charges” below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.
[5] Please note that the Gap Premium is calculated on a 360-day basis.
[6] These costs are embedded within the Leverage Strategy.

Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 16 June 2027
Expiry Date:	23 June 2027 (if the Expiry Date is not a Business Day, then the Expiry Date shall fall on the preceding Business Day and subject to adjustment of the Valuation Date upon the occurrence of Market Disruption Events as set out in the Conditions of the Certificates)
Board Lot:	100 Certificates
Valuation Date:	22 June 2027 or if such day is not an Exchange Business Day, the immediately preceding Exchange Business Day.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to: Closing Level multiplied by the Notional Amount per Certificate Please refer to the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section on pages 43 to 57 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of (1 – Management Fee x (ACT (t-1;t) ÷ 360)) x (1 – Gap Premium (t-1) x (ACT (t-1;t) ÷ 360)), where: "**t**" refers to "**Observation Date**" which means each Exchange Business Day (subject to Market Disruption Event) from (and including) the Exchange Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Exchange Business Day immediately preceding the Observation Date (which is "t-1") (included) and the Observation Date (which is "t") (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Exchange Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Exchange Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Strategy and the value of the Certificate on that fifth Exchange Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

Please refer to the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section on pages 43 to 57 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level}\right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Strategy is set out in the "Specific Definitions relating to the Leverage Strategy" section on pages 19 to 24 below.

Initial Exchange Rate: 1

Final Exchange Rate: 1

Air Bag Mechanism: The "**Air Bag Mechanism**" refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock falls by 15% or more ("**Air Bag Trigger Price**") during the trading day (which represents an approximately 75% loss after a 5 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-

	day. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses. Trading of Certificates is suspended for at least 30 minutes of continuous trading after the Air Bag is triggered. The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero. Please refer to the "Extraordinary Strategy Adjustment for Performance Reasons ("Air Bag Mechanism")" section on pages 22 to 24 below and the "Description of Air Bag Mechanism" section on pages 49 to 50 of this document for further information of the Air Bag Mechanism.
Adjustments and Extraordinary Events:	The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.
Underlying Stock Currency:	Singapore Dollar ("**SGD**")
Settlement Currency:	SGD
Exercise Expenses:	Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.
Relevant Stock Exchange for the Certificates:	The Singapore Exchange Securities Trading Limited (the "**SGX-ST**")
Relevant Stock Exchange for the Underlying Stock:	The SGX-ST
Business Day, Settlement Business Day and Exchange Business Day:	A "**Business Day**", a "**Settlement Business Day**" or an "**Exchange Business Day**" is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.
Warrant Agent:	The Central Depository (Pte) Limited ("**CDP**")
Clearing System:	CDP
Fees and Charges:	Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in

accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Investors holding position overnight would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month's notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET.

Further Information:	Please refer to the website at dlc.socgen.com for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

Specific Definitions relating to the Leverage Strategy

Description of the Leverage Strategy

The Leverage Strategy is designed to track a 5 times daily leveraged exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Strategy to the Underlying Stock is reset within the Leverage Strategy in order to retain a daily leverage of 5 times the performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

Leverage Strategy Formula

$\mathbf{LSL_t}$ means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).

Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae:

On Observation Date(1):

$$\mathrm{LSL_1} = 1000$$

On each subsequent Observation Date(t):

$$\mathrm{LSL_t} = \mathrm{Max}\left[\mathrm{LSL_{t-1}} \times \left(1 + \mathrm{LR_{t-1,t}} - \mathrm{FC_{t-1,t}} - \mathrm{RC_{t-1,t}}\right), 0\right]$$

$\mathbf{LR_{t-1,t}}$	means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows: $$\mathrm{LR_{t-1,t}} = \mathrm{Leverage} \times \left(\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right)$$
$\mathbf{FC_{t-1,t}}$	means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows : $$\mathrm{FC_{t-1,t}} = (\mathrm{Leverage} - 1) \times \frac{\mathrm{Rate_{t-1}} \times \mathrm{ACT(t-1,t)}}{\mathrm{DayCountBasisRate}}$$
$\mathbf{RC_{t-1,t}}$	means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows : $$\mathrm{RC_{t-1,t}} = \mathrm{Leverage} \times (\mathrm{Leverage} - 1) \times \left(\left\lvert\frac{\mathrm{S_t}}{\mathrm{S_{t-1}} \times Rfactor_t} - 1\right\rvert\right) \times \mathrm{TC}$$
TC	means the Transaction Costs applicable (including Stamp Duty and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to: 0.04% "Stamp Duty" refers to the applicable rate of stamp duty on the stock transactions in the jurisdiction of the Relevant Stock Exchange for the Underlying Stock, which may be changed by the applicable regulatory authorities from time to time.
Leverage	5
$\mathbf{S_t}$	means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.
$\mathbf{Rate_t}$	means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula: $$\mathrm{Rate_t} = \mathrm{CashRate_t} + \%\mathrm{SpreadLevel_t}$$
$\mathbf{CashRate_t}$	means, in respect of each Observation Date(t), the daily Singapore Overnight Rate Average (SORA) provided by the Monetary Authority of Singapore as administrator of the benchmark (or a successor administrator), as published on BLOOMBERG/SIBCSORA Index or any successor page, being the rate as of day (t-2) at 09:00 Singapore time, provided that if such rate is not available, then such rate shall be determined by reference to the last available rate that was published on Refinitiv Screen (SORA=MAST) or any successor page.
$\%\mathbf{SpreadLevel_t}$	1.00%, subject to change by the Issuer on giving 10 Business Days' notice to investors via SGXNet.
$\mathbf{Rfactor_t}$	means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent,

subject to the adjustments and provisions of the Conditions, according to the following formula:

$$Rfactor_t = 1 - \frac{Div_t}{\mathbf{S_{t-1}}}$$

where

Div_t is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered net of any applicable withholding taxes.

ACT(t-1,t)	ACT (t-1;t) means the number of calendar days between the Exchange Business Day immediately preceding the Observation Date (which is "t-1") (included) and the Observation Date (which is "t") (excluded).
DayCountBasisRate	365
Benchmark Fallback	upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.
Reference Rate Event	means, in respect of the Reference Rate any of the following has occurred or will occur: (i) a Reference Rate Cessation; (ii) an Administrator/Benchmark Event; or (iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry & Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.
Reference Rate Cessation	means, for a Reference Rate, the occurrence of one or more of the following events: (i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over

the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or

(iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;

Administrator/Benchmark Event means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.

Reference Rate(s) means the rate(s) used in the Leverage Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.

<u>Extraordinary Strategy Adjustment for Performance Reasons ("Air Bag Mechanism")</u>

Extraordinary Strategy Adjustment for Performance Reasons If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date,** noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date ($\mathrm{LSL_{IRD}}$) should be computed as follows :

$$\mathrm{LSL_{IRD}} = \mathrm{Max}\left[\mathrm{ILSL_{IR(n)}} \times \left(1 + \mathrm{ILR_{IR(n),IR(C)}} - \mathrm{IRC_{IR(n),IR(C)}}\right), 0\right]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$\mathrm{LSL_{IRD}} = \mathrm{Max}\left[\mathrm{ILSL_{IR(n)}}, 0\right]$$

$\mathbf{ILSL_{IR(k)}}$ means, in respect of IR(k), the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for k = 1 :

$$\text{ILSL}_{\text{IR}(1)} = \text{Max}\left[\text{LSL}_{\text{IRD}-1} \times \left(1 + \text{ILR}_{\text{IR}(0),\text{IR}(1)} - \text{FC}_{\text{IRD}-1,\text{IRD}} - \text{IRC}_{\text{IR}(0),\text{IR}(1)}\right), 0\right]$$

(2) for k > 1 :

$$\text{ILSL}_{\text{IR}(k)} = \text{Max}\left[\text{ILSL}_{\text{IR}(k-1)} \times \left(1 + \text{ILR}_{\text{IR}(k-1),\text{IR}(k)} - \text{IRC}_{\text{IR}(k-1),\text{IR}(k)}\right), 0\right]$$

$\mathbf{ILR}_{\mathbf{IR(k-1),IR(k)}}$ means the Intraday Leveraged Return between IR(k-1) and IR(k), calculated as follows:

$$\text{ILR}_{\text{IR}(k-1),\text{IR}(k)} = \text{Leverage} \times \left(\frac{IS_{\text{IR}(k)}}{\text{IS}_{\text{IR}(k-1)}} - 1\right)$$

$\mathbf{IRC}_{\mathbf{IR(k-1),IR(k)}}$ means the Intraday Rebalancing Cost of the Leverage Strategy in respect of IR(k) on a given Intraday Restrike Date, calculated as follows:

$$\text{IRC}_{\text{IR}(k-1),\text{IR}(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left(\left|\frac{\text{IS}_{\text{IR}(k)}}{\text{IS}_{\text{IR}(k-1)}} - 1\right|\right) \times \text{TC}$$

$\mathbf{I}\boldsymbol{S}_{\mathbf{IR(k)}}$ means the Underlying Stock Price in respect of IR(k) computed as follows:

(1) for k=0

$$\text{iS}_{\text{IR}(0)} = \text{S}_{\text{IRD}-1} \times \text{Rfactor}_{\text{IRD}}$$

(2) for k=1 to n

means in respect of IR(k), the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period

(3) with respect to IR(C)

$$\text{iS}_{\text{IR(C)}} = \text{S}_{\text{IRD}}$$

In each case, subject to the adjustments and provisions of the Conditions.

IR(k) For k=0, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date;

For k=1 to n, means the k^{th} Intraday Restrike Event on the relevant Intraday Restrike Date.

IR(C) means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.

n means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.

Intraday Restrike Event means in respect of an Observation Date(t) :

(1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the decrease at any Calculation Time of the Underlying Stock price by 15% or more compared with the relevant Underlying Stock Price $\mathbf{iS}_{\mathbf{IR(0)}}$ as of such Calculation Time.

(2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the decrease at any Calculation Time of the Underlying Stock price by

15% or more compared with the relevant Underlying Stock Price $\mathbf{iS_{IR(k)}}$ as of such Calculation Time.

Calculation Time	means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.
TimeReferenceOpening	means the scheduled opening time (including pre-opening session or opening auction, as the case may be) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
TimeReferenceClosing	means the scheduled closing time (including closing auction session) for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
Intraday Restrike Event Observation Period	means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing. Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.
Intraday Restrike Event Time	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed "Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities" in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

TERMS AND CONDITIONS OF THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

1. Form, Status and Guarantee, Transfer and Title

(a) *Form*. The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of:-

(i) a master instrument by way of deed poll (the "**Master Instrument**") dated 13 June 2025, made by SG Issuer (the "**Issuer**") and Societe Generale (the "**Guarantor**"); and

(ii) a warrant agent agreement (the "**Master Warrant Agent Agreement**" or "**Warrant Agent Agreement**") dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the "**Certificate Holders**") are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

(b) *Status and Guarantee*. The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a "**Guarantee Obligation**").

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the "**Code**").

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

(i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the "**Law**") on 11 December 2016;

(ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;

(iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and

(iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Societe Generale, Tour Societe Generale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

(c) Transfer. The Certificates are represented by a global warrant certificate ("**Global Warrant**") which will be deposited with The Central Depository (Pte) Limited ("**CDP**"). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.

(d) *Title*. Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression "**Certificate Holder**" shall be construed accordingly.

(e) *Bail-In*. By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:

(i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer's liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:

(A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;

(B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

(C) the cancellation of the Certificates; and/or

(D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the "**Statutory Bail-In**");

(ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the "**Code**"):

(A) ranking:

(1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;

(2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and

(3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and

(B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and

(C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer's obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the "**Contractual Bail-in**").

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

"**Amounts Due**" means any amounts due by the Issuer under the Certificates.

"**Bail-In Power**" means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

"**MREL**" means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

"**Relevant Resolution Authority**" means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

2. Certificate Rights and Exercise Expenses

(a) *Certificate Rights*. Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The "**Cash Settlement Amount**", in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The “**Closing Level**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left(\frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level}\right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case:-

(i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and

(ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

“**Market Disruption Event**" means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

(b) *Exercise Expenses*. Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.

(c) No Rights. The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

4. Exercise of Certificates

(a) *Exercise*. Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).

(b) *Automatic Exercise*. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.

(c) *Settlement*. In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

"**Settlement Disruption Event**" means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the “SG Group”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“**Computer System**” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

“**Data**” means any digital information, stored or used by the Computer System, including confidential data.

(d) *CDP not liable*. CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.

(e) *Business Day*. In these Conditions, a “**Business Day**” shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

5. Warrant Agent

(a) *Warrant Agent*. The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.

(b) *Agent of Issuer*. The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

6. Adjustments

(a) *Potential Adjustment Event*. Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.

(b) *Definitions*. "**Potential Adjustment Event**" means any of the following:

(i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a "spin-off" or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;

(iii) an extraordinary dividend;

(iv) a call by the Company in respect of the Underlying Stock that is not fully paid;

(v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a "poison pill" being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or

(vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.

(c) *Merger Event, Tender Offer, Nationalisation and Insolvency*. If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

(ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or

(iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the "**Option Reference Source**") make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

(d) *Definitions*. "**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. "**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. "**Merger Event**" means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. "**Nationalisation**" means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. "**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

(e) *Subdivision or Consolidation of the Certificates.* The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.

(f) *Other Adjustments*. Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).

(g) *Notice of Adjustments*. All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

6A. US withholding tax implications on the Payment

Notwithstanding any other provision of these Conditions, in no event will the Issuer or the Guarantor be required to pay any additional amounts in respect of the Certificates for, or on account of, any withholding or deduction (i) required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**US Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the US Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto, (ii) imposed pursuant to the Section 871(m) Regulations ("**Section 871(m) Withholding**") or (iii) imposed by any other law of the United States. In addition, in determining the amount of Section 871(m) Withholding imposed on any payments on the Certificates, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the US Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

With respect to Specified Warrants that provide for net dividend reinvestment in respect of either an underlying U.S. security (i.e. a security that pays U.S. source dividends) or an index that includes U.S. securities, all payments on Certificates that reference such U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer or the Guarantor will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer or the Guarantor will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

For the purpose of this Condition:

"**Section 871(m) Regulations**" means the U.S. Treasury regulations issued under Section 871(m) of the Code.

"**Specified Warrants**" means, subject to special rules from 2017 through 2026 set out in Notice 2024-44 (the **Notice**), Warrants issued on or after 1 January 2017 that substantially replicate the economic performance of one or more U.S. underlying equities as determined by the Issuer on the date for such Warrants as of which the expected delta of the product is determined by the Issuer, based on tests set out in the applicable Section 871(m) Regulations, such that the Warrants are subject to withholding under the Section 871(m) Regulations.

7. Purchases

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

8. Meetings of Certificate Holders; Modification

(a) *Meetings of Certificate Holders*. The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

(b) *Modification*. The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

9. Notices

(a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.

(b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

12. Delisting

(a) Delisting. If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).

(b) Issuer's Determination. The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

13. Early Termination

(a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

"**Regulatory Event**" means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Societe Generale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the "**Relevant Affiliates**" and each of the Issuer, Societe Generale and the Relevant Affiliates, a "**Relevant Entity**") that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer's obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer's obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer's obligations under the Certificates,

(c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Societe Generale or any Relevant Affiliate (including without limitation to hedge the Issuer's obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer's capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

"**Change in law**" means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

(b) *Early Termination for Holding Limit Event*. The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

"**Holding Limit Event**" means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

(c) *Early Termination for Hedging Disruption.* If the Issuer or any of its affiliates is, following commercially reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedge Positions (as defined below) or (ii) to freely realize, recover, receive, repatriate, remit, regain or transfer the proceeds of any Hedge Position (where either (i) or (ii) shall constitute a "Hedging Disruption"), the Issuer may terminate the Certificates early in accordance with Condition 13(e) provided that the intrinsic value on the previous trading day of the relevant Certificate is at or above the Issue Price. The Issuer's decision on whether a Hedging Disruption has occurred is final and conclusive. For the avoidance of doubt, Hedging Disruptions shall include the scenario where any Hedge Position cannot be maintained up to the amount necessary to cover all of the Issuer's obligations under the Certificates.

For the purposes hereof, "Hedge Positions" means any one or more commercially reasonable (i) positions (including long or short positions) or contracts in, or relating to, securities, options, futures, other derivatives contracts or foreign exchange, (ii) stock loan or borrowing transactions or (iii) other instruments, contracts, transactions or arrangements (howsoever described) that the Issuer or any of its affiliates determines necessary to hedge, individually or on a portfolio basis, any risk (including, without limitation, market risk, price risk, foreign exchange risk and interest rate risk) in relation to the assumption and fulfilment of the Issuer's obligations under the Certificates.

(d) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(e) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.

(e) *Termination*. If the Issuer terminates the Certificates early, the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The determination of the fair market value may deviate from the determination of the Cash Settlement Amount under different scenarios, including but not limited to, where (i) the Daily Reset (as defined in the relevant Supplemental Listing Document) mechanism is suspended and/or (ii) the Final Reference Level is determined based on the closing price of the Underlying Stock on multiple Underlying Stock Business Days or Exchange Business Days, as the case may be. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

14. Substitution of the Issuer

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the "**Substituted Obligor**"), it shall give at least 90 days' notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

15. Governing Law

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

16. Prescription

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

17. Contracts (Rights of Third Parties) Act 2001 of Singapore

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.

Issuer:	SG Issuer
Company:	Sembcorp Industries Ltd
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	6,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 13 June 2025 (the "**Master Instrument**") and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the "**Master Warrant Agent Agreement**") and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to: Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

Transfers of Certificates:	Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
Listing:	Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 25 June 2025.
Governing Law:	The laws of Singapore
Warrant Agent:	The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807
Further Issues:	Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED LONG CERTIFICATES ON SINGLE EQUITIES

What are European Style Cash Settled Long Certificates on Single Equities?

European style cash settled long certificates on single equities (the "**Certificates**") are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Strategy.

A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

(1) is the Final Reference Level multiplied by the Final Exchange Rate;

(2) is the Initial Reference Level multiplied by the Initial Exchange Rate;

(3) is the Strike Level; and

(4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed "Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities" for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will increase and are seeking short-term leveraged exposure to the Underlying Stock.

B) Trading the Certificates before Expiry

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

(i) <u>For Certificate Holders who trade the Certificates intraday</u>: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and

(ii) <u>For Certificate Holders who hold the Certificates overnight</u>: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost.

Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees

Daily Fees	=	**Daily Management Fee Adjustment** 1 – Management Fee x ACT (t-1;t) / 360 x **Daily Gap Premium Adjustment** 1 – Gap Premium (t-1) x ACT (t-1;t) / 360

Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

		t[7]=0		t=1		t=2		t=i
Value of Certificates	=	Notional Amount	x	Leverage Strategy daily performance[8] x Daily Fees	x	Leverage Strategy daily performance x Daily Fees	x …	Leverage Strategy Daily performance x Daily Fees

		t=0		**Product of the daily Leverage Strategy Performance**		**Product of the Daily Fees (Hedging Fee Factor)**
Value of Certificates	=	Notional Amount	x	Leverage Strategy daily performance x Leverage Strategy daily performance	x	Daily Fees x Daily Fees

		t=0				
Final Value of Certificates	=	Notional Amount	x	Final Reference Level x Final Exchange Rate ÷ Initial Reference Level x Initial Exchange Rate	x	Hedging Fee Factor

Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

[7] "t" refers to "**Observation Date**" which means each Exchange Business Day (subject to Market Disruption Event) from (and including) the Exchange Business Day immediately preceding the Expected Listing Date to the Valuation Date.
[8] Leverage Strategy daily performance is computed as the Leverage Strategy Closing Level on Business Day (t) divided by the Leverage Strategy Closing Level on Business Day (t-1).

Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Ordinary shares of Sembcorp Industries Ltd
Expected Listing Date:	**03/07/2018**
Expiry Date:	**18/07/2018**
Initial Reference Level:	**1,000**
Initial Exchange Rate:	**1**
Final Reference Level:	**1,200**
Final Exchange Rate:	**1**
Issue Price:	**0.70 SGD**
Notional Amount per Certificate:	**0.70 SGD**
Management Fee (p.a.):	**0.40%**
Gap Premium (p.a.):	**15.00%**
Strike Level:	Zero

Hedging Fee Factor

Hedging Fee Factor on the n^{th} Exchange Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

HFF(0) = 100%

On Next Calendar Day (assuming it is an Exchange Business Day):

$$\mathrm{HFF\ (1)\ =\ HFF\ (0)} \times \left(1 - \text{Management Fee} \times \frac{\mathrm{ACT\ (t-1;t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\mathrm{ACT\ (t-1;t)}}{360}\right)$$

$$\mathrm{HFF\ (1)} = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 15.00\% \times \frac{1}{360}\right)$$

$$\mathrm{HFF\ (1)} = 100\% \text{ x } 99.9989\% \text{ x } 99.9583\% \approx 99.9572\%$$

Assuming 2nd Exchange Business Day falls 3 Calendar Days after 1st Exchange Business Day:

$$\mathrm{HFF\ (2)} = \mathrm{HFF\ (1)} \times \left(1 - \text{Management Fee} \times \frac{\mathrm{ACT\ (t-1;t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\mathrm{ACT\ (t-1;t)}}{360}\right)$$

$$\mathrm{HFF\ (2)} = 99.9572\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 15.00\% \times \frac{3}{360}\right)$$

$\text{HFF}(2) = 99.9572\% \text{ x } 99.9967\% \text{ x } 99.8750\% \approx 99.8289\%$

The same principle applies to the following Exchange Business Days:

$$\text{HFF}(n) = \text{HFF}(n-1) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1;t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1;t)}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 99.3602% as illustrated below:

Date	HFF
3/7/2018	100.0000%
4/7/2018	99.9572%
5/7/2018	99.9145%
6/7/2018	99.8717%
9/7/2018	99.7436%
10/7/2018	99.7009%
11/7/2018	99.6582%
12/7/2018	99.6156%
13/7/2018	99.5730%
16/7/2018	99.4452%
17/7/2018	99.4027%
18/7/2018	99.3602%

Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

Closing Level = [(Final Reference Level x Final Exchange Rate) / (Initial Reference Level x Initial Exchange Rate) – Strike Level] x Hedging Fee Factor

= [(1200 x 1) / (1000 x 1) – 0] x 99.3602%

= 119.23%

Cash Settlement Amount = Closing Level x Notional Amount per Certificate

= 119.23% x 0.70 SGD

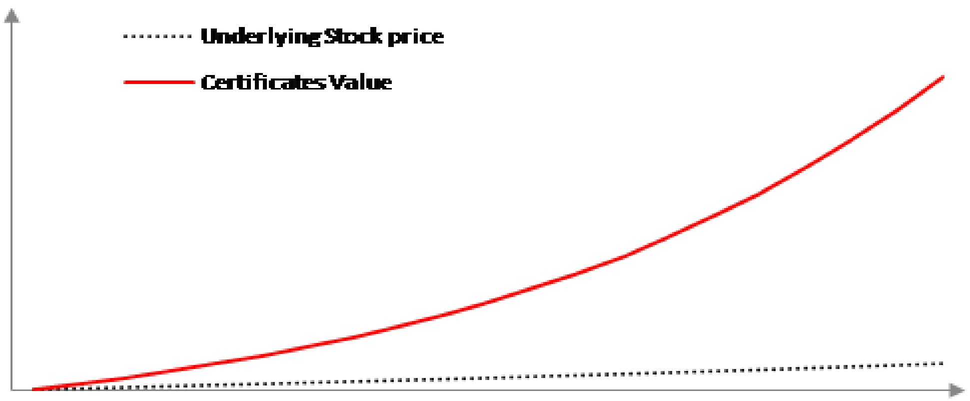
= 0.835 SGD

Illustration on how returns and losses can occur under different scenarios

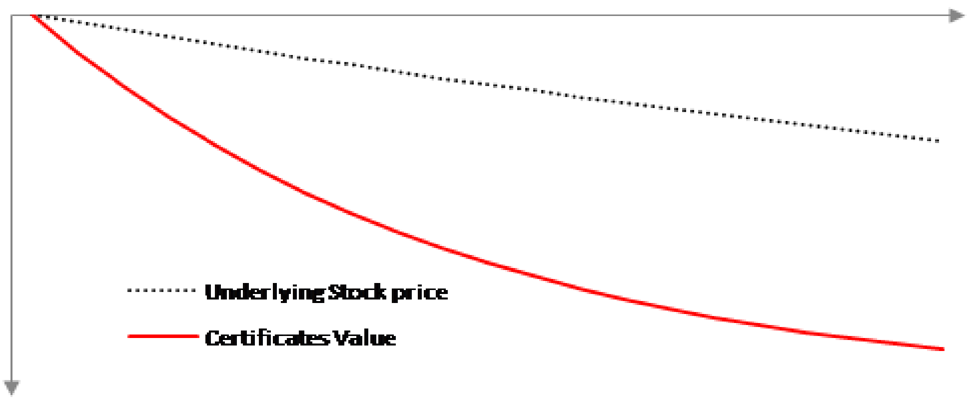
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, dividends, or any other market parameters.

1. <u>Illustrative examples</u>

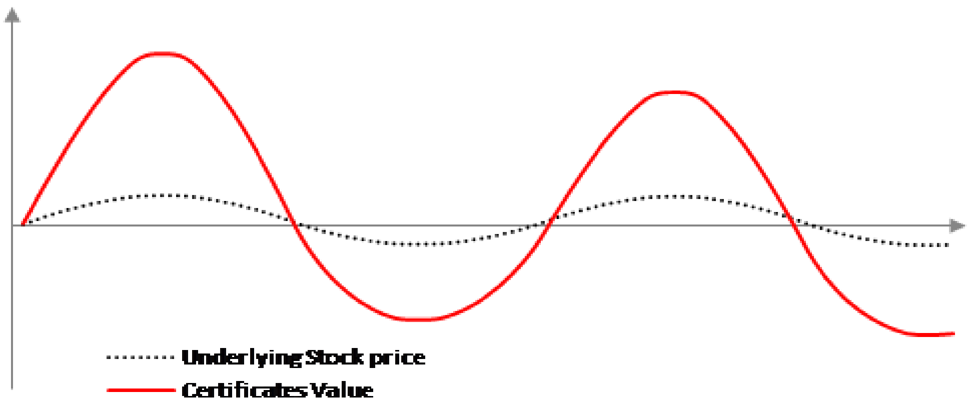
<u>*Scenario 1 – Upward Trend*</u>



<u>*Scenario 2 – Downward Trend*</u>



<u>*Scenario 3 – Volatile Market*</u>



2. Numerical Examples

Scenario 1 – Upward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return		2.00%	4.04%	6.12%	8.24%	10.41%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	10.0%	10.0%	10.0%	10.0%
Price at end of day	0.70	0.77	0.85	0.93	1.02	1.13
Accumulated Return		10.00%	21.00%	33.10%	46.41%	61.05%

Scenario 2 – Downward Trend

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return		-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-10.0%	-10.0%	-10.0%	-10.0%	-10.0%
Price at end of day	0.70	0.63	0.57	0.51	0.46	0.41
Accumulated Return		-10.00%	-19.00%	-27.10%	-34.39%	-40.95%

Scenario 3 – Volatile Market

Underlying Stock						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return		2.00%	-0.04%	1.96%	-0.08%	1.92%

Value of the Certificates						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		10.0%	-10.0%	10.0%	-10.0%	10.0%
Price at end of day	0.70	0.77	0.69	0.76	0.69	0.75
Accumulated Return		10.00%	-1.00%	8.90%	-1.99%	7.81%

Description of Air Bag Mechanism

The Certificates integrate an "Air Bag Mechanism" which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, this is followed by a period which is divided into two sub-periods:

- Observation Period: the price of the Underlying Stock is observed and its minimum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and

- Reset Period: the Leverage Strategy is then reset using the minimum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Strategy.

During the Observation Period and Reset Period, trading of Certificates is suspended for a period of at least 30 minutes of continuous trading after the Air Bag is triggered, and such suspension will be based on instructions provided by the Issuer to the SGX-ST for suspension of trading. Investors cannot sell or purchase any Certificates during this period.

For the avoidance of doubt, if the Air Bag Mechanism was triggered more than 60 minutes of continuous trading before Market Close, trading of Certificates will resume the same trading day after the Reset Period has elapsed, subject to the SGX-ST's approval to resume trading. If the Air Bag Mechanism was triggered between 45 minutes and 60 minutes of continuous trading before Market Close, trading of Certificates may or may not resume the same trading day after the Reset Period has elapsed. If the Air Bag Mechanism was triggered with only 45 minutes or less of continuous trading before Market Close, trading of Certificates resumes on the next trading day.

The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour. The Issuer will provide at least 15 minutes' notice of the resumption of trading by making an SGXNET announcement.

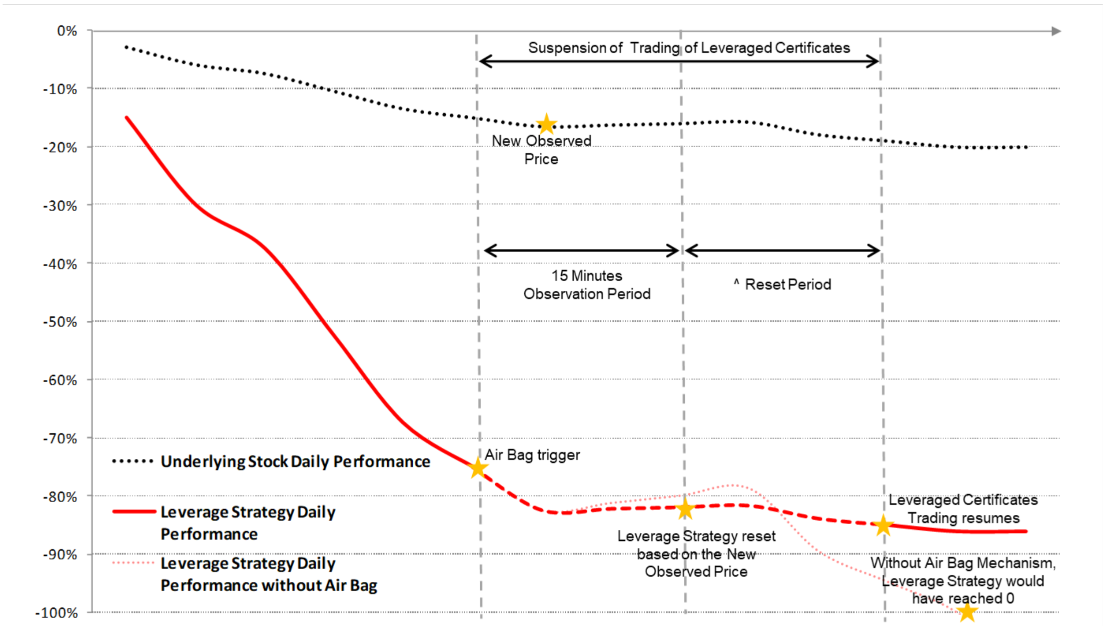
With **Market Close** defined as:

- the Underlying Stock closing time, including the closing auction session, with respect to the Observation Period; and

- the sooner of (i) the Underlying Stock closing time for continuous trading and (ii) the SGX-ST closing time, with respect to the Resumption of Trading

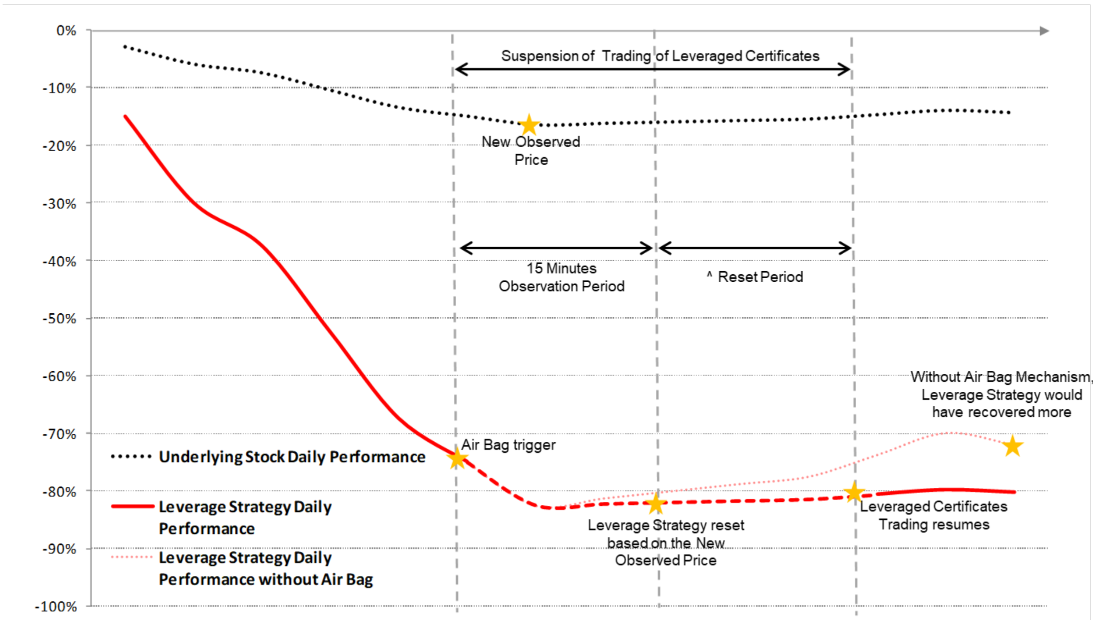
Illustrative examples of the Air Bag Mechanism[9]

Scenario 1 – Downward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

Scenario 2 – Upward Trend after Air Bag trigger



^ The resumption of trading is subject to the SGX-ST's requirements of at least 15 minutes after the SGX-ST approves the request from the Issuer to resume trading on the Certificates, rounded to the next quarter of an hour.

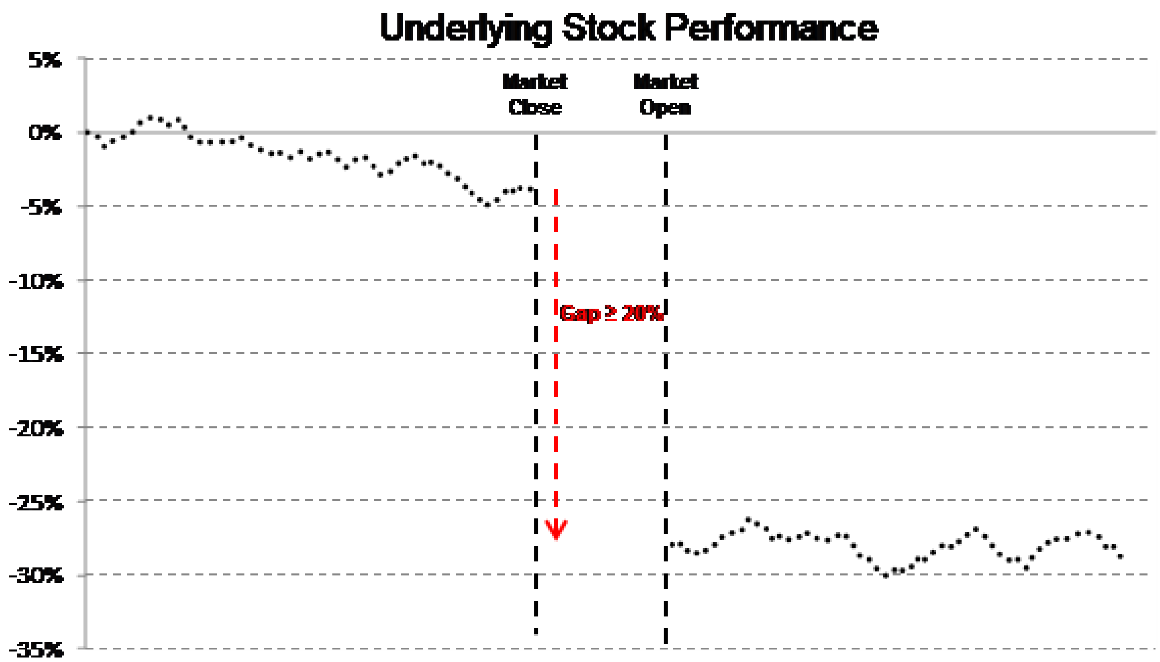
[9] The illustrative examples are not exhaustive.

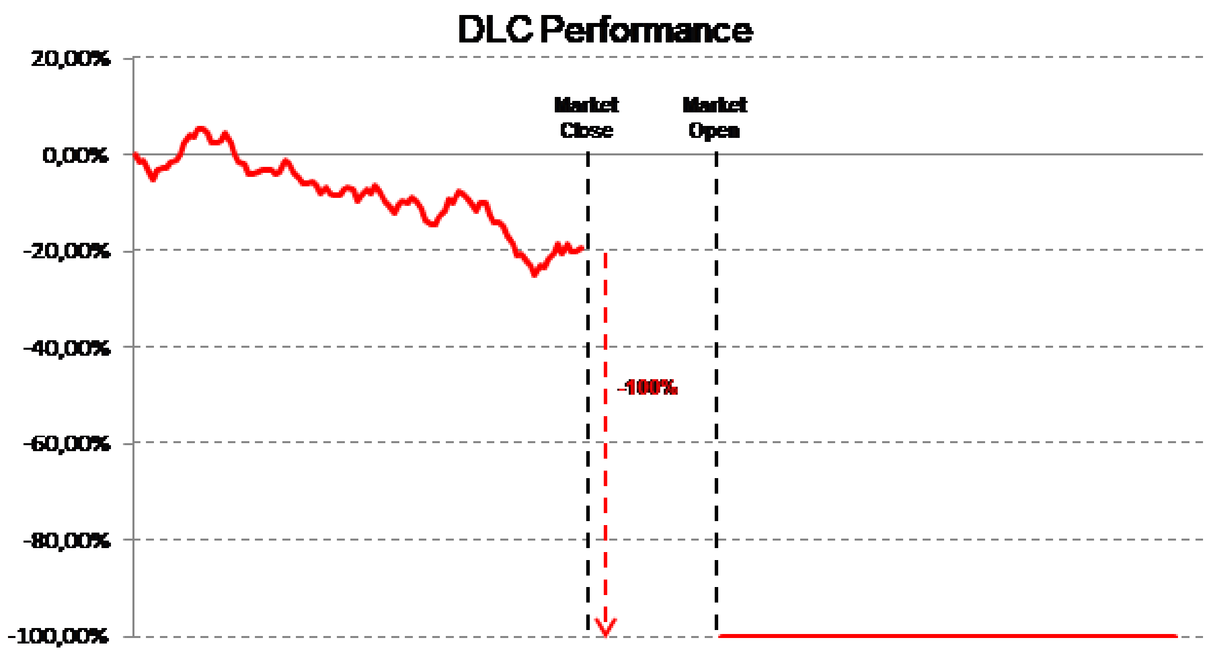
Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

<u>*Scenario 1 – Overnight fall of the Underlying Stock*</u>

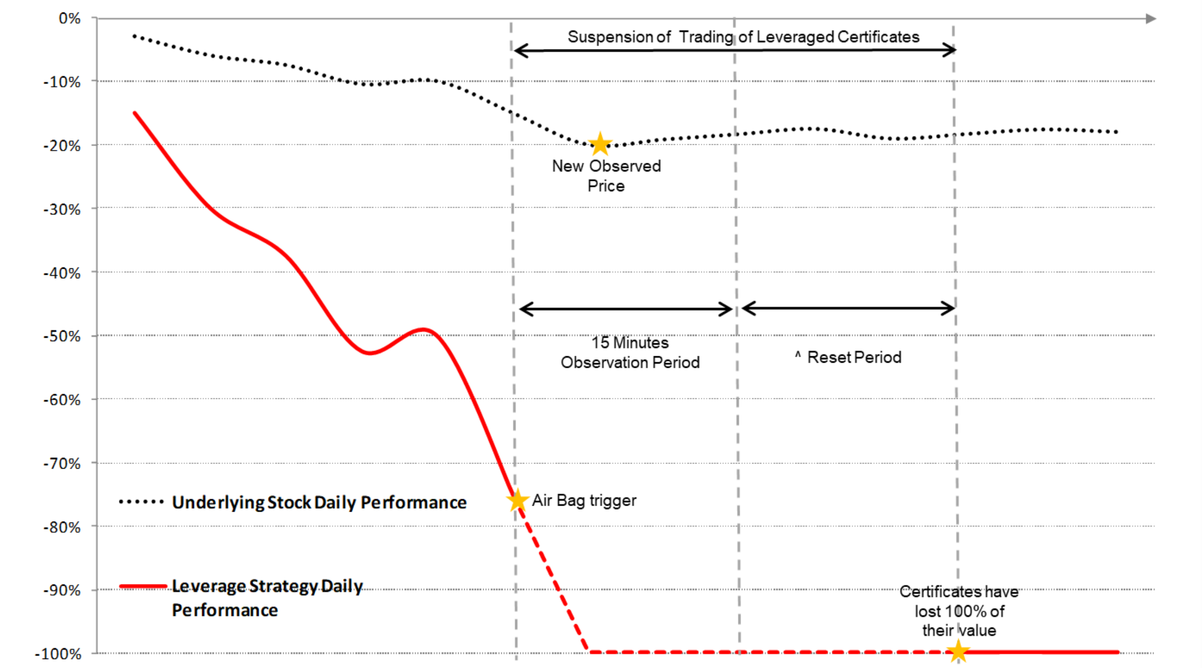
On any Business Day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous trading day. The difference between the previous closing price and the opening price of the Underlying Stock is termed a "gap". If the opening price of the Underlying Stock is 20% or more below the previous trading day closing price, the Air Bag Mechanism would only be triggered when the market opens (including pre-opening session or opening auction, as the case may be) the following trading day, and the Certificates would lose their entire value in such event.





Scenario 2 – Sharp intraday fall of the Underlying Stock

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificate can lose 100% of its value in the event the price of the Underlying Stock falls by 20% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event.



Examples and illustrations of adjustments due to certain corporate actions

The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the $Rfactor_t$ with respect to such Observation Date (t) by an amount computed according to the following generic formula :

$$Rfactor_t = \left[1 - \frac{Div_t + DivExc_t - M \times R}{\mathrm{S}_{\mathrm{t-1}}}\right] \times \frac{1}{1 + M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of $Rfactor_t$ would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag Mechanism would not be triggered if the stock price falls by 15% exclusively because of the dilutive effect of a corporate action.

Where:

$\mathrm{DivExc_t}$ is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

M is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

R is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

1. Stock split

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$\mathrm{S_{t-1}}$ = \$100

$\mathrm{S_t}$ = \$51

$\mathrm{Div_t} = \$0$

$\mathrm{DivExc_t} = \$0$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 2 \times 0)}{100}\right] \times \frac{1}{1 + 1} = 50\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \mathrm{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{51}{100 \times 50\%} - 1\right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.77	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to $42.5, which is 15% below $50, the Underlying Stock Reference Price.

2. <u>Share Consolidation</u>

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

S_{t-1} = $100

S_t = $202

$\mathrm{Div}_t = \$0$

$\mathrm{DivExc}_t = \$0$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = $0 (no subscription price / redemption price)

$$Rfactor_t = \left[1 - \frac{0 + 0 - (-0.5) \times 0)}{100}\right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \mathrm{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{202}{100 \times 200\%} - 1\right) = 5\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.735	5%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$170, which is 15% below \$200, the Underlying Stock Reference Price.

3. <u>Rights Issues</u>

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of \$40.

S_{t-1} = \$100

S_{t} = \$84

$\mathrm{Div}_t = \$0$

$\mathrm{DivExc}_t = \$0$

R = \$40 (i.e. subscription price of \$40)

M = 0.5 (i.e. 1 new share for every 2 existing shares)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.5 \times 40}{100}\right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$\mathrm{LR}_{t-1,t} = \mathrm{Leverage} \times \left(\frac{\mathrm{S}_t}{\mathrm{S}_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1\right) = 25\%$$

S_{t-1}	$\mathrm{S}_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.875	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$68, which is 15% below \$80, the Underlying Stock Reference Price.

4. <u>Bonus Issues</u>

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

S_{t-1} = \$100

S_t = \$85

$Div_t = \$0$

$DivExc_t = \$0$

R = \$0

M = 0.2 (i.e. 1 new share for 5 existing shares)

$$Rfactor_t = \left[1 - \frac{0 + 0 - 0.2 \times 0}{100}\right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{85}{100 \times 83.33\%} - 1\right) = 10\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.77	10%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$70.83, which is 15% below \$83.33, the Underlying Stock Reference Price.

5. <u>Extraordinary Dividend</u>

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

S_{t-1} = \$100

S_t = \$84

$Div_t = \$0$

$DivExc_t = \$20$

R = \$0

M = 0

$$Rfactor_t = \left[1 - \frac{0 + 20 - 0 \times 0}{100}\right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left(\frac{S_t}{S_{t-1} \times Rfactor_t} - 1\right) = 5 \times \left(\frac{84}{100 \times 80\%} - 1\right) = 25\%$$

S_{t-1}	$S_{t-1} \times Rfactor_t$	S_t	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
0.70	0.875	25%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to $68, which is 15% below $80, the Underlying Stock Reference Price.

INFORMATION RELATING TO THE COMPANY

All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of the SGX-ST at http://www.sgx.com. The Issuer has not independently verified any of such information.

Sembcorp Industries Ltd ("**Sembcorp**" or the "**Company**") is a leading energy and urban solutions provider, driven by its purpose to do good and play its part in building a sustainable future. Headquartered in Singapore, Sembcorp leverages its sector expertise and global track record to deliver innovative solutions that support the energy transition and sustainable development. By focusing on growing its Renewables and Integrated Urban Solutions businesses, it aims to transform its portfolio towards a greener future and be a leading provider of sustainable solutions. Sembcorp has an energy portfolio which includes renewables comprising solar, wind and energy storage globally. The Company also has a proven track record of transforming raw land into sustainable urban development across Asia.

The information set out in the Appendix to this document relates to the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2024 and has been extracted and reproduced from an announcement by the Company released on 1 April 2025 in relation to the same. Further information relating to the Company may be located on the web-site of the SGX-ST at http://www.sgx.com.

INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Societe Generale has been appointed the designated market maker ("**DMM**") for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

(a)	Maximum bid and offer spread	:	(i) when the best bid price of the Certificate is S$10 and below: 10 ticks or S$0.20 whichever is greater; and (ii) when the best bid price of the Certificate is above S$10: 5% of the best bid price of the Certificate.
(b)	Minimum quantity subject to bid and offer spread	:	10,000 Certificates
(c)	Last Trading Day for Market Making	:	The date falling 5 Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide a quotation in the following circumstances:

(i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;

(ii) if the Certificates are valueless (where the Issuer's bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);

(iii) where the Certificates are suspended from trading for any reason;

(iv) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock;

(v) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;

(vi) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;

(vii) in cases where the Issuer has no Certificates to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Certificates;

(viii) if the stock market experiences exceptional price movement and volatility;

(ix) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and

(x) during the suspension of trading of Certificates after an Air Bag Mechanism has been triggered.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Business Day immediately preceding the Expiry Date.

SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.

2. Settlement of trades done on a normal "ready basis" on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore dollars. For further details on the transfer of Certificates and their exercise, please refer to the section headed "Summary of the Issue" above.

3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.

4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2024 or the Guarantor since 31 March 2025, in the context of the issuance of Certificates hereunder.

5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:

   (a) the Guarantee;

   (b) the Master Instrument; and

   (c) the Master Warrant Agent Agreement.

   None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

   The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.

7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.

8. Societe Generale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Societe Generale at the above address for the attention of Societe Generale Legal Department.

9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Societe Generale, Singapore Branch

at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:

(a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;

(b) the latest financial reports (including the notes thereto) of the Issuer;

(c) the latest financial reports (including the notes thereto) of the Guarantor;

(d) the Base Listing Document (which can also be viewed at: https://www.sgx.com/securities/prospectus-circulars-offer-documents);

(e) this document; and

(f) the Guarantee.

PLACING AND SALE

General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong (“**SFO**”)) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (“**CWUMPO**”) or which do not constitute an offer to the public within the meaning of the CWUMPO; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

(a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

United States

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**") and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or otherwise redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term "**United States**" includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term "**U.S. person**" means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the "**CEA**") or any rules thereunder of the CFTC (the "**CFTC Rules**"), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a "Non-United States person" defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not "Non-United States persons", shall be considered a U.S. person), or (iv) a U.S. Person for purposes of the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

APPENDIX

REPRODUCTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 OF SEMBCORP INDUSTRIES LTD AND ITS SUBSIDIARIES

The information set out below is a reproduction of the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31 December 2024 and has been extracted and reproduced from an announcement by the Company released on 1 April 2025 in relation to the same.

Consolidated Financial Statements

Sembcorp's solar assets in Guangxi, China

Directors' Statement

Year ended December 31, 2024

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended December 31, 2024.

In our opinion:

a. the financial statements set out on pages 110 to 233 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date are in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards; and

b. at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

Directors

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

Tow Heng Tan
Lim Ming Yan
Yap Chee Keong
Dr Josephine Kwa Lay Keng
Nagi Hamiyeh
Kunnasagaran Chinniah
Marina Chin Li Yuen
Ong Chao Choon
Manu Bhaskaran *(Appointed on July 1, 2024)*
Prof Uwe Krueger *(Appointed on October 1, 2024)*
Wong Kim Yin

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

	Direct interest			Deemed interest		
Name of director and corporation in which interests held	At beginning of the year	At end of the year	At 21/01/2025	At beginning of the year	At end of the year	At 21/01/2025
Ordinary shares of the Company						
Tow Heng Tan[1]	22,400	55,600	55,600	22,715	22,715	22,715
Lim Ming Yan	34,400	48,900	48,900	–	–	–
Yap Chee Keong[2]	131,500	143,600	143,600	–	–	–
Dr Josephine Kwa Lay Keng	67,000	78,100	78,100	–	–	–
Nagi Hamiyeh	40,400	48,700	48,700	–	–	–
Kunnasagaran Chinniah	–	3,500	3,500	–	–	–
Marina Chin Li Yuen	–	1,600	1,600	–	–	–
Ong Chao Choon	–	1,600	1,600	–	–	–
Wong Kim Yin	4,163,597	6,387,697	6,387,697	–	–	–

[1] Deemed interest in the shares registered in the name of his wife
[2] All shares are registered in the name of DBS Nominees Pte Ltd

	Direct interest			Deemed interest		
Name of director and corporation in which interests held	At beginning of the year	At end of the year	At 21/01/2025	At beginning of the year	At end of the year	At 21/01/2025
S$300,000,000 3.735 per cent. sustainability-linked notes due 2029 comprising Series 003, issued under the S$3,000,000,000 Multicurrency Debt Issuance Programme						
Kunnasagaran Chinniah	S$250,000	S$250,000	S$250,000	–	–	–
S$350,000,000 4.6 per cent. notes due 2030 comprising Series 004 ("Series 004 Notes"), issued under the S$3,000,000,000 Multicurrency Debt Issuance Programme						
Yap Chee Keong[3]	S$250,000	S$250,000	S$250,000	–	–	–
S$350,000,000 3.65 per cent. fixed rate guaranteed notes due 2036 comprising Series 001 ("Series 001 Notes"), issued under the S$5,000,000,000 Euro Medium Term Note Programme						
Yap Chee Keong[3]	–	S$250,000	S$250,000	–	–	–

[3] The Series 004 Notes and Series 001 Notes are registered in the name of DBS Nominees Pte Ltd

	Direct interest		Deemed interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Conditional share award				
Wong Kim Yin				
PSP 2021-2023 (Note 1a)	998,900	–	–	–
PSP 2022-2024 (Note 1b)	521,300	521,300	–	–
PSP 2023-2025 (Note 1c)	335,900	335,900	–	–
PSP 2024-2026 (Note 1d)	–	254,600	–	–
PSP-TI 2021-2025 (Note 1e)	1,399,900	852,700	–	–
PSP-TI 2022-2025 (Note 1f)	776,000	525,000	–	–
PSP-TI 2023-2025 (Note 1g)	1,185,360	740,850	–	–
RSP 2021 (Note 2a)	142,033	–	–	–
RSP 2022 (Note 2b)	714,800	357,400	–	–
RSP 2023 (Note 2c)	–	215,800	–	–

Directors' Statement

Year ended December 31, 2024

Directors' Interests *(cont'd)*

Note 1: In accordance with the rules of the Sembcorp Industries Performance Share Plan 2020 (the PSP), the actual number of SCI shares delivered will depend on, *inter alia*, the achievement of set targets over the performance period as indicated below. No performance shares will be delivered if achievement of targets is below threshold level. Based on the achievement of performance targets:

a. Period from 2021 to 2023 (PSP 2021-2023)
In FY2024, 1,997,800 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 1,398,500 SCI shares was made)

b. Period from 2022 to 2024 (PSP 2022-2024)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

c. Period from 2023 to 2025 (PSP 2023-2025)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

d. Period from 2024 to 2026 (PSP 2024-2026)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

e. Period from 2021 to 2025 (PSP-TI 2021-2025)
In FY2024, 602,000 SCI shares were vested on September 20, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

f. Period from 2022 to 2025 (PSP-TI 2022-2025)
In FY2024, 276,100 SCI shares were vested on July 5, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

g. Period from 2023 to 2025 (PSP-TI 2023-2025)
In FY2024, 489,000 SCI shares were vested on September 20, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

Note 2: With effect from FY2019, restricted shares were granted based on the financial performance and corporate objectives achieved in the preceding year. The vesting of share awards under the Sembcorp Industries Restricted Share Plan 2020 (the RSP) is subject to fulfilment of service conditions at vesting and may be settled in accordance with the rules of the RSP.

a. RSP 2021
In FY2024, 142,033 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 99,433 SCI shares was made).

b. RSP 2022
In FY2024, 357,400 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 250,200 SCI shares was made). The remaining shares will be vested in Year 2025.

c. RSP 2023
In FY2024, 107,900 SCI shares were vested on April 2, 2024. The remaining shares will be vested in Year 2025 and 2026.

* Vested share awards under the PSP and RSP can be settled by the Company in shares or cash or a combination of both, in accordance with the PSP and RSP plan rules and subject to the discretion and approval of the Executive Resource & Compensation Committee of the Company (ERCC).

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Except as disclosed under the "Share-based Incentive Plans" section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in Notes B4(a) and G4(d) to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he / she is a member, or with a company in which he / she has a substantial financial interest.

Share-based Incentive Plans

The Company's PSP and RSP (collectively, the 2020 Share Plans) were approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

The ERCC has been designated by the Board as the Committee responsible for the administration of the 2020 Share Plans. The ERCC comprises the following members, all of whom are directors:

Lim Ming Yan *(Chairman)*
Tow Heng Tan
Kunnasagaran Chinniah

The 2020 Share Plans aim to strengthen the Company's competitiveness in attracting, retaining and motivating talented key senior management and senior executives, to incentivise superior performance and sustainable growth, and to align the interests of participants and shareholders. Under the 2020 Share Plans, the Group CEO and top management are required to hold shares equivalent to a multiple of the individual participant's annual base salaries.

Details of 2020 Share Plans are disclosed in Note B6 to the financial statements.

a. Performance Share Plan (PSP)

The details of the performance shares of Sembcorp Industries Ltd awarded during the financial year since commencement of the PSP (aggregate) are as follows:

		Movements during the year				
Performance shares participants	At January 1	Conditional performance shares awarded	Conditional performance shares lapsed	Performance shares awarded due to achievement of targets	Conditional performance shares released	At December 31
2024						
Key executives of the Group[1]	16,407,846	782,200	(839,600)	4,290,354	(8,558,150)	12,082,650

[1] Includes PSP for Group CEO of Sembcorp Industries Ltd

The total number of performance shares granted conditionally but not released as at December 31, 2024, was 12,082,650 (2023: 16,407,846). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 24,165,300 (2023: 24,742,626) performance shares.

Directors' Statement

Year ended December 31, 2024

Share-based Incentive Plans *(cont'd)*

b. Restricted Share Plan (RSP)

The details of the restricted shares of Sembcorp Industries Ltd awarded during the year are as follows:

		Movements during the year			
Restricted shares participants	At January 1	Conditional restricted shares awarded	Conditional restricted shares released	Conditional restricted shares lapsed	At December 31
2024					
Non-executive directors of the Company:					
Tow Heng Tan	–	33,200	(33,200)	–	–
Lim Ming Yan	–	14,500	(14,500)	–	–
Yap Chee Keong	–	12,100	(12,100)	–	–
Dr Josephine Kwa Lay Keng	–	11,100	(11,100)	–	–
Nagi Hamiyeh	–	8,300	(8,300)	–	–
Kunnasagaran Chinniah	–	3,500	(3,500)	–	–
Marina Chin Li Yuen	–	1,600	(1,600)	–	–
Ong Chao Choon	–	1,600	(1,600)	–	–
Manu Bhaskaran	–	–	–	–	–
Prof Uwe Krueger	–	–	–	–	–
Employees of the Group[1]	3,063,689	1,418,743	(2,379,266)	(95,766)	2,007,400
	3,063,689	1,504,643	(2,465,166)	(95,766)	2,007,400

[1] Includes RSP for Group CEO of Sembcorp Industries Ltd

The total number of restricted shares outstanding, including award(s) achieved but not released, as at end 2024, was 2,007,400 (2023: 3,063,689). With the change in the remuneration structure, with effect from 2019 award, the RSP balances represent 100% of targets achieved, but not released subject to fulfilment of service conditions at vesting. The actual release of the awards is a maximum of 2,007,400 (2023: 3,063,689) restricted shares.

c. Maximum Number of Shares Issuable

The maximum number of performance shares and restricted shares which could be delivered, when aggregated with the number of new shares issued and issuable in respect of all options granted, is within the 15% limit of the share capital of the Company on the day preceding the relevant date of the grant.

Audit Committee

The members of the Audit Committee during the year and at the date of this report are:

Yap Chee Keong *(Chairman)*
Dr Josephine Kwa Lay Keng
Marina Chin Li Yuen
Ong Chao Choon

The Audit Committee held five meetings during the financial year. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, and the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee performed the functions specified in Section 201B of the Companies Act 1967, the Listing Manual of the SGX, and the Code of Corporate Governance.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the external and internal auditors;
- interim financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the SGX).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the board of directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Auditors

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

On behalf of the Board of Directors

Tow Heng Tan
Chairman

Wong Kim Yin
Director

Singapore
February 26, 2025

Independent Auditors' Report

Members of the Company
Sembcorp Industries Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sembcorp Industries Ltd (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at December 31, 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 110 to 233.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), Singapore Financial Reporting Standards (International) (SFRS(I)s) and International Financial Reporting Standards (IFRSs) so as to give a true and fair view of the financial position of the Group and the Company as at December 31, 2024 and of the financial performance, changes in equity 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 Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *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.

Key audit matters

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

Impairment assessment of property, plant and equipment, intangible assets and interests in associates and joint ventures (collectively, the Group's non-financial assets)

Each Cash Generating Unit (CGU) was tested for presence of indicators of impairment. When impairment indicators exist, a formal assessment of recoverable amount was conducted. The recoverable amount is defined as higher of the CGU's fair value less cost of disposal, and value in use.

Management assesses the material CGUs with goodwill in Singapore, India and China for impairment on an annual basis as well as CGUs in United Kingdom that show indicators of impairment. In particular, certain CGUs in India, China and United Kingdom were identified for further assessment of recoverable amounts due to challenging business and regulatory environment.

Determining the recoverable amounts involves estimation uncertainties as changes in these key assumptions applied can have a significant impact on the recoverable amount:

- Gross margin forecasts depend on customer demand that corresponds with tariff rates that can be affected by political and regulatory developments;
- Price spikes are projected based on supply-demand imbalances resulting from system tightness; and
- Discount rates reflect the risks specific to each CGU and reflect current market assessments of the time value of money

Our response:

We reviewed the Group's process for identifying and reviewing the CGUs subject to impairment testing.

We reviewed the key significant assumptions used in the impairment model as follows:

- Compared gross margin forecasts with historical performance, contracted power price agreements (PPAs) and experts report;
- Benchmarked management's price spikes forecast to historical trends, experts report and available market data; and
- Compared the discount rates used to market observable data of peer companies and applicable risk premiums, where necessary.

We assessed the appropriateness of disclosures in the financial statements.

Our findings:

The Group has a process for identifying and reviewing the CGUs for impairment testing. Key assumptions used to derive the recoverable amounts to be reasonable and within a supportable range. The disclosures describing the estimation uncertainties and sensitivity of the assumptions applied are appropriate.

Valuation of trade and service concession receivables

Risk:

Management estimates loss allowance based on ageing of overdue balances, repayment histories of individual debtors, existing customer-specific, market conditions and forward-looking information. Such assessment of expected credit losses is inherently subjective and requires the exercise of significant management estimate.

In particular, determination of expected credit losses of certain overseas subsidiaries involves significant estimation uncertainties as (1) certain of these subsidiaries may be operating in a country facing political instability; or (2) the receivables are subject to regulatory review and approval.

Such assessment of expected credit losses is inherently subjective and requires the exercise of significant management judgement.

Our response:

We reviewed the Group's estimation process for determining the amount of loss allowance on these receivables.

We evaluated the collection history of trade and other receivables for credit-impaired balances as well as the expected credit loss (ECL) methodology applied for non-credit-impaired balances.

We obtained and reviewed latest credit ratings reports from rating agencies, which factored in the general economic environment, to determine appropriate probabilities of default rate to be applied. We also evaluated any adjustments on forward-looking information used based on reasonable and supportable information of current events and conditions, forecasts of future economic conditions that becomes available at reporting date, including latest policies and regulations set by the government authorities.

We also assessed the adequacy of disclosures related to management's evaluation of recoverability of these receivables.

Our findings:

The Group performs credit risk assessment to determine the appropriate loss allowance to be recognised on trade and service concession receivables.

Management incorporated both qualitative and quantitative factors in assessing the forward-looking information to determine the loss allowance to support the recoverability of receivables.

We found the disclosures surrounding credit risk assessment to be adequate.

Independent Auditors' Report

Report on the audit of the financial statements *(cont'd)*

Fair valuation of Deferred Payment Note (DPN) receivable

(Refer to Note H1 to the financial statements: DPN receivable of S$1,581,000,000)

Risk:

In 2023, the Group divested its investment in Sembcorp Energy India Limited and its subsidiaries, now known as SEIL Energy India Limited (SEIL EIL). The Group provided vendor financing to the Purchaser (Tanweer Infrastructure Pte. Ltd.) (Tanweer) via a deferred payment note (DPN) following the divestment of SEIL EIL in prior years. The DPN is accounted as a financial asset measured at fair value through profit or loss, as it does not satisfy the solely payment of principal and interest (SPPI) criteria set out under SFRS(I) 9 Financial Instruments for this financial asset to be carried at amortised cost.

In determining the fair value of DPN, it is assumed that Tanweer repays the DPN outstanding amount to the Group from distributions (including dividends) from SEIL EIL. The DPN is expected to be fully repaid within the expected repayment period with any outstanding balances unpaid to be waived off. The Group performed a discounted cashflow using the forecasted distributable reserves available from SEIL EIL, considering (i) secured cash flows from various power purchase agreements (PPA) and (ii) unsecured cash flows from contract renewals and / or new contracts.

Management applied a discount rate to present value the DPN to reflect the cash flow risks associated with the forecast distributable dividends from SEIL EIL, and credit-default risk of the purchaser.

Determining the fair value of DPN involves significant estimates.

Our response:

We performed a retrospective review of collections during the year and reviewed the cash flows used by management to evaluate the reasonableness of assumptions used in the valuation model.

We engaged our valuation specialist to obtain market observable data including credit ratings of bonds issued by Indian public energy sector to benchmark with discount rate and application of valuation model used by management.

We assessed adequacy of disclosure relating to the DPN.

Our findings:

Amounts received by the Group are in line with management's forecast and the assumptions used in the valuation model appears to be reasonable.

Management's application of discount rate appropriately reflects the risks associated with the cash flows and credit risk as appraised under prevailing market conditions and circumstances applicable to SEIL EIL and the Purchaser. Any changes in market conditions and circumstances could impact the subsequent measurement value of DPN, affecting future periods' profit or loss.

We found the disclosures relating to the DPN to be adequate.

Other Information

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

We have obtained the following items prior to the date of this auditors' report:

- Investor Relations
- Corporate Information
- Group FY2024 Highlights
- Chairman and CEO's Statement
- Business Review – Performance Scorecard
- Gas and Related Services Review
- Renewables Review
- Integrated Urban Solutions Review
- Decarbonisation Solutions Review
- Directors' Statement

The following items (the Reports) are expected to be made available to us after that date:

- Our Leadership
- Group Financial Review
- Environmental, Social and Governance Review
- Shareholding Statistics
- Additional Information on Directors Seeking Re-election

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- 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.

Independent Auditors' Report

Report on the audit of the financial statements *(cont'd)*

Auditors' responsibilities for the audit of the financial statements *(cont'd)*

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

We also provide the directors 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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

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

The engagement partner on the audit resulting in this independent auditors' report is Chiang Yong Torng.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
February 26, 2025

Table of Contents

Consolidated Financial Statements

Notes to the Financial Statements

Balance Sheets

As at December 31, 2024

		Group		Company	
(S$ million)	Note	2024	2023	2024	2023
Property, plant and equipment	D1	8,304	6,465	389	350
Investment properties	D2	207	153	–	–
Investments in subsidiaries	G1	–	–	2,234	2,498
Associates and joint ventures	G3	2,740	2,396	–	–
Intangible assets	D3	977	952	33	29
DPN receivable	H1	1,581	1,816	–	–
Trade and other receivables	E1	802	811	*	*
Other investments and derivative assets	H1	136	132	*	1
Deferred tax assets	B3c	69	66	–	–
Non-current assets		**14,816**	**12,791**	**2,656**	**2,878**
Inventories	E2	135	135	6	7
Trade and other receivables	E1	1,812	1,674	133	117
Contract assets	B2c	37	15	–	–
Other investments and derivative assets	H1	114	114	*	*
Contract costs		1	1	–	–
Cash and cash equivalents	E4	871	767	201	288
Current assets		**2,970**	**2,706**	**340**	**412**
Assets held for sale	G6	392	–	268	–
Total assets		**18,178**	**15,497**	**3,264**	**3,290**
Trade and other payables	E3	1,585	1,630	172	289
Contract liabilities	B2c	197	171	2	1
Derivative liabilities	H1	36	63	1	*
Provisions	H2	65	77	39	35
Current tax payable		182	236	19	21
Lease liabilities	D1.1	27	18	5	11
Loans and borrowings	C5	671	1,281	–	–
Current liabilities		**2,763**	**3,476**	**238**	**357**
Liabilities held for sale	G6	148	–	–	–
Net current assets / (liabilities)		**451**	**(770)**	**370**	**55**

		Group		Company	
(S$ million)	Note	2024	2023	2024	2023
Other long-term payables	E3	99	121	1,416	1,392
Contract liabilities	B2c	79	80	35	37
Derivative liabilities	H1	30	20	–	–
Provisions	H2	69	65	16	17
Deferred tax liabilities	B3c	629	598	24	20
Lease liabilities	D1.1	702	292	103	104
Loans and borrowings	C5	8,000	5,973	–	–
Non-current liabilities		**9,608**	**7,149**	**1,594**	**1,570**
Total liabilities		**12,519**	**10,625**	**1,832**	**1,927**
Net assets		**5,659**	**4,872**	**1,432**	**1,363**
Equity attributable to owners of the Company:					
Share capital	C2	566	566	566	566
Reserve for own shares	C3	(24)	(40)	(24)	(40)
Other reserves	C3	(652)	(664)	(32)	(3)
Revenue reserve		5,471	4,726	922	840
Total		**5,361**	**4,588**	**1,432**	**1,363**
Non-controlling interests	G2	298	284	–	–
Total equity		**5,659**	**4,872**	**1,432**	**1,363**

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

Consolidated Statement of Profit or Loss
Year ended December 31, 2024

(S$ million)	Note	Group 2024	Group 2023
Continuing operations			
Turnover	B1, B2	6,417	7,042
Cost of sales		(4,912)	(5,469)
Gross profit		1,505	1,573
General and administrative expenses		(476)	(432)
Other operating income, net		77	36
Non-operating income		186	148
Non-operating expenses		(13)	(7)
Finance income	C6	27	57
Finance costs	C6	(372)	(409)
Share of results of associates and joint ventures, net of tax		317	264
Profit before tax		1,251	1,230
Tax expense	B3	(206)	(182)
Profit from continuing operations	B4	1,045	1,048
Discontinued operation			
Loss from discontinued operation, net of tax	G6	(9)	(78)
Profit for the year		1,036	970
Profit attributable to:			
Owners of the Company		1,011	942
Non-controlling interests		25	28
Profit for the year		1,036	970
Earnings per share (cents):	B5		
Basic		56.72	52.83
Diluted		55.83	51.99
Earnings per share (cents) – Continuing operations:	B5		
Basic		57.23	57.21
Diluted		56.32	56.29

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

Consolidated Statement of Comprehensive Income
Year ended December 31, 2024

(S$ million)	Note	Group 2024	Group 2023
Profit for the year		1,036	970
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		33	(154)
Exchange differences on monetary items forming part of net investment in foreign operation		1	2
Net change in fair value of cash flow hedges		8	(56)
Net change in fair value of cash flow hedges reclassified to profit or loss		(30)	(3)
Realisation of reserves upon disposal of investments and assets held for sale		(2)	137
Share of other comprehensive income of associates and joint ventures		18	1
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	F2	5	1
Income tax relating to these items	B3d	4	11
		37	(61)
Items that may not be reclassified subsequently to profit or loss:			
Defined benefit plan actuarial gains and losses		(9)	(11)
Change in fair value of financial assets at fair value through other comprehensive income		1	(6)
Income tax relating to these items	B3d	2	2
		(6)	(15)
Other comprehensive income for the year, net of tax		31	(76)
Total comprehensive income for the year		1,067	894
Total comprehensive income attributable to:			
Owners of the Company		1,039	874
Non-controlling interests		28	20
Total comprehensive income for the year		1,067	894
Total comprehensive income attributable to owners of the Company:			
Continuing operations		1,039	819
Discontinued operation		–	55
		1,039	874

Consolidated Statement of Changes in Equity

Year ended December 31, 2024

(S$ million)	Share capital	Reserve for own shares	Foreign currency translation reserve	Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
	Attributable to owners of the Company											
Group												
Balance at January 1, 2024	566	(40)	(672)	(93)	29	(9)	36	45	4,726	4,588	284	4,872
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	1,011	1,011	25	1,036
Other comprehensive income												
Foreign currency translation differences for foreign operations	–	–	30	–	–	–	–	–	–	30	3	33
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	1	–	–	–	–	–	–	1	–	1
Net change in fair value of cash flow hedges	–	–	–	–	–	–	–	7	–	7	*	7
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	–	–	–	–	(25)	–	(25)	–	(25)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–	–	1	–	–	1	–	1
Realisation of reserves upon disposal of investments	–	–	7	(1)	–	–	–	–	(8)	(2)	–	(2)
Transfer of reserves	–	–	–	(1)	–	–	–	–	1	–	–	–
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	–	–	–	–	5	–	5	–	5
Defined benefit plan actuarial gains and losses	–	–	–	–	–	–	–	–	(7)	(7)	–	(7)
Share of other comprehensive income of associates and joint ventures	–	–	–	*	–	–	*	18	–	18	–	18
Total other comprehensive income for the year	–	–	38	(2)	–	–	1	5	(14)	28	3	31
Total comprehensive income for the year	–	–	38	(2)	–	–	1	5	997	1,039	28	1,067
Transactions with owners of the Company, recognised directly in equity												
Share issuance	–	–	–	–	–	–	–	–	–	–	9	9
Share-based payments	–	–	–	–	–	24	–	–	–	24	–	24
Purchase of treasury shares	–	(19)	–	–	–	–	–	–	–	(19)	–	(19)
Treasury shares transferred to employees	–	35	–	–	–	(35)	–	–	–	–	–	–
Cash settlement of PSP and RSP (Note B6) at the discretion of the Company	–	–	–	–	–	(17)	–	–	–	(17)	–	(17)
Acquisition of non-controlling interests	–	–	–	(2)	–	–	–	–	(2)	(4)	(6)	(10)
Dividend paid / payable to owners (Note C4)	–	–	–	–	–	–	–	–	(250)	(250)	–	(250)
Dividend paid / payable to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(17)	(17)
Total transactions with owners	–	16	–	(2)	–	(28)	–	–	(252)	(266)	(14)	(280)
At December 31, 2024	566	(24)	(634)	(97)	29	(37)	37	50	5,471	5,361	298	5,659

Consolidated Statement of Changes in Equity

Year ended December 31, 2024

	Attributable to owners of the Company											
(S$ million)	Share capital	Reserve for own shares	Foreign currency translation reserve	Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
Group												
Balance at January 1, 2023	566	(31)	(957)	176	29	11	40	93	4,050	3,977	239	4,216
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	942	942	28	970
Other comprehensive income												
Foreign currency translation differences for foreign operations	–	–	(146)	–	–	–	–	–	–	(146)	(8)	(154)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	2	–	–	–	–	–	–	2	–	2
Net change in fair value of cash flow hedges	–	–	–	–	–	–	–	(45)	–	(45)	*	(45)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	–	–	–	–	(3)	–	(3)	–	(3)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–	–	(6)	–	–	(6)	–	(6)
Realisation of reserves upon disposal of assets held for sale	–	–	423	(288)	–	(4)	–	–	2	133	–	133
Realisation of reserves upon disposal of associates	–	–	4	*	–	–	–	–	–	4	–	4
Transfer of reserves	–	–	2	16	–	7	2	5	(32)	–	–	–
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	–	–	–	–	1	–	1	–	1
Defined benefit plan actuarial gains and losses	–	–	–	–	–	–	–	–	(9)	(9)	*	(9)
Share of other comprehensive income of associates and joint ventures	–	–	–	3	–	–	–	(6)	4	1	–	1
Total other comprehensive income for the year	–	–	285	(269)	–	3	(4)	(48)	(35)	(68)	(8)	(76)
Total comprehensive income for the year	–	–	285	(269)	–	3	(4)	(48)	907	874	20	894
Transactions with owners of the Company, recognised directly in equity												
Share issuance	–	–	–	–	–	–	–	–	–	–	30	30
Share-based payments	–	–	–	–	–	29	–	–	–	29	–	29
Purchase of treasury shares	–	(61)	–	–	–	–	–	–	–	(61)	–	(61)
Treasury shares transferred to employees	–	52	–	–	–	(52)	–	–	–	–	–	–
Dividend paid / payable to owners (Note C4)	–	–	–	–	–	–	–	–	(231)	(231)	–	(231)
Dividend paid / payable to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(5)	(5)
Total transactions with owners	–	(9)	–	–	–	(23)	–	–	(231)	(263)	25	(238)
At December 31, 2023	566	(40)	(672)	(93)	29	(9)	36	45	4,726	4,588	284	4,872

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

Consolidated Statement of Cash Flows

Year ended December 31, 2024

(S$ million)	Group 2024	Group 2023
Cash flows from operating activities		
Profit for the year:		
– Continuing operations	1,045	1,048
– Discontinued operation	(9)	(78)
Adjustments for:		
Dividend income	(1)	(2)
Finance income	(27)	(57)
Finance costs	372	409
Deferred payment note income	(169)	(133)
Depreciation and amortisation	450	454
Amortisation of deferred income and capital grants	–	14
Share of results of associates and joint ventures, net of tax	(317)	(264)
Loss / (Gain) on disposal of:		
– asset held for sale	–	78
– property, plant and equipment, intangible assets and other financial assets	(5)	(5)
– subsidiaries, associate and joint ventures	(3)	(5)
Changes in fair value of financial instruments	–	6
Equity settled share-based compensation expenses	24	29
Allowance for impairment loss in value of assets and assets written off, net	7	12
Negative goodwill	(8)	(1)
Impairment and write off of other investment	2	–
Impairment of investment in joint venture	4	–
Tax expense	206	182
Operating profit before working capital changes	1,571	1,687
Changes in:		
Inventories	(5)	2
Receivables	(97)	155
Payables	140	(230)
Contract costs	*	*
Contract assets	(22)	14
Contract liabilities	25	43
	1,612	1,671
Tax paid	(200)	(190)
Net cash from operating activities	**1,412**	**1,481**

(S$ million)	Note	Group 2024	Group 2023
Cash flows from investing activities			
Dividend received		173	166
Interest received		29	58
Proceeds from:			
– disposal of investments in joint ventures and associates		39	–
– disposal of interest in subsidiaries		(6)	–
– sale of property, plant and equipment		17	5
– sale of intangible assets		*	*
– disposal of other financial assets and business		660	698
Proceeds from deferred payment note		404	355
Acquisition of subsidiaries, net of cash acquired		(244)	(502)
Acquisition of investments in joint ventures and associates		(229)	(148)
Acquisition of other financial assets		(673)	(674)
Purchase of property, plant and equipment and investment properties		(1,592)	(826)
Purchase of intangible assets		(16)	(10)
Net cash (used in) investing activities		**(1,438)**	**(878)**
Cash flows from financing activities			
Proceeds from share issued to non-controlling interests of subsidiaries		9	30
Purchase of treasury shares		(19)	(61)
Repayment of lease liabilities		(25)	(21)
Proceeds from borrowings		5,259	4,034
Repayment of borrowings		(4,310)	(4,450)
Dividends paid to owners of the Company		(250)	(231)
Dividends paid to non-controlling interests of subsidiaries		(17)	(5)
Receipts / (Payment) in restricted cash held as collateral		14	(27)
Payment on deferred and contingent considerations		(152)	(12)
Acquisition of non-controlling interest		(10)	–
Interest paid		(345)	(356)
Net cash from / (used in) financing activities		**154**	**(1,099)**
Net increase / (decrease) in cash and cash equivalents		128	(496)
Cash and cash equivalents at beginning of the year		732	1,246
Effect of exchange rate changes on balances held in foreign currency		14	(18)
Cash and cash equivalents at end of the year, including held for sale (less pledge for security)		874	732
Cash balance transferred to held for sale		(24)	–
Cash and cash equivalents at end of the year	E4	850	732

Significant non-cash transactions

During the year, the Group entered new lease arrangements recognising right-of-use assets of S$496 million (Note D1.1), with a corresponding increase in lease liabilities.

During the year, purchase of property, plant and equipment excludes accrued capital expenditure of S$1.5 million (2023: S$0.8 million).

In 2023, proceeds from the capital reduction of a joint venture in China was settled against an amount due to joint venture of S$44 million (Note G3).

Notes to the Financial Statements

A. About These Financial Statements

Sembcorp Industries Ltd (the Company) is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of its registered office is at 30 Hill Street, #05-04, Singapore 179360.

The Company's immediate and ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore which holds a 49.61% ownership stake in the Company.

The financial statements of the Group as at and for the year ended December 31, 2024 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interests in associates and joint ventures.

The financial statements were authorised for issue by the Board of Directors on February 26, 2025.

A1. Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS). SFRS(I) comprises standards and interpretations that are equivalent to IFRS. All references to SFRS(I) and IFRS are subsequently referred to as SFRS(I) in these financial statements unless otherwise specified.

The financial statements have been prepared on a historical cost basis except as otherwise described in the accounting policies.

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about key management judgements and estimates that are considered material to the financial statements is incorporated in respective notes to the financial statements.

The financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest million unless otherwise stated. '*' denotes financial value that is less than S$1 million.

Information is only being included in the financial report to the extent it is considered material and relevant to the understanding of the financial statements. A disclosure is considered material and relevant if:

- dollar amount is significant in value
- dollar amount is significant by nature
- financial results cannot be understood without specific disclosure
- critical to allow user to understand significant changes in group businesses

A2. Material Accounting Policy Information

In addition to the accounting polices described below, other material accounting policies are included in the respective notes to the financial statements.

i. Foreign currencies

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group entities using exchange rates at the dates of the transactions. At each balance sheet date, foreign currency monetary assets and liabilities are translated to the functional currency using foreign exchange rates at that date.

Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using exchange rates at the date of the transaction while those measured at fair value are translated to the functional currency using exchange rates at the date the fair value was determined.

Foreign currency differences are recognised in profit or loss, except when arising from the translation of the following items, in which case the differences are recognised in other comprehensive income:

- Equity instruments designated as fair value through other comprehensive income (FVOCI). (However, upon impairment, the foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- A financial liability designated as a hedge of a net investment in a foreign operation to the extent that the hedge is effective; or
- Qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of entities with a functional currency other than Singapore dollar are expressed in Singapore dollar using exchange rates prevailing at the balance sheet date. Income and expense items and cash flows are translated at the average exchange rates for each month and exchange differences arising are recognised directly in other comprehensive income.

On disposal of a foreign entity, the cumulative amount previously recognised in the consolidated statement of comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated accordingly.

Net investment in a foreign operation

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's profit or loss. Such exchange differences are reclassified to the foreign currency translation reserve in the consolidated statement of comprehensive income and are released to the consolidated statement of profit or loss upon disposal of the investment as part of the gain or loss on disposal.

ii. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

The financial statements of subsidiaries acquired or disposed during the financial year are included or excluded from the consolidated financial statements from their respective dates of obtaining control or ceasing control. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group. All intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset.

Acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition includes fair values of any contingent or deferred consideration arrangement and any pre-existing equity interest in the subsidiary. Subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. From January 1, 2017, acquisition related costs are recognised in the profit or loss as incurred whereas prior to this date, acquisition related costs formed part of the cost of acquisition. The unwinding of any interest element of deferred consideration is recognised in profit or loss.

Any excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit or loss on the date of acquisition.

Business combinations that involve entities under common control are excluded from the scope of SFRS(I) 3. Such combinations are accounted at historical costs in a manner similar to the pooling-of-interest method, in the preparation of the consolidated financial statements. Under this method of accounting, the difference between the value of the share capital issued and the value of shares received is taken to the merger reserve.

Notes to the Financial Statements

A. About These Financial Statements *(cont'd)*

A2. Material Accounting Policy Information *(cont'd)*

ii. Basis of consolidation *(cont'd)*

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

From January 1, 2010, changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. The difference between the change in the carrying amounts of the non-controlling interests (NCI) and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Prior to January 1, 2010, any excess of the cost of acquisition of NCI over the carrying amount of the interest in the net assets acquired at the date of acquisition was recognised as goodwill.

On a transaction-by-transaction basis, the measurement of NCI is either at fair value or at the NCI's share of the fair value of the identifiable net assets of the acquiree.

Non-controlling interest

NCI comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statements of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the NCI based on their respective interest in a subsidiary, even if this results in the NCI having a deficit balance.

Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of net assets of the subsidiary.

Associates and joint ventures

Associates and joint ventures are accounted for using the equity method of accounting from the date that significant influence commences until the date that significant influence ceases and are recognised initially at cost. The cost of investments includes transaction costs. When the Group's share of losses exceeds its interest in the associate or joint venture, the carrying amount of the investment (including any other unsecured receivables, that in substance, form part of the Group's net investment) is reduced to zero, and the recognition of further losses is discontinued unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to profit or loss in the period of the acquisition. Where the audited financial statements are not yet available for the purpose of statutory filing, the share of results is arrived at from management financial statements.

Impairment for associates and joint ventures

An impairment loss in respect of an associate or joint venture shall be recognised if, and only if, the recoverable amount of the investment is less than the carrying amount. An impairment loss is recognised in the profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

New standards and amendments

The Group has applied the following amendments to SFRS(I)s which became effective on January 1, 2024:

- SFRS(I) 16: Lease Liability in a Sale and Leaseback
- SFRS(I) 1-7 Statement of Cash Flows and SFRS(I) 7 Financial Instrument Disclosures: Supplier Finance Arrangement

In the prior year, the Group has early adopted Amendments to SFRS(I) 1-1 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants).

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

B. Our Performance

B1. Segments Information

The Group has categorised its business segments based on the internal reports that are reviewed and used by the executive management team in determining the allocation of resources and in assessing performance of the operating segments. The Group's businesses are categorised into the five main segments, namely Gas and Related Services, Renewables, Integrated Urban Solutions, Decarbonisation Solutions, and Other Businesses and Corporate.

The Group will contribute to achieving a low-carbon future through a responsible energy transition. The Gas and Related Services segment continues to provide reliable energy, and its significantly contracted position provides earnings visibility to support the Group's renewables growth and the development of decarbonisation solutions.

The principal activities of key subsidiaries under the five main segments are as follows:

i. Gas and Related Services

The Gas and Related Services segment's principal activities include the sale of energy molecules (including natural gas, steam and electricity from a diversity of fossil fuels such as natural gas). This segment also includes sale of water products from its integrated assets.

ii. Renewables

The Renewables segment's principal activities are the provision of self-generated electricity from solar and wind resources, energy storage, as well as provision of system services that support integration of renewables into grid. This segment also includes the development and provision of installation, operation and maintenance of solar, wind and energy storage assets.

iii. Integrated Urban Solutions

The Integrated Urban Solutions segment supports sustainable development through its suite of urban, water as well as waste and waste-to-resource solutions. The segment's businesses comprise the development of large-scale integrated urban developments and integrated townships such as industrial parks, business, commercial and residential spaces, production and reclamation of water and industrial wastewater treatment as well as solid waste management and waste-to-resource solutions.

iv. Decarbonisation Solutions

The Decarbonisation Solutions segment includes the trading of Environmental Attributes, low-carbon feedstock (green hydrogen and ammonia), power imports and carbon capture, utilisation and storage (CCUS) business.

v. Other Businesses and Corporate

The Other Businesses and Corporate segment comprise businesses mainly relating to specialised construction, minting, the Group's captive insurance and financial services, as well as corporate costs.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments

Information regarding the continuing operations' results of each reportable segment is included below.

	Continuing operations						
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Businesses and Corporate	Elimination	Total
2024							
Turnover							
External sales	4,637	746	431	53	550	–	6,417
Inter-segment sales	57	18	44	8	12	(139)	–
Total	**4,694**	**764**	**475**	**61**	**562**	**(139)**	**6,417**
Results							
Earnings before interest, taxes, depreciation and amortisation[1] (EBITDA)	908	565	141	(19)	144	(5)	1,734
Share of results of associates and joint ventures, net of tax	132	58	127	*	*	–	317
Adjusted EBITDA	**1,040**	**623**	**268**	**(19)**	**144**	**(5)**	**2,051**
Depreciation and amortisation	(142)	(235)	(61)	*	(12)	–	(450)
Other non-cash (expenses) / income:							
– Negative goodwill	–	8	–	–	–	–	8
– Allowance for impairment in value of assets and assets written off, net	2	(5)	(2)	–	(4)	–	(9)
– Others	–	*	–	*	(4)	–	(4)
Finance income	39	9	17	1	53	(92)	27
Finance costs	(73)	(174)	(11)	*	(206)	92	(372)
Profit / (Loss) before tax	**866**	**226**	**211**	**(18)**	**(29)**	**(5)**	**1,251**
Tax (expense) / credit	(127)	(36)	(30)	2	(15)	–	(206)
Non-controlling interests	(12)	(4)	(9)	–	*	–	(25)
Profit / (Loss) attributable to owners of the Company	**727**	**186**	**172**	**(16)**	**(44)**	**(5)**	**1,020**
Loss from discontinued operation, net of tax							**(9)**
Profit attributable to owners of the Company							**1,011**
Assets							
Segment assets	4,531	8,237	1,370	48	3,908	(3,188)	14,906
Associates and joint ventures	648	1,160	932	*	–	–	2,740
Tax assets	33	67	19	*	21	–	140
	5,212	**9,464**	**2,321**	**48**	**3,929**	**(3,188)**	**17,786**
Assets held for sale	–	3	389	–	–	–	392
Total assets	**5,212**	**9,467**	**2,710**	**48**	**3,929**	**(3,188)**	**18,178**
Liabilities							
Segment liabilities	2,495	6,614	372	18	5,244	(3,183)	11,560
Tax liabilities	338	367	13	*	93	–	811
	2,833	**6,981**	**385**	**18**	**5,337**	**(3,183)**	**12,371**
Liabilities held for sale	–	–	148	–	–	–	148
Total liabilities	**2,833**	**6,981**	**533**	**18**	**5,337**	**(3,183)**	**12,519**
Capital expenditure[2]	**384**	**1,072**	**21**	**3**	**11**	**–**	**1,491**

[1] Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off.

[2] Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill and carbon allowances.

The EBITDA elimination amount relates to unrealised profits on the sale of Environmental Attributes across the segments with corresponding adjustment in segment assets.

Other Businesses and Corporate's segment assets include DPN receivable (Note H1).

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments *(cont'd)*

	Continuing operations						
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Businesses and Corporate	Elimination	Total
2023							
Turnover							
External sales	5,457	703	418	16	448	–	7,042
Inter-segment sales	50	1	17	5	11	(84)	–
Total	5,507	704	435	21	459	(84)	7,042
Results							
Earnings before interest, taxes, depreciation and amortisation[1] (EBITDA)	1,088	514	120	(11)	82	(4)	1,789
Share of results of associates and joint ventures, net of tax	94	88	82	*	*	–	264
Adjusted EBITDA	1,182	602	202	(11)	82	(4)	2,053
Depreciation and amortisation	(190)	(198)	(54)	*	(12)	–	(454)
Other non-cash (expenses) / income:							
– Allowance for impairment in value of assets and assets written off	(7)	(2)	(3)	–	*	–	(12)
– Others	–	1	–	–	(6)	–	(5)
Finance income	55	16	20	1	91	(126)	57
Finance costs	(95)	(174)	(12)	*	(254)	126	(409)
Profit / (Loss) before tax	945	245	153	(10)	(99)	(4)	1,230
Tax expense	(124)	(39)	(19)	*	*	–	(182)
Non-controlling interests	(12)	(8)	(8)	–	*	–	(28)
Profit / (Loss) from continuing operations	809	198	126	(10)	(99)	(4)	1,020
Loss from discontinued operation, net of tax							(78)
Profit attributable to owners of the Company							942
Assets							
Segment assets	4,844	6,272	1,440	51	3,589	(3,176)	13,020
Associates and joint ventures	514	1,040	837	*	5	–	2,396
Tax assets	22	23	17	–	19	–	81
Total assets	5,380	7,335	2,294	51	3,613	(3,176)	15,497
Liabilities							
Segment liabilities	2,916	4,897	422	13	4,715	(3,172)	9,791
Tax liabilities	328	337	67	–	102	–	834
Total liabilities	3,244	5,234	489	13	4,817	(3,172)	10,625
Capital expenditure[2]	213	595	40	*	8	–	856

[1] Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off.

[2] Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill and carbon allowances.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

b. Geographical Segments

The Group's geographical segments are presented in six principal areas: Singapore, China, India, the Rest of Asia, United Kingdom (UK) and the Middle East. In presenting these segments, segment revenue is based on the geographical location of customers, while segment assets and total assets are based on the geographical location of the assets.

Continuing operations

	Turnover		Capital Expenditure	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Singapore	4,754	5,297	533	326
UK	561	710	82	83
China[1]	383	364	18	32
India	366	364	586	249
Rest of Asia	287	261	6	2
Middle East	48	44	266	164
Other Countries[2]	18	2	–	–
Total	**6,417**	**7,042**	**1,491**	**856**

	Non-current Assets		Total Assets	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Singapore	4,523	3,989	6,043	5,005
China[1]	3,705	3,681	4,605	4,406
India	3,143	2,493	3,397	2,834
Rest of Asia	1,788	1,291	2,276	1,715
UK	815	800	970	970
Middle East	823	517	865	547
Other Countries	19	20	22	20
Total	**14,816**	**12,791**	**18,178**	**15,497**

[1] The China businesses within the Renewables and Integrated Urban Solutions segments consist of associates and joint ventures accounted for under the equity method.

[2] The increase in turnover in other countries was mainly from GoNetZero™.

Majority of the Group's revenue from continuing operations is from Singapore and UK which contributed to 74% (2023: 75%) and 9% (2023: 10%) respectively.

The increase in non-current assets in FY2024 for Singapore, India and Middle East was mainly attributable to capital expenditure and additions to right-of-use (ROU) assets incurred during the year. This was mainly to support the solar project in Singapore, various wind-solar hybrid power projects secured in India in 2023 and 2024, and the Group's first greenfield renewables project in Oman, Middle East. In Singapore, the increase also included investments in the development of a new multi-utilities centre on Jurong Island. The acquisitions of subsidiaries, associates and joint ventures during the year also contributed to the increase in non-current assets in Singapore, Rest of Asia and China.

B2. Turnover

This note explains how the Group's revenue from contracts with customers are measured and recognised.

Accounting policies

Revenue is measured based on consideration specified in a contract with customer. The Group recognises revenue when it transfers control over a good or service to a customer.

For all revenue contracts with customers, the Group accounts for modifications to the scope or price (or both) of a contract, as separate contracts, if the modifications add distinct goods or services at their stand-alone selling prices. For contract modifications that add distinct goods or services but not at their stand-alone selling prices, the Group applies a new transaction price, combining the remaining consideration with the consideration promised on the modification, to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and recognises a cumulative adjustment to revenue at the date of the modification.

Revenue from Contracts with Customers

a. Sale of Electricity, Utilities and Gas and Related Services

The sale of electricity, utilities and gas and related services are determined to be a series of distinct goods satisfied over time. This is because the customers simultaneously receive and consume the benefits provided by the Group. Invoices are generated monthly based on the output delivered to the customers. No significant element of financing is deemed present as the sales are typically made with a credit term of 30 days, consistent with market practice.

Revenue from these sales is recognised based on price (including variable considerations) specified in the contracts. Variable considerations such as off specification delivery are reviewed and estimated monthly. A refund liability is recognised in provisions for off specification delivery and outage, if any.

When the period between the satisfaction of a performance obligation and payment by the customer exceeds one year, the Group adjusts the consideration for time value of money and recognises a financing component.

b. Service Concession Revenue

The Group has entered into service concession contracts with local governments or governing agencies (the grantor) to design, build and operate (including maintenance) water treatment plants or power generation plants over an agreed period ranging from 22 to 30 years. At the end of the concession period, these assets are to be transferred to the grantor and any extension will be based on mutual agreements. These contractual arrangements fall within the scope of SFRS(I) INT 12.

The Group recognises and measures revenue for building (construction services) and operating these assets as specified in the contracts in accordance with SFRS(I) 15 for the services performed. Revenue relating to construction services under a service concession arrangement is recognised over time when the performance obligations are satisfied.

Operation or service revenue is recognised in the period in which the services are provided by the Group, consistent with the Group's accounting policy on recognising revenue on sale of electricity, utilities and gas and related services (see Note B2(a) above). When the Group provides more than one service in a service concession arrangement, the consideration received is allocated with reference to the relative stand-alone selling prices of the services delivered.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Accounting policies *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. **Construction of Infrastructure and Related Engineering Services**

The Group builds specialised assets for customers for which the Group does not have an alternative use. Revenue is recognised when control over the specialised asset has been transferred to customers.

Contracts with Enforceable Right to Payment

For contracts where the Group has contractual enforceable rights to payment, revenue is recognised over time with reference to the Group's progress towards completing the construction of the specialised asset. The stage of completion is typically assessed either by surveys of work performed (output method), or the cost incurred to date relative to total estimated cost (input method), depending on which method commensurate with the pattern of transfer of control to customers. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

The Group recognises a financing component using discount rates at contract inception if the delivery of goods and payment by customers exceed one year. If the period between the delivery and payment is one year or less, the Group applies the practical expedient not to adjust for significant financing component.

For contracts with standard warranty terms on the performance of the asset, a warranty provision is estimated based on historical data, from known and expected warranty work as well as contractual obligations to be performed after completion. The warranty expense incurred could be higher or lower than the provision made.

d. **Sales of Development Properties**

The Group develops and sells residential projects to customers through fixed price contracts. For such contracts, the Group does not have enforceable rights to payment in accordance with the contractual terms. Revenue is recognised at a point in time when the control over the residential project has been transferred to customers and customers' acceptance has been obtained, which is also when the rights to payment become enforceable.

e. **Sales of Other Goods**

Revenue is recognised at a point in time when the goods are transferred to customers and the criteria for acceptance have been satisfied.

Rental Income

Rental income receivable under operating lease is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease.

Contingent rentals are recognised as income in the accounting period in which they are earned.

Key estimates and judgements

The Group has applied judgement and estimates in recognising revenue from long-term contracts. Any increases or decreases in estimated revenue or costs due to change in circumstances are reflected in the profit or loss in the period in which the changes become known to management. The key estimates and judgements applied are:

Performance Obligation

Significant judgement is required in determining whether the performance obligations are distinct. The Group's assessment includes considerations of whether customers can benefit from the good or service either on its own or together with other resources that are readily available to the customers and whether the Group's promise to transfer the good or service to the customers is separately identifiable from other promises in the contracts. The Group has assessed that long-term contracts with customers have a single performance obligation in view that the services in the contracts are not distinct.

Variable Considerations

For contracts with variable considerations (i.e. liquidated damages, or where customers can contractually rescind the delivery of utilities and gas which do not meet the specifications), the Group has applied judgement in determining the transaction price, based on evaluation of any potential risks and factors which may affect the completion or delivery of the contracts, in accordance with the contractual obligations.

Percentage of Completion

For revenue recognised over time, the percentage of completion for certain contracts is assessed by reference to the contract costs incurred to date in proportion to the total estimated contract costs for each contract. In making these estimates, the Group has relied on the expertise of surveying engineers and management's past experiences from completed projects. The estimated total costs are reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Onerous Contracts

The Group conducts critical review of all its long-term construction contracts regularly. Allowance is made to account for onerous contracts. The Group monitors and reviews the progress of all long-term land development and construction contracts, taking into consideration inputs from internal project managers and external customers in estimating the total contract costs to complete as well as evaluating any potential risks and factors which may affect contract prices, costs and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

Cost Allocation Method on Long-term Land Development Contracts

Land development costs incurred are capitalised as work-in-progress and allocated to the respective parcels of land based on the relative sales method.

Fulfilment Costs

Significant judgement is required to determine if the contract costs recognised are expected to be recovered. Such judgement includes assessment of any potential risks and factors which may affect customers' ability to take delivery of the construction. The assessment also encompasses the analysis of the industry outlook and customers' financial health.

Information regarding the turnover for continuing operations is included below:

(S$ million)	Note	2024	2023
Revenue from contracts with customers	a	6,408	7,035
Rental income		9	7
		6,417	7,042

There was no revenue from performance obligations satisfied or partially satisfied in previous periods due to change in estimate of the transaction price in 2024 and 2023.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers

a. Disaggregation of Revenue from Contracts with Customers

The table below disaggregates revenue from contracts with customers by primary geographical markets, major product / service lines, and timing of revenue recognition. It also provides a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments					
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2024						
Primary geographical markets						
Singapore	3,842	148	225	6	533	4,754
UK	518	15	–	28	*	561
China	–	183	196	–	*	379
India	–	359	–	*	7	366
Rest of Asia	232	38	1	3	8	282
Middle East	45	3	–	–	–	48
Other countries	–	–	–	16	2	18
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	4,150	706	–	–	*	4,856
Provision of water products, reclamation of water and industrial wastewater treatment	136	–	182	–	–	318
Solid waste management	5	–	211	–	–	216
Service concession revenue	232	–	10	–	–	242
Construction and engineering related activities	–	–	–	–	511	511
Others	114	40	19	53	39	265
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**
Timing of revenue recognition						
Over time	4,634	741	409	–	518	6,302
At a point in time	3	5	13	53	32	106
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**

	Reportable segments					
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2023						
Primary geographical markets						
Singapore	4,485	156	210	16	430	5,297
UK	687	23	–	–	*	710
China	*	160	201	–	–	361
India	–	358	–	–	6	364
Rest of Asia	241	6	*	–	10	257
Middle East	44	–	–	–	–	44
Other countries	–	–	–	–	2	2
Total	**5,457**	**703**	**411**	**16**	**448**	**7,035**
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	4,980	665	–	–	*	5,645
Provision of water products, reclamation of water and industrial wastewater treatment	135	–	187	–	–	322
Solid waste management	*	–	196	–	–	196
Service concession revenue	240	–	14	–	–	254
Construction and engineering related activities	–	–	–	–	409	409
Others	102	38	14	16	39	209
Total	**5,457**	**703**	**411**	**16**	**448**	**7,035**
Timing of revenue recognition						
Over time	5,457	673	399	–	416	6,945
At a point in time	–	30	12	16	32	90
Total	**5,457**	**703**	**411**	**16**	**448**	**7,035**

i. Service concession revenue included interest revenue of S$56 million (2023: S$58 million).

ii. The lower turnover in FY2024 was mainly attributed to lower contributions from the Gas and Related Services segment due to planned major maintenance, lower gas offtake, lower gas price and pool price in Singapore, as well as lack of scarcity event and lower power prices in UK. This is mitigated by the increase in the turnover for the Renewables segment, attributable to the acquisitions in India and Vietnam and increased operational capacity, as well as Other Businesses and Corporate segment due to higher activities in the specialised construction business.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

b. Transaction Price Allocated to Remaining Performance Obligations

Accounting policies

The Group has elected to apply the practical expedient, in paragraph 121 of SFRS(I) 15, and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at balance sheet date. This is estimated based on the expected progress of the projects or expected energy output. Estimated amounts of considerations which are variable in nature are not included in the table below.

(S$ million)	Note	Within the next 1 year	Between 1 to 5 years	More than 5 years	Total
2024					
Segment					
Gas and Related Services		915	1,802	768	3,485
Renewables	i	–	–	–	–
Integrated Urban Solutions		88	167	92	347
Other Businesses and Corporate		653	1,153	182	1,988
Total		1,656	3,122	1,044	5,822
2023					
Segment					
Gas and Related Services		654	2,049	697	3,400
Renewables	i	–	–	–	–
Integrated Urban Solutions		85	169	140	394
Other Businesses and Corporate		426	865	38	1,329
Total		1,165	3,083	875	5,123

i. The Group does not disclose information about its remaining performance obligations as the Renewables' energy output is variable in nature and the Group has a right to invoice the customers amounts that corresponds directly with its actual energy output.

c. Assets and Liabilities Related to Contracts with Customers

Contract Assets and Contract Liabilities

The Group and the Company have recognised the following assets and liabilities related to contracts with customers:

(S$ million)	Group 2024	Group 2023	Company 2024	Company 2023
Contract assets	37	15	–	–
Contract liabilities				
Current	197	171	2	1
Non-current	79	80	35	37
Total	276	251	37	38

Contract Assets

Accounting policies

Contract asset is recognised when the value of goods transferred, or services rendered for the contract exceeds payments received from customers. The contract assets are transferred to trade receivables when the rights become unconditional.

The contract assets relate to the Group's conditional rights to consideration in the sale of the renewable obligation certificates.

Changes in the contract assets balances during the period are as follows:

(S$ million)	Group 2024	Group 2023	Company 2024	Company 2023
Transfer of contract assets recognised at the beginning of the year to trade receivables	(9)	(25)	–	–
Recognition of revenue, net of transfer to trade receivables during the year	31	10	–	–
Currency translation charges	*	*	–	–
Cumulative catch-up adjustments arising from:				
– Changes in measurement of progress	*	*	–	–
– Contract modifications	*	1	–	–

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. Assets and Liabilities Related to Contracts with Customers *(cont'd)*

Contract Assets and Contract Liabilities *(cont'd)*

Contract Liabilities

Accounting policies

Contract liability is recognised when payments received or receivable from customers exceed the revenue recognised. Contract liabilities are recognised as revenues, either over time or at a point in time, when services are provided to customers. For revenue recognised over time, the balance at year end will be recognised over the remaining period stipulated in the contracts.

Contract liabilities for the Group include advance received for connection and capacity charges used for delivery of utilities. The changes in the contract liabilities balances during the year are:

	Group		Company	
(S$ million)	2024	2023	2024	2023
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(142)	(132)	(3)	(3)
Increases due to cash received, excluding amounts recognised as revenue during the year	171	184	–	13
Currency translation changes	*	*	–	–
Cumulative catch-up adjustments arising from:				
– Changes in measurement of progress	(2)	1	–	–
– Contract modifications	(2)	(10)	–	–

B3. Taxation

This note explains how the Group's tax charge arises. The deferred tax section of the note also provides information on expected future tax charges and sets out the tax assets held across the Group whether they are expected to be recoverable in future.

a. Tax Expenses

Accounting policies

Tax expense comprises current and deferred tax, using tax rates enacted or substantively enacted at the balance sheet date. Tax expense is recognised in profit or loss except if it relates to (i) business combinations and is recognised in equity or (ii) other items recognised directly in equity or in other comprehensive income.

Current tax is the expected taxable income (payable) or tax loss (recoverable) for the year and includes adjustments to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and for taxation purposes.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences:

i. the initial recognition of goodwill.

ii. the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (a) affects neither accounting nor taxable profit or loss; and (b) does not give rise to equal taxable and deductible temporary differences; and

iii. differences relating to investments in subsidiaries, joint ventures and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities and assets on a net basis.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.

The Group recognises separately deferred tax asset and deferred tax liability, for the deductible and taxable temporary differences on its lease liabilities and right-of-use assets respectively, see Note B3(c).

The Group is subject to the global minimum top-up tax under the Pillar Two tax legislation and has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when it is incurred.

Key estimates and judgements

The Group is subjected to taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for taxes. In determining the amount of current and deferred taxes, the Group considers current understanding and interpretations of existing tax laws and applies judgement as to whether the tax balances will be utilised and / or reversed in foreseeable future. The eventual taxes paid or received may vary, for which the differences will be charged to profit or loss in the period when determination is made.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

a. Tax Expenses *(cont'd)*

(S$ million)	Note	Group 2024	Group 2023
Current tax expense			
Current year		170	192
Over provided in prior years	i	(28)	(36)
Foreign withholding tax		3	12
		145	168
Deferred tax expense			
Movements in temporary differences		34	19
Under / (Over) provided in prior years	i	21	(6)
Effect of changes in tax rates	ii	–	1
		55	14
Land appreciation tax expense			
Current year		6	–
Tax expense on continuing operations		206	182
Reconciliation of effective tax rate			
Profit from continuing operations		1,045	1,048
Tax expense		206	182
Share of results of associates and joint ventures, net of tax		(317)	(264)
Profit before tax and share of results of associates and joint ventures from continuing operations		934	966
Tax using Singapore tax rate of 17% (2023: 17%)		159	164
Effect of changes in tax rates		*	1
Effect of different tax rates in foreign jurisdictions		16	10
Tax incentives and income not subject to tax		(63)	(26)
Expenses not deductible for tax purposes		85	42
Utilisation of deferred tax benefits not previously recognised		(4)	(4)
Over provided in prior years		(7)	(42)
Deferred tax benefits not recognised		5	10
Foreign withholding tax		3	12
Deferred tax on unremitted dividend income		–	2
Others		12	13
Tax expense on continuing operations		206	182

i. The overprovision of the current tax was mainly related to tax optimisation through Group Tax Relief and writeback of tax provisions including those that were time-barred.

ii. Related to the enactment of UK corporation tax rate from 19% to 25%, which took effect from 2023.

b. International Tax Reform – Pillar Two

The Group is within scope of the OECD Pillar Two ("Pillar Two") tax legislation.

Out of all the tax jurisdictions the Group operates in, seven have enacted or substantively enacted new legislation to implement the global minimum top-up tax. The relevant tax jurisdictions and the effective dates of the legislation in these jurisdictions are as follows:

Tax jurisdictions	Effective Date
Netherlands, UK, and Vietnam	January 1, 2024
Malaysia, Singapore, Indonesia and UAE	January 1, 2025

The Group has recognised an estimated current tax expense related to Pillar Two from a joint venture amounting to S$3 million. As provided under SFRS(I) 1-12 Income Taxes, the Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group continues to monitor legislative developments and refine its calculations as more definitive guidance becomes available.

c. Deferred Tax Assets and Liabilities

As at December 31, 2024, after applying the legal right to offset, deferred tax assets were S$69 million (2023: S$66 million) and deferred tax liabilities were S$629 million (2023: S$598 million).

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the year are as follows:

(S$ million)	Group At January 1	Recognised in profit or loss – continuing operations (Note a)	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Transfer to held for sale (Note G6)	Translation adjustments	At December 31
2024							
Deferred tax liabilities							
Property, plant and equipment	584	131	–	20	(34)	2	703
Right-of-use assets	40	75	–	–	(10)	*	105
Other financial assets	40	(3)	(3)	–	–	*	34
Trade and other receivables	23	2	–	–	–	–	25
Intangible assets	170	(44)	–	8	–	1	135
Retirement benefit obligations	6	*	*	*	*	*	6
Other items	8	(5)	(2)	*	(1)	*	*
Total	871	156	(5)	28	(45)	3	1,008
Deferred tax assets							
Property, plant and equipment	(79)	(12)	–	–	–	*	(91)
Right-of-use assets	(2)	2	–	–	–	*	–
Inventories	*	*	–	–	–	*	*
Trade receivables	(7)	1	–	(1)	*	*	(7)
Trade and other payables	(16)	*	–	–	–	*	(16)
Tax losses	(110)	(5)	–	(16)	–	*	(131)
Provisions	(49)	(2)	–	(1)	1	(1)	(52)
Lease liabilities	(37)	(85)	–	*	11	*	(111)
Other financial liabilities	(24)	1	(1)	–	–	*	(24)
Other items	(15)	(1)	–	–	–	*	(16)
Total	(339)	(101)	(1)	(18)	12	(1)	(448)

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

c. Deferred Tax Assets and Liabilities *(cont'd)*

(S$ million)	Group					
	At January 1 Restated	Recognised in profit or loss – continuing operations (Note a)	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Translation adjustments	At December 31
2023						
Deferred tax liabilities						
Property, plant and equipment	475	57	–	55	(3)	584
Right-of-use assets	32	4	–	4	*	40
Other financial assets	46	(2)	(11)	7	*	40
Trade and other receivables	33	(10)	–	–	–	23
Intangible assets	112	(6)	–	67	(3)	170
Retirement benefit obligations	6	*	*	–	*	6
Other items	11	(1)	(3)	–	1	8
Total	715	42	(14)	133	(5)	871
Deferred tax assets						
Property, plant and equipment	(79)	*	–	–	*	(79)
Right-of-use assets	–	*	–	(2)	*	(2)
Inventories	(2)	2	–	–	*	*
Trade receivables	(4)	1	–	(4)	*	(7)
Trade and other payables	(11)	(5)	–	–	*	(16)
Tax losses	(64)	(11)	–	(37)	2	(110)
Provisions	(42)	(10)	–	–	3	(49)
Lease liabilities	(33)	(4)	–	–	*	(37)
Other financial liabilities	(24)	(1)	1	–	*	(24)
Other items	(16)	*	–	–	1	(15)
Total	(275)	(28)	1	(43)	6	(339)

(S$ million)	Company						
	At January 1, 2023	Recognised in profit or loss	Recognised in equity	At December 31, 2023	Recognised in profit or loss	Recognised in equity	At December 31, 2024
Deferred tax liabilities							
Property, plant and equipment	34	(2)	–	32	4	–	36
Right-of-use assets	15	(1)	–	14	*	–	14
Other financial assets	–	–	*	*	–	*	*
Other Items	–	*	–	*	*	–	–
Total	49	(3)	*	46	4	*	50
Deferred tax assets							
Lease liabilities	(19)	1	–	(18)	*	–	(18)
Provisions	(5)	(3)	–	(8)	*	–	(8)
Total	(24)	(2)	–	(26)	*	–	(26)

The deferred tax liabilities and assets amounts determined after appropriate offsetting included in the balance sheet are as follows:

(S$ million)	Group		Company	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Deferred tax liabilities	629	598	24	20
Deferred tax assets	(69)	(66)	–	–
	560	532	24	20

Unrecognised deferred tax liabilities

As at December 31, 2024, a deferred tax liability of S$2 million (2023: S$3 million) for potential taxable temporary differences arising from undistributed retained earnings related to investment in subsidiaries and joint ventures was not recognised.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised where:

i. they qualify for offset against the tax liabilities of member companies within the Group under the Loss Transfer System of Group Relief, but the terms of the transfer have not been ascertained as at year end; or

ii. it is uncertain that future taxable profit will be available against which the Group entities can utilise the benefits.

The deferred tax assets that have not been recognised, which are available to be set off against future taxable income subject to the tax provisions and agreement by the relevant tax authorities of the various jurisdictions, are disclosed below:

(S$ million)	Group	
	December 31, 2024	December 31, 2023
Deductible temporary differences	38	55
Tax losses	66	74
Capital allowances	29	39
	133	168

Tax losses of the Group amounting to S$58 million (2023: S$45 million) will predominantly expire between 2025 and 2033 (2023: 2025 and 2028). The remaining tax losses, capital allowances and deductible temporary differences do not expire under current tax legislation.

The unrecognised tax losses are reported to the extent that the taxable temporary differences arising from deferred tax liabilities have been set off against the unused tax losses. There were no unrecognised tax losses for 2024 and 2023.

d. Other Comprehensive Income

There are no income tax relating to each component of other comprehensive income, except as tabled below:

(S$ million)	Group					
	2024			2023		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Cash flow hedges: net movement in hedging reserves	(17)	4	(13)	(58)	11	(47)
Defined benefit plan actuarial gains and losses	(9)	2	(7)	(11)	2	(9)
	(26)	6	(20)	(69)	13	(56)

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B4. Profit for the Year

Accounting policies

Dividend Income

Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established, when it is probable that the economic benefits associated with the dividend will flow to the Group, and when the amount of the dividend can be reliably measured.

Grant Income

Government grants relating to asset are credited to a deferred asset grant account at fair value when there is reasonable assurance that the grants will be received and the Group will comply with the conditions attached. These grants are then recognised in profit or loss as other operating income on a straight-line basis over the estimated useful lives of the relevant assets.

Non-monetary government grants and assets received are valued at fair value or nominal amounts.

Grants that compensate the Group for expenses already incurred are recognised in profit or loss as other operating income on a systematic basis in the same periods in which the expenses are recognised.

The following items have been included in arriving at profit for the year:

(S$ million)	Note	Group 2024	Group 2023
a. Expenses			
Materials	i	3,309	3,900
Staff costs:			
– salaries, bonuses and other personnel related costs		507	455
– contributions to defined contribution plan		36	38
– equity-settled share-based payments	B6	24	29
– contributions to defined benefit plan		*	1
Depreciation:			
– property, plant and equipment	D1	398	408
– investment properties	D2	5	4
Sub-contract cost		465	408
Repair and maintenance		84	133
Carbon tax allowance	ii	85	52
Write-back of provision for remediation of legacy sites	H2	(7)	(2)
Amortisation of intangible assets	D3	47	42
Allowance for impairment losses (net):			
– receivables and contract assets	F4	7	20
– property, plant and equipment	D1	1	4
Property, plant and equipment written off		6	8
Write-back of inventory obsolescence, net	E2	(2)	(7)
Audit fees paid / payable to:			
– auditors of the Company		2	2
– other member firms of KPMG International		2	2
– other auditors		1	1
Non-audit fees paid / payable to:			
– auditors of the Company		*	*
– other member firms of KPMG International		*	*
– other auditors		1	1
Intangible assets written off	D3	*	*
Bad debts written off		*	*

(S$ million)	Note	Group 2024	Group 2023
b. Other operating income			
Net change in fair value of financial assets at FVTPL (mandatorily measured)	iii	19	1
Grants received (income related)		3	6
Other income	iv	71	36
Gain on disposal of property, plant and equipment		–	*
Foreign exchange loss, net		(16)	(7)
c. Non-operating income / (expenses)			
DPN income	v	169	133
Gain on disposal of:			
– other financial assets		5	5
– subsidiaries		2	–
– associate		1	5
– joint venture		*	–
Net change in fair value of financial assets at FVTPL (designated on initial recognition)		(3)	(5)
Gross dividend income from financial assets at FVOCI		1	2
Change in fair value of contingent consideration	vi	(4)	–
Gain on bargain purchase	G5	8	–
Impairment and write-off of:			
– joint venture	G3biii	(4)	–
– other investments		(2)	–

i. The decrease in materials costs was mainly due to lower gas and power costs from the Gas and Related Services segment in Singapore and the United Kingdom (UK), as well as a decrease in generation in the UK.

ii. The amount relates to the cost of compliance under Singapore's carbon tax, UK Emissions Trading Scheme (UK ETS) and UK Carbon Price Support (CPS) mechanism.

iii. Changes in the fair value of financial instruments were mainly from forward foreign exchange contracts and non-deliverable forward used for managing the Group's foreign exposure. The corresponding net effects from the revaluation of assets and liabilities in foreign currencies were recorded under foreign exchange losses.

iv. Other income in 2024 included a one-off settlement with vendors and insurers for generation losses (including performance delays) and higher operating costs, totaling S$36 million, as well as the settlement of options for hedging of receivables amounting to S$8 million. Other income also included a corporate guarantee fee, dispute settlements, late payment fee income and rental income, totaling S$27 million.

In 2023, other income mainly included corporate guarantee fee income, late payment fees, other insurance compensation.

v. DPN income represents the change in fair value of the DPN which included income of S$159 million (2023: S$179 million), and a foreign exchange gain of S$10 million (2023: loss of S$46 million). There are no other fair value adjustments in 2024 and 2023.

vi. Change in fair value of contingent consideration for past acquisition in India upon collection of certain receivables.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B5. Earnings Per Share

(S$ million)	Group 2024	2023
a. Profit attributable to owners of the Company:		
Continuing operations:		
Profit attributable to equity holders of the Company	1,020	1,020
Discontinued operation:		
Loss from discontinued operation, net of tax attributable to owners of the Company	(9)	(78)
Profit for the year attributable to owners of the Company	1,011	942
b. Weighted average number of ordinary shares (in millions)		
Issued ordinary shares at January 1	1,779	1,777
Effect of performance shares and restricted shares released	4	13
Effect of own shares held	(1)	(7)
Weighted average number of ordinary shares	1,782	1,783
Adjustment for dilutive potential ordinary shares		
– performance shares	27	26
– restricted shares	2	3
Weighted average number of ordinary shares adjusted for all dilutive potential shares	1,811	1,812
c. Earnings per ordinary share (cents)		
– basic[1]	56.72	52.83
– diluted[2]	55.83	51.99
Earnings per ordinary share (cents) – Continuing operations		
– basic[1]	57.23	57.21
– diluted[2]	56.32	56.29

[1] Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

[2] Diluted earnings per ordinary share is calculated by dividing the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: performance shares and restricted shares.

B6. Share-based Incentive Plans

This section sets out details of the Group's share-based remuneration arrangements, including details of the Company's PSP and RSP, collectively known as Share Plans. The Company's 2020 Share Plans was approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

Accounting policies

Equity settled share-based incentive plan

The fair value of the compensation cost is charged to the profit or loss with a corresponding increase directly in equity. The fair value is measured at grant date and amortised over the service period to which the performance criteria relates and during which the employees become unconditionally entitled to the shares.

For awards granted with market-based performance conditions, market-based performance conditions are considered in estimating the fair value. For awards granted with non-market-based performance conditions, the compensation cost is estimated on a basis that the amount fairly reflects the way the benefits will accrue to the employee over the service period to which the performance period relates.

At the balance sheet date, the Group revises its estimates of the number of performance-based shares that the employees are expected to receive based on the achievement of non-market performance conditions and the number of shares ultimately given. It recognises the impact of the revision of the original estimates in employee expense, with a corresponding adjustment to equity over the remaining vesting period.

The share-based payments reserve relating to the performance shares released is transferred to share capital when new shares are issued. When treasury shares are issued, the cost of treasury shares is transferred to share-based payments reserve.

In the Company's separate financial statements, the fair value of performance shares and restricted shares granted to employees of its subsidiaries is recognised as an increase in the cost of the Company's investment in subsidiaries, with a corresponding increase in equity over the vesting period.

The settlement of these shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

Cash settled share-based incentive plan

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the share price of the Company. The Group recognises a provision when contractually obliged to pay or where there is a past practice that has created a constructive obligation to pay. The liability considers the performance achieved for the year and the probability of achieving the performance conditions in the future.

Until the liability is settled, the Group will re-measure the fair value of the liability at each balance sheet date and at the date of settlement with any changes in fair value recognised in profit or loss for the period.

Key estimates and judgements

The fair value of equity-related compensation is measured using the Monte Carlo simulation method as at the date of the grant. The method involves projecting future outcomes using statistical distributions of key random variables including the share prices and volatility of returns. This model considers the probability of achieving the performance conditions in the future.

The table below shows share-based expense that was recognised during the year.

(S$ million)	2024	2023
Equity-settled share-based	24	29
Cash-settled share-based	–	–

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive

Performance Share Plan (PSP)

One of the primary objectives of the SCI PSP 2020 is to further motivate key senior management, who has the responsibility and can drive the growth of the Company, to strive for superior performance and to deliver long-term shareholder value.

Awards granted under the SCI PSP 2020 are performance-based. Performance targets set under the SCI PSP 2020 are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The ERCC grants an initial number of shares (initial award) which are conditional on targets set for a performance period. A specified number of shares will only be released by the ERCC to the participants at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released will depend on the achievement of pre-determined targets over the performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

For grants made in 2024, the performance conditions and number of shares to be released subject to the achievement of performance targets are as follows:

3-Year PSP Performance Conditions	Final Number of Shares to be Released
1. Absolute Total Shareholders' Return (ATSR)	0% to 200% of initial grant
2. Relative Total Shareholders' Return (RTSR)	
3. Installed Renewable Energy Capacity	

Restricted Share Plan (RSP)

The number of the restricted share awards granted was based on the achievement of stretched financial and non-financial targets for the preceding financial year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards.

For the grant awarded in 2024, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

To align the interests of the non-executive directors with the interests of shareholders, up to 30% of the aggregate directors' fees approved by shareholders for a particular financial year may be paid out in the form of restricted share awards under the SCI RSP 2020. Non-executive directors were not awarded any shares except as part of their directors' fees (except for Wong Kim Yin, who is the Group CEO, and who does not receive any directors' fees). The awards granted comprised fully paid shares outright with no performance and vesting conditions attached, but with a selling moratorium. Non-executive directors are required to hold shares (including shares obtained by other means) worth the value of their annual base retainer; any excess may be sold as desired, subject to SGX-ST listing rules. A non-executive director may only dispose of all his shares one year after leaving the board.

The actual number of shares awarded to each non-executive director will be determined by reference to the volume-weighted average price of a share on the Singapore Exchange (SGX) over the 14 trading days from (and including) the day on which the shares are first quoted ex-dividend after the Annual General Meeting (AGM) (or, if the resolution to approve the final dividend is not approved, over the 14 trading days immediately following the date of the AGM). The number of shares to be awarded will be rounded down to the nearest hundred and any residual balance will be settled in cash. A non-executive director who steps down before the payment of the share component will receive all his director's fees for the year (calculated on a pro-rated basis, where applicable) in cash.

Movement in the number of shares under the Company's PSP and RSP are as follows:

	2024		2023	
	PSP	RSP	PSP	RSP
At January 1	16,407,846	3,063,689	22,711,791	4,072,047
Shares awarded	782,200	1,504,643	2,501,600	3,449,525
Performance shares adjusted due to outperformance of targets	4,290,354	–	4,552,470	–
Shares released	(8,558,150)	(2,465,166)	(11,508,600)	(4,449,145)
Shares lapsed	(839,600)	(95,766)	(1,849,415)	(8,738)
At December 31	12,082,650	2,007,400	16,407,846	3,063,689

SCI PSP

PSP awards granted have both market-based and non-market-based performance conditions. The Committee reviews achievement of the performance targets annually. In 2024, 4,290,354 (2023: 4,552,470) performance shares were awarded due to outperformance of targets for the performance period 2021 to 2024 (2023: 2020 to 2022).

Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

The total number of performance shares in awards granted conditionally but not released as at December 31, 2024, was 12,082,650 (2023: 16,407,846). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 24,165,300 (2023: 24,742,626) performance shares.

SCI RSP

Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

The total number of restricted shares outstanding, including award(s) achieved but not released, as at December 31, 2024, was 2,007,400 (2023: 3,063,689). The RSP balances represent 100% of targets achieved, but not released subject to individual performance and fulfilment of service conditions at vesting. The actual release of the awards is a maximum of 2,007,400 (2023: 3,063,689) restricted shares.

Awards for the performance and corporate objectives achieved in 2024 will be granted in 2025 (2023: achieved in 2023 will be granted in 2024).

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive *(cont'd)*

The fair values of the performance and restricted shares are estimated using a Monte Carlo simulation methodology at the grant dates.

	PSP Date of Grant	
	May 24, 2024	June 7, 2023
Fair value at measurement date	S$5.27	S$6.69
Assumptions under the Monte Carlo model		
Share price	S$5.07	S$5.31
Expected volatility	27.0%	35.1%
Risk-free interest rate	3.3%	2.9%
Expected dividend	2.6%	2.9%

	RSP Date of Grant	
	April 2, 2024	April 3, 2023
Fair value at measurement date	S$5.26	S$4.27
Assumptions under the Monte Carlo model		
Share price	S$5.40	S$4.37
Expected volatility	27.2%	25.6%
Risk-free interest rate	3.3%	3.1%
Expected dividend	2.6%	2.4%

C. Our Funding

In 2024, the Group has issued a S$350 million green bond under the Euro Medium Term Note (EMTN) Programme. This is the Group's third green bond, a continued effort to diversify and optimise funding base. In 2024, the Group has also secured a dual currency denominated revolving credit facility of CNH400 million or an equivalent amount in Hong Kong Dollars. This facility provides our China platform with an alternative offshore funding source.

As at December 31, 2024, the Group's total credit facilities, including its Multicurrency Debt Issuance Programmes and EMTN Programme, amounted to S$18.6 billion (2023: S$17.0 billion). This comprised borrowing facilities of S$16.8 billion (2023: S$15.5 billion) and trade-related facilities of S$1.8 billion (2023: S$1.5 billion), including but not limited to bank guarantees, letters of credit, bid bonds and performance bonds. Please refer to Note C5 for further details.

C1. Capital Structure

Capital management

The Group maintains a disciplined approach to capital management. The Group seeks to optimise the overall portfolio, maintain investor, creditor and market confidence, fund future developments and growth, while at the same time maintain an appropriate dividend policy.

The Group's policy is to borrow centrally using a mixture of long-term and short-term capital market issues and borrowing facilities to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain Group entities.

Capital is defined as equity attributable to the equity holders.

The Group's net debt-to-capitalisation ratio as at the balance sheet date was as follows:

		Group	
(S$ million)	Note	2024	2023
Net debt		7,800	6,487
Cash and cash equivalents	E4	871	767
Gross debt	C5, i	8,671	7,254
Total equity		5,659	4,872
Total gross debt and equity		14,330	12,126
Net debt-to-capitalisation ratio		0.54	0.53

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

Some of the Group entities are required to maintain a certain ratio of net borrowings to net assets and level of leverage under their respective loan arrangements with banks. These externally imposed capital requirements have been complied with as at the respective balance sheet dates.

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C2. Share Capital and Treasury Shares

Accounting policies

Share capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new ordinary shares and share options are deducted against the share capital account, net of any tax effects.

Repurchase, disposal and re-issue of share capital (treasury shares)
When the ordinary shares are reacquired by the Company, the consideration paid is recognised as deduction from equity, presented as reserve for own shares (Note C3). Reacquired shares are classified as treasury shares.

When the treasury shares are subsequently sold or re-issued, the cost of the treasury shares is reversed from reserve for own shares account and the realised gain or loss on the transaction is presented as a change in equity of the Company. No gain or loss is recognised in profit or loss.

	Number of shares	
	Issued Share Capital	Treasury Shares
At January 1, 2023	1,787,547,732	10,763,948
Treasury shares purchased	–	13,318,500
Treasury shares transferred pursuant to performance share plan	–	(11,508,600)
Treasury shares transferred pursuant to restricted share plan	–	(4,283,865)
At December 31, 2023	1,787,547,732	8,289,983
Treasury shares purchased	–	3,820,000
Treasury shares transferred pursuant to performance share plan	–	(5,919,550)
Treasury shares transferred pursuant to restricted share plan	–	(1,387,009)
At December 31, 2024	1,787,547,732	4,803,424

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally regarding the Company's residual assets.

Issued and paid-up capital
As at December 31, 2024, the Company's issued and paid-up capital excluding treasury shares comprised 1,782,744,308 (2023: 1,779,257,749) ordinary shares.

Treasury shares
During the year, the Company acquired 3,820,000 (2023: 13,318,500) ordinary shares in the Company by way of on-market purchases. A total of 7,306,559 (2023: 15,792,465) treasury shares were re-issued pursuant to the Performance Share Plan (PSP) and Restricted Share Plan (RSP).

As at December 31, 2024, the Company held 4,803,424 (2023: 8,289,983) of its own uncancelled shares as treasury shares that may be re-issued upon the vesting of performance shares and restricted shares under the PSP and RSP respectively.

C3. Other Reserves

		Group		Company	
(S$ million)	Note	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Distributable					
Reserve for own shares		(24)	(40)	(24)	(40)
Non-distributable					
Foreign currency translation reserve (FCTR)	a	(634)	(672)	–	–
Capital reserve	b	(97)	(93)	–	–
Merger reserve	c	29	29	–	–
Share-based payments reserve	d	(37)	(9)	(32)	(4)
Fair value reserve	e	37	36	–	–
Hedging reserve	f	50	45	*	1
		(652)	(664)	(32)	(3)
Total		(676)	(704)	(56)	(43)

During the year ended December 31, 2023, S$423 million loss in FCTR and S$290 million gain in capital reserve and other reserves were realised through profit or loss upon disposal of SEIL (Note G6).

Type of other reserve	Nature
a. Foreign currency translation reserve (FCTR)	Comprises: i. foreign exchange differences arising from translation of the financial statements of foreign entities, ii. effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign entities, and iii. translation of foreign currency loan used to hedge or form part of the Group's net investments in foreign entities.
b. Capital reserve	Comprises: i. acquisitions and disposals with non-controlling interests that do not result in a change of control, capitalisation of accumulated profits for the issue of bonus shares, capital reserve (net of goodwill) on consolidation and equity accounting, ii. asset revaluation reserve, capital redemption reserve, convertible loan stock reserve, iii. transfer from revenue reserve in accordance with the regulations of the foreign jurisdiction in which the Group's subsidiaries, associates and joint ventures operate, and treasury shares of a subsidiary, and iv. recognition of call options issued to non-controlling interests of subsidiaries.
c. Merger reserve	The difference between the values of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interest method.
d. Share-based payments reserve	Represents the cumulative value of services received from employees recorded on grant of equity-settled share options, performance shares and performance-based restricted shares.
e. Fair value reserve	Includes the cumulative net change in the fair value of equity investments designated at FVOCI until the investments are derecognised. This does not include impairment losses recognised in profit or loss prior to January 1, 2018.
f. Hedging reserve	The effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C4. Dividends

Accounting policies

Dividends

Dividends on ordinary shares are recognised when they are approved for payments. Dividends on ordinary shares and redeemable preference shares classified as equity are accounted for as movements in revenue reserve.

A liability to distribute non-cash assets as dividend to its owners is measured at the fair value of the assets to be distributed. The differences between the carrying amount of the assets distributed and the carrying amount of the dividend payable is recognised in profit or loss.

Dividend Paid / Payable

(S$ million)	Group and Company 2024	2023
Interim one-tier tax-exempt dividend of 6 cents per share in respect of year 2024 (2023: 5 cents per share in respect of year 2023)	107	89
Final one-tier tax-exempt dividend of 8 cents per share in respect of year 2023 (2023: 4 cents per share in respect of year 2022)	143	71
Special dividend of 4 cents per share in respect of year 2022	–	71
	250	231

Subject to the approval by the shareholders at the next Annual General Meeting, the directors have proposed a final ordinary one-tier tax-exempt dividend of 17 cents per share (2023: 8 cents per share). There is no special dividend declared during both 2024 and 2023. This amounts to an estimated net dividend of S$303 million (2023: S$142 million) in respect of the year ended December 31, 2024, based on the number of issued shares as at December 31, 2024.

The total proposed dividend of 17 cents per share (2023: 8 cents per share) has not been included as a liability in the financial statements.

C5. Loans and Borrowings

The total loans and borrowings increased from S$7,254 million to S$8,671 million. The increase in borrowing was mainly for financing of the acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries.

(S$ million)	Note	Group December 31, 2024	December 31, 2023
Current liabilities			
Non-convertible debentures		–	171
Secured term loans	a	214	122
Unsecured term loans	b	457	988
Total		671	1,281
Non-current liabilities			
Secured term loans	a	2,038	1,618
Unsecured term loans	b	5,962	4,355
Total		8,000	5,973
Total loans and borrowings (measured at amortised cost)		8,671	7,254

Included in loans and borrowings were S$616 million (2023: S$480 million) of loans taken with a related corporation.

Effective Interest Rates and Maturity of Liabilities

	Group Effective interest rate % 2024	2023
Floating rate loans	1.60–10.65	1.05–10.58
Fixed rate loans	1.92–10.10	0.77–10.48
Bonds and notes	2.45–4.60	2.45–4.60
Debentures	–	6.49

(S$ million)	Group 2024	2023
In one year or less, or on demand	671	1,281
Between one to five years	4,073	3,180
After five years	3,927	2,793
Total loans and borrowings (measured at amortised cost)	8,671	7,254

a. Secured Term Loans

The secured term loans are collateralised by the following assets:

(S$ million)	Note	Group Net Book Value December 31, 2024	December 31, 2023
Property, plant and equipment (PPE)	D1i	952	1,325
Investment properties	D2	46	49
Intangible assets	D3	1	*
Trade and other receivables	E1	441	409
Inventories	E2	30	26
Cash and cash equivalents	E4	99	84
Mutual funds	H1ii	14	19
Equity shares of a subsidiary		9	32
Underlying PPE in a service concession arrangement		325	335

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

b. Unsecured Term Loans

Included in the unsecured term loans of the Group are medium-term notes which the Company has jointly established with Sembcorp Financial Services Pte Ltd (SFS), a wholly-owned subsidiary of the Company, issued under the S$2.5 billion and S$3.0 billion Multicurrency Debt Issuance Programmes (the Programme). Under the Programme, the Company, together with SFS and certain other Group entities (the Issuing Subsidiaries), may from time-to-time issue Notes and Securities under the Programme subject to availability of funds from the market. The obligations of the Issuing Subsidiaries under the Programme are fully guaranteed by the Company.

As at December 31, 2024 and December 31, 2023, the Group has the following outstanding medium-term notes issued under the Programme:

				Principal amount	
(S$ million)	Nominal interest rate	Year of issue	Year of maturity	December 31, 2024	December 31, 2023
S$ medium-term notes	4.25%	2010	2025	100	100
S$ medium-term notes	3.64%	2013	2024	–	200
S$ medium-term notes	3.59%	2014	2026	150	150
Green bonds					
S$ medium-term notes	2.45%	2021	2031	400	400
S$ medium-term notes	4.60%	2023	2030	350	350
S$ medium-term notes	3.65%	2024	2036	350	–
Sustainability-linked notes					
S$ medium-term notes	2.66%	2021	2032	675	675
S$ medium-term notes	3.74%	2022	2029	300	300
				2,325	2,175

In October 2024, the Group issued a S$350 million green bond under the Euro Medium Term Note Programme. As at December 31, 2024, S$1,100 million, representing 100% of the total S$1,100 million green bonds issued, has been deployed to eligible green projects under the Sembcorp Green Financing Frameworks (2021) and Sembcorp Green Financing Framework (2024).

The Group expects its interest cost for the sustainability-linked notes to maintain as disclosed. The Group's renewable assets' gross installed capacity as at December 31, 2024 was 13.1GW, compared to the 2025 target† of 10GW. The Group GHG emissions intensity was of 0.27 tonnes of carbon dioxide emission per megawatt-hour (tCO_2e/MWh), compared to the 2025 target† of 0.40 tCO_2e/MWh.

As at December 31, 2024, an amount of S$474 million (2023: S$554 million) medium-term notes were held by a related corporation.

In 2024, the Group through its wholly-owned subsidiary, Sembcorp Energy (Shanghai) Holding Co. Ltd (SESH), secured a dual currency denominated revolving credit facility (RCF) of CNH400 million or an equivalent amount in Hong Kong Dollars (approximately S$74 million) and as at December 31, 2024, CNH305 million has been drawn down. This facility will provide SESH with access to offshore funding for an initial tenure of three years with a two-year extension option. This RCF is guaranteed by its parent, Sembcorp Utilities Pte Ltd.

				Principal amount	
(S$ million)	Nominal interest rate	Year of issue	Year of maturity	December 31, 2024	December 31, 2023
Dual Currency denominated Revolving Credit Facility (RCF)					
RCF	2.39%	2024	2027	74	–

† 2025 targets were set in May 2021

c. Financial Guarantees

Accounting policies

Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs in accordance with the original or modified terms of a debt instrument. These financial guarantee contracts are accounted for as insurance contracts. With the transition of SFRS(I) 4 on Insurance Contract to SFRS(I) 17, the Group has elected to apply SFRS(I) 9, on a contract-by-contract basis, to account for its financial guarantees issued.

At inception, the Group recognises the financial guarantee at its fair value. Subsequently, it is measured at the higher of (i) amount initially recognised less the cumulative amount of income recognised in accordance with SFRS(I) 15; and (ii) the amount of expected loss allowance in accordance with SFRS(I) 9. Where there are any premium receivables at inception, the Group adopts a net approach, recognising a single net amount, to account for its financial guarantee contracts and premium receivables.

Liabilities arising from financial guarantees contracts are included within "loans and borrowings".

Key estimates and judgements

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

Significant judgements are used in estimating the loss allowance of the Group's and Company's obligations under the financial guaranteed contracts which may be affected by future events that cannot be predicted with certainty. These assumptions made may vary from actual experience and consequently the actual liability may also vary considerably from the best estimates.

Group

The Group has provided guarantees to banks to secure banking facilities provided to joint ventures. There are no terms and conditions attached to the guaranteed contracts that would have a material effect on the amount, timing and uncertainty of the Group's and Company's future cash flows.

The Group, prior to the disposal of its subsidiary, Sembcorp Energy India Limited (SEIL) in FY2023, now known as SEIL Energy India Limited (SEIL EIL), had extended corporate guarantees in favour of some of its lenders. To facilitate SEIL EIL in obtaining its lenders' consent for the change in its shareholders, these corporate guarantees, amounting to S$2,175 million per letters to shareholders for the approval of the disposal of SEIL, are extended at a fee pegged to market, post divestment. The fair value of the financial guarantee contract is determined using the interest rate differential approach. As such, the guarantee fees receivable approximate the financial guarantee liability. The guarantee fees are payable quarterly in arrears. Applying the net approach, the fair value of the financial guarantee contract is negligible.

For other financial guarantees given, the Group determines the fair value of those financial guarantees using the discounted cash flow approach. The Group believes the joint venture has sufficient resources to fulfil its obligations and the Group does not consider it probable that a claim will be made against the Group under the guarantee. As such, the fair values of these financial guarantee contracts are negligible.

The details of the financial guarantees given at balance sheet date were:

	Group	
(S$ million)	December 31, 2024	December 31, 2023
Guarantees given to banks to secure banking facilities provided to:		
– Joint ventures	47	49
– SEIL EIL	1,187	1,305
– Others	–	1
	1,234	1,355

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

c. Financial Guarantees *(cont'd)*

Group *(cont'd)*

The periods in which the financial guarantees expire are as follows:

(S$ million)	Group December 31, 2024	Group December 31, 2023
Less than 1 year	348	318
Between 1 to 5 years	492	503
More than 5 years	394	534
	1,234	1,355

Company

The Company has provided guarantees to banks to secure banking facilities provided to a wholly-owned subsidiary, Sembcorp Financial Services Pte Ltd. The intra-group financial guarantees granted by the Company amount to S$11,830 million (2023: S$11,686 million), with S$4,326 million (2023: S$3,732 million) drawn down as at balance sheet date. The Company uses the interest rate differential approach to determine the fair value of these financial guarantees and has deemed them to be not material. The periods in which the financial guarantees expire are as follows:

(S$ million)	Company December 31, 2024	Company December 31, 2023
Less than 1 year	156	376
Between 1 to 5 years	1,296	1,430
More than 5 years	2,874	1,926
	4,326	3,732

Reconciliation of movements of liabilities to cash flows arising from financing activities:

		2024				2023			
(S$ million)	Note	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total
Balance at January 1		32	7,254	310	7,596	29	7,070	287	7,386
Cash flows									
Cash payments		–	(4,310)	(25)	(4,335)	–	(4,450)	(21)	(4,471)
Cash proceeds		–	5,259	–	5,259	–	4,034	–	4,034
Interest paid		(341)	–	(15)	(356)	(345)	–	(11)	(356)
Non-cash items									
Acquisition of subsidiaries		2	435	–	437	–	616	11	627
Transfer to liabilities held for sale		–	–	(62)	(62)	–	–	–	–
Interest expenses, including amortisation of capitalised transaction costs		339	12	13	364	347	45	11	403
Interest capitalised		–	–	14	14	–	–	–	–
New leases	D1.1a	–	–	494	494	–	–	30	30
Write-off of lease liabilities		–	–	(6)	(6)	–	–	–	–
Remeasurement of lease liabilities / Adjustment to upfront fees		–	–	2	2	–	–	2	2
Foreign exchange movement		–	21	4	25	1	(61)	1	(59)
		341	468	459	1,268	348	600	55	1,003
Balance at December 31		32	8,671	729	9,432	32	7,254	310	7,596

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C6. Net Interest Expense

Accounting policies

Finance income is recognised in profit or loss as it accrues, using the effective interest method. It includes interest income from non-current receivables.

Finance costs include interest expense on borrowings and lease liabilities, unwinding of discounts on provision, amortisation of capitalised transaction costs, transaction costs written off and termination of interest rate swaps. Finance costs are expensed in profit or loss using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of a qualifying asset.

In calculating the interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the impaired financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to gross basis.

		Group	
(S$ million)	Note	2024	2023
Finance income			
Finance income from financial assets measured at amortised cost			
– associates and joint ventures		6	5
– banks and others		21	52
Significant financing component from contracts with customers		*	*
		27	57
Finance costs			
Interest paid and payable to, measured at amortised cost			
– banks and others		348	384
Amortisation of capitalised transaction costs		9	12
Unwind of accretion on restoration costs	H2	3	2
Significant financing component from contracts with customers		4	4
Interest rate swaps			
– changes in fair value through profit or loss		*	*
– ineffective portion of changes in fair value		(5)	(4)
Interest expense on amortisation of lease liabilities	D1.1	13	11
		372	409

The lower interest expenses in 2024 were driven by lower interest rates, despite a higher average principal due to funding growth.

The Group used interest rate swaps and cross-currency swaps for managing the Group's interest costs.

C7. Contingent Liabilities

Key estimates and judgements

A contingent liability is:

i. a potential obligation arising from past events, which will only be confirmed by the occurrence (or non-occurrence) of one or more uncertain future events that are not completely within the Group's control, or

ii. a present obligation arising from past events that is not recognised in the financial statements because an outflow of resources representing economic benefits is unlikely to be necessary to extinguish the obligation, or because the amount of the obligation cannot be measured reliably.

Group

In 2024, the Group's subsidiaries are involved in certain tax disputes, where the amount of potential exposure is estimated to be S$3 million (2023: S$3 million).

C8. Commitments

A commitment is a contractual obligation to make a payment in the future. These amounts are not recorded in the consolidated balance sheet since the Group has not yet received the goods or services from the supplier. The amounts below are the minimum amounts that the Group is committed to pay.

Commitments not provided for in the financial statements are as follows:

		Group	
(S$ million)	Note	2024	2023
Commitments in respect of contracts placed for property, plant and equipment	a	948	1,120
Commitments in respect of a civil settlement in China	b	–	45
Uncalled commitments to subscribe for additional shares in joint ventures and other investments		3	3
Commitments in respect of purchase of investment properties		48	*
		999	1,168

a. The amounts in 2024 and 2023 are mainly for the fulfilment of solar projects in Singapore, various wind-solar hybrid power projects secured in India, as well as for the construction of a new multi-utilities centre on Jurong Island.

b. As part of the settlement relating to the discharge of off-specification wastewater by its 98.42%-owned wastewater treatment company, Sembcorp Nanjing Suiwu Company Limited, the Group is committed to invest S$45 million by December 2023 to develop projects and initiatives to support environmental protection in China.

The Group has invested more than S$45 million by the end of December 2023, of which confirmation of the full discharge of our commitment has been obtained from the Nanjing Procuratorate and court in November 2024.

Notes to the Financial Statements

D. Our Assets

In line with the Group's strategic plan on energy transition and sustainable development, the Group has continued to invest in renewable power equipment to enhance its energy sustainability portfolio.

D1. Property, Plant and Equipment

Accounting policies

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and impairment losses. The cost initially recognised includes acquisition costs, costs directly attributable to bringing the assets to the location and working condition for their intended use and capitalised borrowing costs. Costs also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of PPE and estimated costs to be incurred for restoring the asset upon expiry of the lease agreement.

i. Subsequent Expenditure

Subsequent expenditure is recognised in the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of PPE are expensed to profit or loss when incurred. For items subject to regular overhauls, the overhaul costs incurred are capitalised and the carrying amounts of replaced components are written off to profit or loss.

ii. Depreciation

Depreciation is based on the cost of an asset less its residual value (i.e. the estimated net amount to be obtained from disposal). Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each major component of an item of PPE as follows:

Leasehold land	Lease period of 5 to 60 years
Buildings	3 to 50 years
Quays and dry docks	9 to 28 years
Infrastructure	25 to 30 years
Plant and machinery	3 to 56 years
Tools and workshop equipment	3 to 10 years
Furniture, fittings, and office equipment	1 to 10 years
Motor vehicles	2 to 10 years

No depreciation is provided on freehold land and capital work-in-progress.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

iii. Impairment

At the end of each reporting period, assessment is performed to identify whether there is any indication that an asset may be impaired. Impairment occurs when the carrying value of assets or its smallest identifiable, independent asset group that generates cash flows (cash-generating unit (CGU)) is greater than their recoverable amount. The recoverable amount is the higher of the assets' fair value less cost to sell and their value-in-use (VIU) (i.e. present value of the net cash flows they are expected to generate). The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

iv. Reversals of impairment

Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of impairment loss for an asset is recognised in profit or loss.

v. Disposals

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Key estimates and judgements

Judgments are used in estimating the recoverable amount of an asset, i.e. in determining an asset's fair value and in assessing its VIU (the future cash flows expected to be generated by the asset and the pre-tax discount rate in bringing them to present value). In making these estimates, the Group considers the market value of the asset, changes to the technological, market, economic or legal environment in which the Group operates, market interest rates, evidence of obsolescence or physical damage to the PPE and changes to the expected usage of the asset.

The Group also applies judgement in determining an asset's depreciation methods, estimated useful lives and residual values. These are reviewed annually, taking into consideration factors such as changes in the expected level of usage and technological developments, and adjusted prospectively where appropriate.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Note	Leasehold and freehold land and buildings	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Group									
Cost / Valuation									
Balance at January 1, 2024		463	12	7,838	64	80	911	451	9,819
Translation adjustments		1	–	28	1	*	10	2	42
Additions		12	*	34	4	3	1,422	514	1,989
Reclassification		5	–	601	2	–	(608)	–	–
Acquisition of subsidiaries	iii	22	–	393	*	6	160	12	593
Transfer to intangible assets	D3	–	–	–	(3)	–	(2)	–	(5)
Transfer to assets held for sale		(37)	–	(330)	(7)	(53)	(4)	(92)	(523)
Remeasurement adjustments for right-of-use assets		–	–	–	–	–	–	1	1
Termination of contract		–	–	–	–	–	–	(11)	(11)
Liquidation of subsidiary		*	–	(11)	*	*	–	–	(11)
Disposals / Write-offs		(5)	*	(46)	(1)	(21)	(11)	(2)	(86)
Balance at December 31, 2024		461	12	8,507	60	15	1,878	875	11,808
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2024		149	10	2,968	49	43	5	130	3,354
Translation adjustments		*	–	13	*	*	*	1	14
Depreciation for the year	B4a	12	*	343	8	7	–	47	417
Reclassification		2	–	–	(2)	–	–	–	–
Transfer to intangible assets	D3	–	–	–	(3)	–	–	–	(3)
Transfer to assets held for sale		(26)	–	(118)	(6)	(25)	–	(21)	(196)
Termination of contract		–	–	–	–	–	–	(5)	(5)
Liquidation of subsidiary		–	–	(11)	*	–	–	–	(11)
Disposals / Write-offs		(1)	*	(40)	(1)	(19)	*	(2)	(63)
Impairment losses	B4a	(4)	–	1	*	–	–	–	(3)
Balance at December 31, 2024		132	10	3,156	45	6	5	150	3,504
Carrying Amounts									
At January 1, 2024		314	2	4,870	15	37	906	321	6,465
At December 31, 2024		329	2	5,351	15	9	1,873	725	8,304

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Note	Leasehold and freehold land and buildings	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Group									
Cost / Valuation									
Balance at January 1, 2023		418	12	7,187	61	82	230	405	8,395
Translation adjustments		(9)	–	(60)	(1)	*	(5)	–	(75)
Additions		13	–	58	5	4	767	30	877
Reclassification		9	–	383	2	*	(394)	–	–
Acquisition of subsidiaries	iii	32	–	421	*	–	315	21	789
Transfer to intangible assets	D3	–	–	–	–	–	(1)	–	(1)
Remeasurement adjustments for right-of-use assets		–	–	–	–	–	–	3	3
Disposals / Write-offs		*	*	(151)	(3)	(6)	(1)	(8)	(169)
Balance at December 31, 2023		463	12	7,838	64	80	911	451	9,819
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2023		134	10	2,742	45	42	5	112	3,090
Translation adjustments		(1)	–	10	–	–	–	–	9
Depreciation for the year									
– Continuing operations	B4a	12	*	356	7	8	–	25	408
Reclassification		*	–	–	*	–	–	–	–
Disposals / Write-offs		*	*	(140)	(3)	(7)	–	(7)	(157)
Impairment losses	B4a	4	–	*	*	*	–	–	4
Balance at December 31, 2023		149	10	2,968	49	43	5	130	3,354
Carrying Amounts									
At January 1, 2023		284	2	4,445	16	40	225	293	5,305
At December 31, 2023		314	2	4,870	15	37	906	321	6,465

Group

i. PPE with the following net book values have been pledged to secure loan facilities granted to subsidiaries. The PPE of the disposal group and the corresponding amount pledged are presented under assets held for sale (Note G6).

(S$ million)	Note	Group December 31, 2024	Group December 31, 2023
Freehold land and buildings		4	60
Leasehold land and buildings including right-of-use assets		21	41
Plant and machinery		925	1,222
Other assets		2	2
	C5a	952	1,325

ii. During the year, interest and direct staff costs amounting to S$28 million (2023: less than S$1 million) and S$5 million (2023: S$1 million), respectively were capitalised as capital work-in-progress. The capitalised interest costs are calculated using a rate from 2.60% to 10.10% (2023: 3.45% to 4.20%).

iii. PPE arising from the acquisition of subsidiaries were stated at fair value at the acquisition date (Note G5).

iv. In 2024, the provision for restoration costs capitalised in PPE amounted to S$15 million (2023: S$19 million) (Note H2).

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

Change in estimates

During 2024, the Group conducted a review of operational efficiency, technical performance and future economic benefits for its thermal power plants in the UK. Based on this review and the opinion of the external consultant on the plant's conditions, changes were made to the expected useful life of its biomass plant. The estimated useful life of this asset, which was initially pegged to the Renewable Obligation Certificate (ROC) scheme with a period of 20 years, is now expected to remain in operation for a further 15 years from the expiry of the ROCs scheme.

The effect of these changes on depreciation expense in current and future periods on assets currently held is as follows:

(S$ million)	2024	2025	2026	2027	2028	Later
(Decrease) / Increase in depreciation expense and (increase) / decrease in profit before tax	(6)	(6)	(6)	(4)	1	21

(S$ million)	Leasehold land	Building and improvements to premises	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Company									
Cost									
Balance at January 1, 2024	*	26	8	731	22	2	37	168	994
Additions	*	–	*	11	*	*	68	4	83
Remeasurement adjustments for right-of-use assets	–	–	–	–	–	–	–	*	*
Reclassification	*	*	–	35	*	–	(35)	–	–
Reclassification to other category of assets	–	–	–	–	(3)	–	*	–	(3)
Disposals / Write-offs	–	*	*	(23)	*	*	–	(11)	(34)
Termination of contract	–	–	–	–	–	–	–	(7)	(7)
Balance at December 31, 2024	*	26	8	754	19	2	70	154	1,033
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2024	*	22	6	522	20	1	–	73	644
Depreciation for the year	*	1	*	29	1	*	–	7	38
Reclassification to other category of assets	–	–	–	–	(3)	–	–	–	(3)
Reclassification	*	*	–	–	*	–	–	–	–
Disposals / Write-offs	–	*	*	(21)	*	*	–	(11)	(32)
Impairment losses	–	*	–	*	*	–	–	–	*
Termination of contract	–	–	–	–	–	–	–	(3)	(3)
Balance at December 31, 2024	*	23	6	530	18	1	–	66	644
Carrying Amounts									
At January 1, 2024	*	4	2	209	2	1	37	95	350
At December 31, 2024	*	3	2	224	1	1	70	88	389

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Leasehold land	Building and improvements to premises	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Company									
Cost									
Balance at January 1, 2023	*	26	8	732	22	2	3	160	953
Additions	*	*	–	15	1	–	37	7	60
Remeasurement adjustments for right-of-use assets	–	–	–	–	–	–	–	1	1
Reclassification	–	*	–	3	*	–	(3)	–	–
Transfer from inventory	–	–	–	1	–	–	–	–	1
Disposals / Write-offs	*	*	*	(20)	(1)	*	*	–	(21)
Balance at December 31, 2023	*	26	8	731	22	2	37	168	994
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2023	*	21	6	495	19	1	–	63	605
Depreciation for the year	–	1	*	46	2	*	–	10	59
Disposals / Write-offs	*	*	*	(19)	(1)	*	–	–	(20)
Impairment losses	–	–	–	*	–	*	–	–	*
Balance at December 31, 2023	*	22	6	522	20	1	–	73	644
Carrying Amounts									
At January 1, 2023	*	5	2	237	3	1	3	97	348
At December 31, 2023	*	4	2	209	2	1	37	95	350

D1.1 Right-of-use Assets and Leases

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, please refer to Note D2 Investment Properties and Note B2 under Rental Income.

Accounting policies

The Group determines whether an arrangement is or contains a lease at inception. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at the date which the leased asset is available for use by the Group.

Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets. These right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The policy on impairment and reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Notes to the Financial Statements

D. Our Assets *(cont'd)*
D1.1 Right-of-use Assets and Leases *(cont'd)*

Accounting policies *(cont'd)*

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially used at the commencement date
- the extension option if the Group is reasonably certain to exercise that option
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- amounts expected to be payable by the Group under residual value guarantees, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

These lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the lessee's incremental borrowing rate. The resulting finance cost is charged to profit or loss over the lease period.

Lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments, with a corresponding adjustment to the right-of-use asset or in profit or loss if the carrying amount of the asset has been reduced to zero.

Payment associated with short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Key estimates and judgements

The Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. If the Group should exercise the extension option, the potential future lease payments would result in an increase in lease liability.

a. Amounts recognised in the balance sheets

(S$ million)	Group December 31, 2024	Group December 31, 2023
Right-of-use assets		
Leasehold land and buildings	719	303
Plant and machinery	6	4
Motor vehicles	*	14
Furniture, fittings and office equipment	*	*
Total	725	321
Lease liabilities		
Current	27	18
Non-current	702	292
Total	729	310
Maturity analysis		
Within 1 year	27	18
After 1 year but within 5 years	119	82
After 5 years	583	210
Total	729	310

In 2024, the addition to the right-of-use assets was S$514 million (2023: S$30 million), primarily due to the leasing of land and rooftops on Jurong Island, with a lease term of 20 years for solar deployment in Singapore and land lease for India's renewable projects. This amount also included land lease paid for India's hydrogen business.

(S$ million)	Company December 31, 2024	Company December 31, 2023
Right-of-use assets		
Leasehold land and buildings	67	72
Plant and machinery	21	23
Total	88	95
Lease liabilities		
Current	5	11
Non-current	103	104
Total	108	115
Maturity analysis		
Within 1 year	5	11
After 1 year but within 5 years	20	19
After 5 years	83	85
Total	108	115

b. Amounts recognised in profit or loss

(S$ million)	Note	Group 2024	Group 2023
Depreciation charge of right-of-use assets:			
– Leasehold land and buildings		41	19
– Plant and machinery		1	1
– Motor vehicles		5	5
– Furniture, fittings and office equipment		*	*
		47	25
Interest expense on lease liabilities (included in finance cost)	C6	13	11
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)		*	1
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in cost of goods sold and administrative expenses)		10	8
Expense relating to variable lease payments not included in lease liabilities (included in cost of goods sold and administrative expenses)		*	*

i. The total cash outflow for leases in 2024 was S$40 million (2023: S$32 million).

ii. During the year, depreciation amount of S$19 million (2023: less than S$1 million) was capitalised as capital work-in-progress.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D2. Investment Properties

The Group holds certain properties for rental yields and for capital appreciation.

Accounting policies

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives ranging from 20 to 60 years or the lease period of 15 to 16 years. The assets' depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate. No depreciation is provided on freehold land.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as additions when it increases the future economic benefits, embodied in the specific asset to which it relates, and its costs can be measured reliably. The carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements is recognised as an expense when incurred.

The policy on impairment and reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

		Group		
(S$ million)	Note	Investment properties	Investment properties work-in-progress	Total
Cost				
Balance at January 1, 2024		181	*	181
Translation adjustments		(1)	1	–
Additions		*	60	60
Reclassification		*	*	–
Transfer to assets held for sale		(15)	–	(15)
Balance at December 31, 2024		165	61	226
Accumulated Depreciation				
Balance at January 1, 2024		28	–	28
Translation adjustments		*	–	*
Depreciation for the year	B4a	5	–	5
Transfer to assets held for sale		(14)	–	(14)
Balance at December 31, 2024		19	–	19
Carrying Amounts				
At January 1, 2024		153	*	153
At December 31, 2024		146	61	207

		Group		
(S$ million)	Note	Investment properties	Investment properties work-in-progress	Total
Cost				
Balance at January 1, 2023		148	10	158
Translation adjustments		(5)	*	(5)
Additions		*	29	29
Reclassification		39	(39)	–
Disposals / Write-offs		(1)	–	(1)
Balance at December 31, 2023		181	*	181
Accumulated Depreciation				
Balance at January 1, 2023		25	–	25
Translation adjustments		(1)	–	(1)
Depreciation for the year	B4a	4	–	4
Disposals / Write-offs		*	–	*
Balance at December 31, 2023		28	–	28
Carrying Amounts				
At January 1, 2023		123	10	133
At December 31, 2023		153	*	153

At December 31, 2024, investment properties of the Group with carrying amount of S$46 million (2023: S$49 million) is pledged as security to secure a bank loan.

Amounts recognised in profit or loss for investment properties

	Group	
(S$ million)	2024	2023
Rental income	22	10
Operating expenses arising from rental of investment properties	11	9

The fair value of the investment properties as at the balance sheet date is S$264 million (2023: S$204 million). The fair values are mostly determined by independent professional valuers using a combination of investment income method and direct or market comparison techniques, including adjustments to reflect the specific use of the investment properties. Such valuation is derived from observable market data from an active and transparent market. In the absence of current prices in an active market, the fair values are determined by considering the aggregate of the estimated cash flow expected to be received from renting out the properties or Directors' valuation. A yield that reflects the specific risks inherent in the cash flows is then applied to the net annual cash flows to obtain the fair values.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D2. Investment Properties *(cont'd)*

The Group leases out its investment properties. The lease agreement provides for additional lease payments annually based on changes to a price index. Non-cancellable operating lease rentals receivable are as follows:

(S$ million)	Group 2024	Group 2023
Lease receivable:		
Within 1 year	10	8
1 to 2 years	7	5
2 to 3 years	4	3
3 to 4 years	2	1
4 to 5 years	1	1
More than 5 years	2	2
	26	20

D3. Intangible Assets

The balance sheet contains significant intangible assets, mainly in relation to goodwill, intellectual property rights and long-term contracts.

Accounting policies

a. Goodwill

Goodwill is measured at cost less accumulated impairment losses. The goodwill cost represents the excess of:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net amount recognised (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a negative goodwill is recognised immediately in profit or loss.

Goodwill is not amortised but is tested for impairment on an annual basis. An impairment loss on goodwill is recognised as an expense in profit or loss and is not reversed in a subsequent period.

Goodwill that has previously been taken to reserves is not taken to profit or loss when (i) the business is disposed of or discontinued or (ii) the goodwill is impaired. Similarly, negative goodwill that has previously been taken to reserves is not taken to profit or loss when the business is disposed of or discontinued.

b. Service Concession Arrangements

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. This intangible asset is measured at fair value upon initial recognition by reference to the fair value of the services provided. After initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period when the Group has a right to charge the public for the usage of the infrastructure to the end of the concession period.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of 25 to 30 years.

c. Long-term Contracts

Long-term revenue and supplier contracts are fair valued using cash flow projections over the contractual period of 1 to 30 years. Amortisation is recognised in profit or loss on a straight-line basis over the contractual period.

d. Power Generation Permits

Power generation permits are fair valued using cash flow projections over the tenure of the permits, ranging from 20 to 25 years. Amortisation is recognised in profit or loss on a straight-line basis over the tenure of the permits.

e. Carbon Allowances

Carbon allowances received are accounted for using the 'net liability' method. Any quantities of allowances above those forecast to be required for the Group's own use are accounted for as an intangible asset together with a related deferred income balance in the balance sheet at their estimated recoverable value. A liability would only crystalise when emissions are greater than the allowances granted.

f. Other Intangible Assets

Other intangible assets comprise software, development rights and golf club membership.

Other intangible assets with a finite life are measured at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally generated goodwill is recognised in profit or loss as an expense as incurred. Other intangible assets are amortised on a straight-line basis from the date the asset is available for use and over its estimated useful lives ranging from 3 to 30 years.

Subsequent Expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and its costs can be measured reliably. All other expenditures are expensed as incurred.

Impairment (except for Goodwill, separately disclosed in (a))

Intangible assets that have indefinite useful lives or that are not yet available for use are tested for impairment annually. For intangible assets with finite useful lives, the policy on impairment is consistent with property, plant and equipment as disclosed in Note D1.

Reversal of Impairment (except for Goodwill, separately disclosed in (a))

The policy on reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Key estimates and judgements

The determination of the recoverable amounts of goodwill and other intangible assets involves judgement and is subject to significant estimation uncertainties, principally, the discount rates, gross margin forecasts and plant load factors. The gross margin forecasts and plant load factors consider expected customer demand, forecasted tariff rates and future carbon taxes for the non-renewable investments. These are inherently subject to estimation uncertainties as well as political and regulatory developments.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

(S$ million)	Note	Group Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Cost								
Balance at January 1, 2024		329	49	348	466	41	72	1,305
Translation adjustments		2	*	3	*	1	*	6
Additions	i	–	*	–	*	15	16	31
Acquisition of subsidiaries	G5, iv	10	–	1	60	–	*	71
Disposal of subsidiaries		*	–	–	–	–	*	*
Disposals	i	–	*	–	*	(35)	*	(35)
Transfer from property, plant and equipment	D1	–	–	–	–	–	5	5
Transfer to assets held for sale		–	–	(10)	*	–	(2)	(12)
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2024		341	49	342	526	22	91	1,371
Accumulated Amortisation								
Balance at January 1, 2024		113	26	136	25	–	53	353
Translation adjustments		2	*	1	*	–	*	3
Amortisation charge for the year	B4a	–	3	15	21	–	8	47
Acquisition of subsidiaries		–	–	–	–	–	*	*
Disposal of subsidiaries		–	–	–	–	–	*	*
Disposals		–	*	–	*	–	*	*
Transfer from property, plant and equipment	D1	–	–	–	–	–	3	3
Transfer to assets held for sale		–	–	(10)	*	–	(2)	(12)
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2024		115	29	142	46	–	62	394
Carrying Amounts								
At January 1, 2024		216	23	212	441	41	19	952
At December 31, 2024		226	20	200	480	22	29	977

(S$ million)	Note	Group Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Cost								
Balance at January 1, 2023		235	51	182	393	78	65	1,004
Translation adjustments		(1)	(2)	2	(17)	3	(3)	(18)
Additions	i	–	*	–	–	32	9	41
Acquisition of subsidiaries	G5	95	–	164	90	–	–	349
Disposals	i	–	*	–	–	(72)	*	(72)
Transfer from property, plant and equipment	D1	–	*	–	–	–	1	1
Write-off	B4a	*	*	–	–	–	*	*
Balance at December 31, 2023		329	49	348	466	41	72	1,305
Accumulated Amortisation								
Balance at January 1, 2023		109	27	117	9	–	45	307
Translation adjustments		4	(4)	5	(1)	–	*	4
Amortisation charge for the year								
– Continuing operations	B4a	–	3	14	17	–	8	42
Disposals		–	*	–	–	–	*	*
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2023		113	26	136	25	–	53	353
Carrying Amounts								
At January 1, 2023		126	24	65	384	78	20	697
At December 31, 2023		216	23	212	441	41	19	952

i. The additions during the year mainly related to the increase in carbon allowances and the disposal was for the settling of the Group's carbon obligation.

ii. Intangible assets of less than S$1 million (2023: less than S$1 million) have been pledged to secure loan facilities.

iii. The amortisation of intangible assets is analysed as follows:

(S$ million)	Group 2024	2023
Cost of sales	41	36
Administrative expenses	6	6
Total	47	42

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

a. Goodwill

Impairment Testing

Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

		Group	
(S$ million)	Note	December 31, 2024	December 31, 2023
Cash-generating Unit (CGU)			
SUT Division		19	19
Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	i	43	43
Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	ii	127	127
Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries (HYNE)		26	26
GELEX Group Joint Stock Company and its subsidiaries (Gelex)	iii	10	–
Multiple units with insignificant goodwill		1	1
		226	216

i. Sembcorp Gas Pte Ltd and Sembcorp Fuels (Singapore) Pte Ltd are considered a single CGU as both have the same customer bases for natural gas, pricing is set by the same management team and cash inflows are not generated largely independently.

ii. Green Infra Wind Energy Limited (GIWEL) was renamed to Sembcorp Green Infra Private Limited (SGIPL) in 2024.

iii. In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex, which consists of a portfolio of solar and winds assets. The increase in goodwill predominantly arose from this acquisition. The identified assets acquired, and liabilities assumed for the CGU are measured at their fair values and there has been no change to the goodwill determined on provisional basis as at December 31, 2024 (see Note G5).

The recoverable amounts for SUT Division, Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd, Sembcorp Green Infra Private Limited and its subsidiaries, as well as Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries were determined using value-in-use calculations. Cash flow projections used in the value-in-use calculations were prepared based on management's experience in operating the business and forward market outlook over the long-term nature of the utilities and power business. Pre-tax discount rates between 5.71% and 9.76% (2023: 6.0% and 10.3%) had been used.

At the balance sheet date, based on the key assumptions below, the recoverable amounts of the respective CGUs exceeded their carrying amounts.

Key assumptions on recoverable amounts of respective CGUs

	SUT Division	Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries (HYNE)
Cash flow projections period	Remaining useful life of plants assumed 17 years (2023: 18 years)	Remaining contractual period of existing contracts	Remaining useful life of plants assumed 30 years from Commercial Operations Date (COD)	Remaining useful life of plants assumed 19 to 22 years
Revenue and margins	Based on contracts secured along with likely renewals and forecasted demand for industrial utilities and services; as well as forecasted margins	Based on estimated sales and purchases of gas quantities derived from the contractual period of existing contracts	Based on long-term contracts secured at contracted tariffs. New contracts and contract renewals are assumed based on estimated demand and supply as well as margin	Based on feed-in tariffs as per power purchase agreements secured along with likely renewals
Carbon tax / Costs	Carbon taxes will be borne by customers	Carbon taxes will be borne by customers	NA	NA
Expected capital expenditure	In accordance with plant maintenance programme	In accordance with plant maintenance programme and pipeline servicing	In accordance with plant maintenance programme	In accordance with plant maintenance programme
Terminal value	Nil (2023: Nil)	Nil (2023: Nil)	Nil (2023: Nil)	5% of original cost
Inflation rate assumptions used to project overheads and other general expenses	2.0%–2.5% (2023: 2.0%–5.5%)	2.0%–2.5% (2023: 2.0%–5.5%)	3.0%–5.0% (2023: 3.0%–5.0%)	0% (2023: 0%)
Others	NA	Forward USD / SGD exchange rate and High Sulphur Fuel Oil (HSFO) prices with reference to forward quotes were assumed in the forecast performance	NA	NA

The assumptions for SGIPL and its subsidiaries include those from its portfolio of assets acquired in 2023 (Note G5).

No sensitivity analysis was disclosed for the CGUs as the Group believes that any reasonable possible change in the key assumptions is unlikely to result in any material impairment to the CGUs.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

b. Service Concession Arrangements

The subsidiaries in Fuzhou and Yanjiao in People's Republic of China have service concession agreements with the local municipalities to supply drinking water to the local communities.

Under these arrangements, the charges for use of these assets are adjusted regularly according to agreed cost reference and escalation formula in the concession agreement as approved by respective local authorities.

c. Long-term Contracts

India

The subsidiaries in the renewables sector in India have long-term contracts with India's State Electricity Boards in Rajasthan, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Punjab, and Telangana with tenures ranging from 20 to 30 years. These subsidiaries also sell electricity to commercial customers with tenures ranging from 10 to 25 years.

United Kingdom (UK)

The subsidiaries in the UK acquired in 2018, have contracted with the National Grid of the UK to generate electricity through a portfolio of diesel and gas generators in multiple sites across the UK and supplier contracts with tenures ranging from 1 to 15 years. The majority of these contracts provide fixed rate cash flows relating to plant availability (Capacity Market contracts).

d. Power Generation Permits

The subsidiaries in China own power generation permits to operate solar and wind power plants in various locations of China, with tenures ranging from 20 to 25 years.

e. Carbon Allowances

These are allowances, received from the UK government and purchased from the carbon market, to settle the emission obligation from its gas-fired power plants in UK.

f. Other Intangible Assets

Other intangible assets comprise water rights, software, development rights and golf club membership.

	Company		
(S$ million)	Goodwill	Others	Total
Cost			
Balance at January 1, 2024	19	36	55
Additions	–	8	8
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	19	47	66
Accumulated Amortisation			
Balance at January 1, 2024	–	26	26
Amortisation charge for the year	–	4	4
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	–	33	33
Carrying Amounts			
At January 1, 2024	19	10	29
At December 31, 2024	19	14	33
Cost			
Balance at January 1, 2023	19	31	50
Additions	–	5	5
Balance at December 31, 2023	19	36	55
Accumulated Amortisation			
Balance at January 1, 2023	–	23	23
Amortisation charge for the year	–	3	3
Balance at December 31, 2023	–	26	26
Carrying Amounts			
At January 1, 2023	19	8	27
At December 31, 2023	19	10	29

The Company's goodwill relates to goodwill on the acquisition of the SUT Division in 2008.

Notes to the Financial Statements

E. Our Working Capital

E1. Trade and Other Receivables

Trade and other receivables mainly consist of amounts owed to the Group by customers and amounts paid to the Group's suppliers in advance.

Accounting policies

Trade and other receivables are initially recognised at the amount of consideration receivable that is unconditional, unless they contain significant financing components, whereby they will be recognised at fair value.

Subsequently, trade and other receivables are measured at amortised cost only if (i) the asset is held within a business model whose objective is to collect the contractual cash flows and (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest. The carrying value of trade and other receivables is reduced by appropriate allowances for estimated irrecoverable amounts. The estimated irrecoverable amounts and calculation of loss allowances are based on policies set out in Note F4. Interest income, foreign exchange gains or losses, impairment losses and gains or losses on derecognition relating to these receivables are recognised in profit or loss.

In the service concession arrangements, the Group recognises a financial asset arising from its construction services when it has an unconditional contractual right to receive fixed and determinable amounts of payments irrespective of the output produced. The consideration receivable is initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

		December 31, 2024			December 31, 2023		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Group							
Trade receivables	i	*	901	901	6	835	841
Service concession receivables	ii	778	49	827	796	47	843
Amounts due from related parties	G4	5	232	237	5	109	114
Deposits	iii	4	32	36	21	30	51
Sundry receivables	iv	5	159	164	39	166	205
Contingent receivable	v	12	–	12	–	–	–
Unbilled receivables	vi	–	324	324	–	364	364
Recoverables		2	26	28	3	24	27
Interest receivables		–	4	4	–	5	5
Grant receivables		–	4	4	–	4	4
Finance lease receivables		4	–	4	–	–	–
		810	1,731	2,541	870	1,584	2,454
Loss allowance	F4	(136)	(71)	(207)	(132)	(64)	(196)
Financial assets at amortised cost	F4, vii	674	1,660	2,334	738	1,520	2,258
Prepayments	viii	65	33	98	53	44	97
Employee defined benefit asset		4	*	4	10	*	10
Advances to suppliers		–	108	108	–	105	105
Tax recoverable		59	11	70	10	5	15
		802	1,812	2,614	811	1,674	2,485

i. Trade receivables include subsidies on energy production received by renewables companies in China. As of the date of the report, certain receipts of these receivables are waiting for the final verification results from the regulators. In 2024, a loss allowance of S$22 million was made (see Note F4(iv)).

ii. The Group has service concession agreements with the local governments and governing agencies through its subsidiaries. The agreements in Singapore are for supply of treated water and agreements in Myanmar and Bangladesh are for supply of electricity.

The guaranteed sum receivables from the grantors for the construction of the underlying assets are discounted at interest rates ranging from 3.6% to 8.5% (2023: 3.6% to 8.5%).

iii. Deposits include cash collateral placed on deposits in margin accounts.

iv. Sundry receivables represent mainly GST receivables, loan receivables and miscellaneous receivables.

v. Contingent receivable of S$12 million recognised on acquisition of Gelex in 2024 (see Note G5(ii)).

vi. Unbilled receivables represent revenue accrued for sale of utilities commodities and services.

vii. Trade and other receivables of S$441 million (2023: S$409 million) have been pledged to secure loan facilities.

viii. Prepayments are charged to profit or loss on a straight-line basis over the service period. They relate primarily to:

- Connection fees prepaid under the Generation Connection and Use of System Agreement for the use of the transmission lines to a related corporation amounted to S$30 million (2023: S$34 million).
- Service fees prepaid under the Gasoil Supply and Storage Agreement for the usage of tank; and
- Capacity charges prepaid for the use of gas delivery pipelines, prepaid insurance premium, transport tariff recoverable and maintenance of plant.

		December 31, 2024			December 31, 2023		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Company							
Trade receivables		–	22	22	–	21	21
Amounts due from related parties	G4	–	47	47	–	30	30
Deposits		–	*	*	–	2	2
Unbilled receivables	i	–	48	48	–	51	51
Recoverables		–	–	–	–	3	3
Sundry receivables		–	10	10	–	1	1
Grant receivables		–	4	4	–	4	4
		–	131	131	–	112	112
Loss allowance	F4	–	(1)	(1)	–	(1)	(1)
Financial assets at amortised cost	F4	–	130	130	–	111	111
Prepayments	ii	*	1	1	*	4	4
Advance to suppliers		–	2	2	–	2	2
		*	133	133	*	117	117

i. Included in the Company's unbilled receivables are amounts of S$24 million (2023: S$34 million) due from related companies.

ii. Connection and capacity charges prepaid for the use of pipelines and pipe racks.

Notes to the Financial Statements

E. Our Working Capital *(cont'd)*

E2. Inventories

Accounting policies

a. Inventories

Finished goods, consumable materials, spares, and environmental attributes are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Environmental attributes (EA) include renewable energy certificates and renewable obligation certificates. They are held for sale in the ordinary course of business and / or are self-generated. The recognition of the self-generated EA as inventory will be only at the completion of the certification process when these certificates become a resource controlled by the generating entity.

b. Development Properties

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes land and construction costs, related expenditure and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Key estimates and judgements

The Group applies critical accounting judgements in classifying development properties. In assessing the classification of development properties, management considers its intention with regards to the use of the properties (i.e. held with the intention of development and sale in the ordinary course of business or for rental and capital appreciation). Where there is a change in intended use, a change in classification may be required.

	Group		Company	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Raw materials and consumables	125	120	2	3
Finished goods	28	30	5	5
Environmental attributes	*	2	–	–
	153	152	7	8
Allowance for inventory obsolescence	(19)	(19)	(1)	(1)
	134	133	6	7
Properties under development	1	2	–	–
	135	135	6	7

S$30 million (2023: S$26 million) of the Group's inventories were pledged to secure loan facilities.

Amounts recognised in profit or loss

		Group	
(S$ million)	Note	2024	2023
Inventories recognised as an expense in cost of sales		298	263
Write-back of allowance for inventory obsolescence	B4a	(2)	(7)

E3. Trade and Other Payables

Trade and other payables mainly consist of amounts the Group owes to its suppliers. They also include taxes and social security amounts payable relating to the Group's workforce.

Accounting policies

Trade and other payables (excluding advance payments from customers, deferred grants, deferred income and retirement benefit obligations) are classified as financial liabilities measured at amortised cost using the effective interest method. Trade payables are not interest-bearing and are stated at their nominal value.

		Group		Company	
(S$ million)	Note	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Current liabilities					
Trade payables		303	300	3	4
Advance payments from customers		28	28	*	*
Amounts due to related parties	G4	20	19	6	151
Accrued capital and operating expenditure	i	742	715	156	132
Deposits		20	31	*	*
Accrued interest payable		32	32	–	–
Other creditors	ii	297	268	7	2
Deferred grants		1	1	–	–
Deferred consideration		45	103	–	–
Contingent consideration		97	133	–	–
		1,585	1,630	172	289
Non-current liabilities					
Deferred grants	iii	2	19	–	–
Amounts due to related parties	G4	–	–	1,393	1,370
Other long-term payables	iv	41	58	21	20
Deferred income		49	36	2	2
Contingent consideration		–	1	–	–
Retirement benefit obligation		7	7	–	–
		99	121	1,416	1,392

i. Included in the Group's and Company's accrued operating expenses are amounts of S$9 million and S$60 million (2023: S$46 million and S$26 million) due to related companies respectively.

ii. Included in the Group's other creditors is an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

iii. Non-current deferred grants related to government grants for capital assets.

iv. Other long-term payables included retention monies of subsidiaries, long-term employee benefits and accrued operating and maintenance services which will be billed only after the initial payment-free period, which is more than one year.

Notes to the Financial Statements

E. Our Working Capital *(cont'd)*

E4. Cash and Cash Equivalents

Accounting policies

Cash and cash equivalents which comprise cash balances and bank deposits are classified as financial assets measured at amortised cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand. Bank overdrafts are shown within loans and borrowings in current liabilities on the balance sheet.

The majority of the Group's cash is held in bank deposits or money market funds which have a maturity of three months or less to enable short-term liquidity requirements to be met.

	Group		Company	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Fixed deposits with banks	298	242	–	–
Cash and bank balances	573	525	201	288
Cash and cash equivalents in the balance sheets	871	767	201	288
Restricted bank balances	(21)	(35)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	850	732	201	288
Cash and cash equivalents placed with				
– A subsidiary	–	–	199	286
– A related corporation	32	25	2	2

Fixed deposits with banks of the Group earn interest at rates ranging from 1.30% to 7.10% (2023: 0.20% to 7.25%) per annum.

Included in the Group's cash and cash equivalents is an amount of S$99 million (2023: S$84 million) over which banks have a first charge in the event that the respective subsidiaries do not meet the debt servicing requirements.

F. Our Financial Instruments and Risks Management

In undertaking the transformation from brown to green, the Group has carefully optimised its assets portfolio, monitored its risk exposures, and ensured that the Group is not over-leveraged.

F1. Market Risk

This note details the Group's exposure to treasury and financial risks including credit, liquidity, interest and foreign exchange risks, and the objectives and policies in place to monitor and manage these risks.

The Group has implemented the Integrated Assurance Framework (IAF) which is based on a multi-level lines of defense (LOD) model. Through the IAF structure, the respective LODs work together to ensure that key financial, operational, compliance and IT risks are reviewed and tested using a robust assurance process. Under the IAF, a pragmatic and collaborative approach to risk and controls assessment has been established, with common and consistent criteria applied to assess the risks and adequacy and effectiveness of internal controls.

Under the IAF, the Group's key markets, being the first LOD, are required to work with the second LOD comprising business lines, subject matter experts and corporate functions, to perform a thorough review and assessment of their risks and internal controls.

Clear escalation procedures and key risk indicators have been established and aligned with the Group's risk appetite.

The proactive management of key risks and controls strengthens not only the Group's reporting and monitoring capabilities, but also cultivates a risk culture of accountability and ownership.

Key themes of the IAF include cyber security, plant availability and reliability, health and safety, regulatory and compliance, people and talent management, fraud risk management and governance.

Financial Risk Management Objectives and Policies

The Group's day-to-day operations, new investment opportunities and funding activities introduce financial risks, which are actively managed by management with Board oversight. These risks are grouped into the following categories:

- Market: The risk that fluctuations in commodity prices, foreign exchange and interest rates adversely impact the Group's results.
- Liquidity: The risk that the Group will not be able to meet the financial obligations as they fall due.
- Credit: The risk that a counterparty will not fulfil its financial obligations under a contract or other arrangement.

The Board has adopted the Group Treasury policies and financial authority limits to manage these risks. The Group Treasury policies set out the parameters for financing structure, liquidity, counterparty risk management, foreign exchange risk management and use of derivative transactions. Derivative transactions are permitted only if it involves underlying assets or liabilities.

a. Market Risk

Market risk is the possibility that changes in interest rates, foreign exchange rates, equity securities and commodities will adversely affect the value of the Group's assets, liabilities or expected future cash flows. The objective of market risk management is to manage and reduce the above exposures within acceptable parameters.

i. Interest Rate Risk

The Group's interest rate exposure is primarily in relation to its fixed rate borrowings (fair value risk), variable-rate borrowings and cash and cash equivalents (cash flow risk).

The Group's policy is to target at least 50% of its debt portfolio with fixed interest rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at variable rates while using interest rate swaps and cross currency swaps to hedge the variability in cash flows attributable to floating interest rates.

Based on the variable rate net debt position (both issued and hedged) at balance sheet date, assuming other factors (principally foreign exchange rates and commodity prices) remained constant and that no further interest rate management action was taken, an increase in interest rate of 1% would have decreased the Group's profit before tax (PBT) by S$13 million (2023: decreased by S$16 million) and have increased equity by S$3 million (2023: no impact). At Company level, PBT would have decreased by S$12 million (2023: decreased by S$11 million) without any impact to equity (2023: no impact). A 1% decrease in interest rates would have the opposite effect for both Group and Company.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

a. Market Risk *(cont'd)*

ii. Foreign Currency Risk

The Group is exposed to currency risk on foreign currency denominated borrowings, investments and commercial transactions.

The Group limits its exposure to changes in foreign exchange rates through forward foreign exchange contracts and cross currency interest rate swaps. In certain circumstances, borrowings are left in a foreign currency, or swapped from one foreign currency to another, to hedge expected future business cash flows in that currency. Significant foreign currency denominated transactions undertaken in the normal course of operations are managed on a case-by-case basis.

The Group's exposure to foreign currency risk (excluding the Group's net investment hedges in its subsidiaries in China based on its risk management policy is summarised as follows:

	Group							
(S$ million)	SGD	USD	EURO	GBP	RMB	INR	BDT	Others
2024								
Financial assets								
Cash and cash equivalents	29	124	2	1	1	–	25	4
Loan to an associate	–	–	–	53	–	–	–	–
Trade and other receivables	10	205	1	54	20	1	117	15
DPN receivable	–	–	–	–	–	1,581	–	–
Other financial assets	*	25	–	–	–	–	–	*
	39	354	3	108	21	1,582	142	19
Financial liabilities								
Trade and other payables	17	76	3	*	1	*	99	2
Loans and borrowings	–	1,230	99	–	–	–	–	–
Lease liabilities	4	–	–	–	–	–	*	–
	21	1,306	102	*	1	*	99	2
Net financial assets / (liabilities)	18	(952)	(99)	108	20	1,582	43	17
Add: Firm commitments and highly probable forecast transactions in foreign currencies	(28)	(340)	(6)	–	–	–	–	(194)
Less: Cross currency swap / Foreign exchange forward contracts	28	1,127	105	211	–	–	–	194
Net currency exposure	18	(165)	–	319	20	1,582	43	17

	Group							
(S$ million)	SGD	USD	EURO	GBP	RMB	INR	BDT	Others^
2023								
Financial assets								
Cash and cash equivalents	39	132	1	*	4	68	56	1
Loan to an associate	–	–	–	55	–	–	–	–
Trade and other receivables	13	438	5	12	986	–	107	1
DPN receivable	–	–	–	–	–	1,816	–	–
Other financial assets	–	46	–	–	–	–	–	–
	52	616	6	67	990	1,884	163	2
Financial liabilities								
Trade and other payables	47	405	7	389	2	–	86	1
Loans and borrowings	–	105	102	*	–	–	–	76
Lease liabilities	4	–	–	–	–	–	1	–
	51	510	109	389	2	–	87	77
Net financial assets / (liabilities)	1	106	(103)	(322)	988	1,884	76	(75)
Add: Firm commitments and highly probable forecast transactions in foreign currencies	–	(244)	–	–	(3)	–	–	(166)
Less: Cross currency swap / Foreign exchange forward contracts	22	252	106	377	2	–	–	242
Net currency exposure	23	114	3	55	987	1,884	76	1

^ Predominantly Japanese Yen.

The Company's gross exposure to foreign currencies is as follows:

(S$ million)	Company USD
2024	
Financial assets	
Cash and cash equivalents	6
Trade and other receivables	15
	21
Financial liabilities	
Trade and other payables	22
Net financial liabilities	(1)
Net currency exposure	(1)
2023	
Financial assets	
Cash and cash equivalents	3
Trade and other receivables	5
	8
Financial liabilities	
Trade and other payables	10
Net financial assets	(2)
Net currency exposure	(2)

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

a. Market Risk *(cont'd)*

ii. Foreign Currency Risk (cont'd)

Sensitivity Analysis

A 10% strengthening of the following currencies against the functional currencies of the Group and Company at balance sheet date would have increased / (decreased) equity and PBT by the amounts shown below. The analysis assumed that all other variables, in particular interest rates, remain constant, ignoring any impact of firm commitments in foreign currencies and with no further foreign exchange risk management action taken.

	Group				Company	
	Equity		Profit before tax		Profit before tax	
(S$ million)	2024	2023	2024	2023	2024	2023
SGD	2	2	2	*	–	–
USD	28	23	(16)	8	*	*
EURO	1	–	*	*	*	*
GBP	4	5	26	*	*	*
RMB	–	–	2	2	*	*
INR	–	–	158	188	–	–
BDT	–	–	4	8	–	–
Others	16	14	2	*	–	–

A 10% weakening of the above currencies against the functional currencies of the Group and Company at the balance sheet date would have had an equal but opposite effect to the amounts shown above.

iii. Price Risk

Mutual Funds and Equity Securities Price Risk

The Group is exposed to price risk from mutual funds and equity securities designated as FVTPL or FVOCI respectively.

If prices for mutual funds and equity securities increased by 10% with all other variables held constant, equity and PBT would have increased by S$5 million and S$11 million, respectively (2023: increased by S$5 million and S$9 million, respectively). Conversely, if prices decreased by 10%, equity and PBT would have had an equal but opposite effect.

Commodity Risk

The Group hedges against fluctuations in commodity prices that affect revenue and cost. Exposures are managed via swaps and contracts for differences (CFDs).

CFDs are entered into with counterparties at a strike price, with or without fixing the quantity upfront, to hedge against adverse price movements from sale of electricity. Exposure to price fluctuations from purchases of fuel is managed via fuel oil swaps where fuel price is indexed to a benchmark index, for example Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent.

The Group designates fuel oil swaps and electricity futures in their entirety in cash flow hedges to hedge its commodity risk and applies a hedge ratio of 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference index of Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent, tenors, repricing dates and maturities. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item by looking at the critical terms.

The Group did not identify any significant sources of ineffectiveness in these hedges.

Sensitivity Analysis

If prices for commodities increased by 10% with all other variables held constant, the increase in equity as a result of fair value changes on cash flow hedges would be:

	Group	
(S$ million)	2024	2023
Equity	17	7

A 10% decrease in the prices for commodities would have had an equal but opposite effect to the equity. The analysis assumed that all other variables remain constant.

F2. Hedges

The Group uses derivative instruments (derivatives) (as disclosed in Note H1) to hedge financial risks as described above. Derivatives are contracts whose value is derived from an underlying price index (or other variable) that require little or no initial net investment and are settled at a future date.

The Group designates certain derivatives as either:

i. Hedges of fair value of recognised assets, liabilities or firm commitments (fair value hedge)

ii. Hedges of a particular cash flow risk associated with a recognised asset, liability or highly probable forecast transaction (cash flow hedge)

iii. Hedges of a net investment in a foreign operation (net investment hedge)

Accounting policies

Derivatives are carried on balance sheet at fair value. Movements in price of the underlying variables, which causes the value of contract to fluctuate, are reflected in the fair value of derivative. The method of recognising changes in fair value depends on whether the derivative is designated in an accounting hedge relationship. Derivatives not designated as accounting hedges are referred to as economic hedges subject to fair value through profit or loss.

Fair value gains and losses attributable to economic hedges are recognised in statement of profit or loss while recognition of fair value gains and losses of those attributable to accounting hedges depends on the nature of item being hedged.

The effective portion of changes in fair value of derivatives designated as fair value hedge are recognised in profit or loss at the same time when all changes in fair value of the underlying item relating to the hedged risks are recognised in profit or loss. The effective portion of changes in fair value of derivatives designated as cash flow hedges are recognised in hedging reserve (in equity).

Certain determinants of fair value included in derivatives or mismatches between the timing of the instrument and the underlying item in any hedge relationship can cause hedge ineffectiveness. Any ineffectiveness is recognised immediately in profit or loss as change in fair value of derivatives.

When the underlying hedged item is sold or repaid, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised immediately in profit or loss.

When the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised in profit or loss when the hedged item is recognised in profit or loss, which may occur over time.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Key estimates and judgements

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities. The Group considers the critical terms in assessing if each designated derivative is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are due to:

- effects of the counterparties' and the Group's own credit risk on fair value of the swaps, which is not reflected in the change in fair value of the hedged cash flows attributable to change in interest rates; and
- changes in timing of hedged transactions.

The Group designates only the change in fair value of the spot element of forward exchange contract for funding purposes as the hedging instrument in a cash flow hedging relationship. The change in fair value of the forward element of the forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in hedging reserve within equity.

Interest Rate Benchmark Reform

The financial markets have undergone a fundamental reform of major interest rate benchmarks where interbank offered rates (IBORs) have ceased publication and the IBORs have been replaced with alternative nearly risk-free rates, herein known as the IBOR reform.

As of December 31, 2023, the Group has completed the transition of its loan facilities and hedges affected by the IBOR reform where exposures in GBP LIBOR were transitioned to SONIA, SGD SOR to SORA and USD LIBOR to SOFR.

Cash Flow Hedges

Key estimates and judgements

For cash flow hedge relationships directly impacted by interest rate benchmark reform (i.e. hedges of LIBOR and SOR), the Group assumes that the cash flows of hedged item and hedging instrument will not be altered.

As of December 31, 2023, the Group has completed the transition of its hedged items and hedging instruments affected by the IBOR reform where exposures in GBP LIBOR were transitioned to SONIA, SGD SOR to SORA and USD LIBOR to SOFR with cash flows that are matched. As such, the Group shall continue to apply hedge accounting on these transactions.

The Group designates certain forward foreign exchange contracts, interest rate swaps, cross currency interest rate swaps and fuel oil swaps in various cash flow hedges.

At December 31, 2024, the Group held the following instruments to hedge exposures to fluctuations in foreign currencies, interest rates and commodity prices:

(S$ million)	Rate ($)	Interest rate (%)	Maturity: Within 1 year	Maturity: Between 1 and 5 years	Maturity: More than 5 years
2024					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– USD / SGD	1.26–1.42	–	316	92	–
– EUR / SGD	1.42	–	6	–	–
– USD / INR	84.44–86.94	–	117	–	–
– JPY / SGD	91.28–99.04	–	64	38	–
– MYR / SGD	0.30	–	100	10	–
– USD / VND	24,118–26,527	–	3	13	16
Forex swap contracts (Buy / Sell)					
– CNH / SGD	0.19	–	18	168	–
– USD / SGD	1.34–1.36	–	1	–	–
– USD / VND	25,350–26,175	–	32	19	17
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	1.05–5.54	560	1,935	307
Foreign currency and interest rate risk					
Cross currency swaps					
– USD / SGD	–	3.55–3.78	–	703	–
– EUR / SGD	–	3.49	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	385.25–492.75	–	514	107	–
– Fuel oil swap ($ per BBL)	69.19–82.85	–	623	49	22
– Fuel oil swap ($ per MMBTU)	13.30–13.35	–	22	–	–

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

(S$ million)	Rate ($)	Interest rate (%)	Maturity: Within 1 year	Maturity: Between 1 and 5 years	Maturity: More than 5 years
2023					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– USD / SGD	1.30–1.42	–	182	103	–
– CNH / SGD	0.20	–	176	–	–
– JPY / SGD	91.28–99.04	–	76	102	–
Forex swap contracts (Buy / Sell)					
– CNH / SGD	0.19	–	–	19	–
– USD / SGD	1.35	–	19	–	–
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	1.05–3.33	698	579	159
Foreign currency and interest rate risk					
Cross currency swaps					
– EUR / SGD	–	3.99	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	375.00–619.50	–	544	158	–
– Fuel oil swap ($ per BBL)	72.30–87.23	–	462	143	–

The amounts at the balance sheet date relating to items designated as hedged items are as follows:

(S$ million)	Cash flow hedge reserve for continuing hedges: 2024	Cash flow hedge reserve for continuing hedges: 2023
Foreign currency risk		
Highly probable purchases	(8)	(14)
Highly probable equity injection	(1)	*
Payments	2	*
Interest rate risk		
Variable rate borrowings	18	28
Other financial (assets) / liabilities	(23)	5
Foreign currency and interest rate risk		
Fixed rate borrowings	–	*
Commodity risk		
Highly probable purchases	5	*
Fuel oil price	*	*

The amounts related to items designated as hedging instruments and hedge ineffectiveness are as follows:

	Foreign currency risk: Forward foreign exchange contracts / Forex swap contracts	Interest rate risk: Interest rate swaps	Foreign currency risk and interest rate risk: Cross currency swaps	Commodity risk: Fuel oil swaps	Commodity risk: Electricity futures market contracts	Total
2024						
Nominal amount – S$ million	1,030	2,802	802	1,337	–	5,971
Quantity	–	–	–	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU	–	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU
Carrying amount – S$ million						
Other financial assets	2	27	–	28	–	57
Other financial liabilities	–	8	13	27	–	48
Fair value increase / (decrease) – S$ million						
Hedging instruments	7	(19)	(14)	34	–	8
Hedged items	(7)	19	14	(34)	–	(8)
Hedge ineffectiveness	*	–	–	–	–	*
Reconciliation of hedging reserve – S$ million						
Changes in fair value	7	(19)	(14)	34	–	8
Amounts reclassified to profit or loss:						
– Cost of goods sold	(1)	*	–	(29)	–	(30)
Amount reclassified to cost of investment in a subsidiary	5	–	–	–	–	5
	11	(19)	(14)	5		(17)
Tax on above items						4
Change in hedging reserve						(13)
Share of other comprehensive income of associates and joint ventures						18
Movement during the year						5

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

	Foreign currency risk	Interest rate risk	Foreign currency risk and interest rate risk	Commodity risk		
	Forward foreign exchange contracts / Forex swap contracts	Interest rate swaps	Cross currency swaps	Fuel oil swaps	Electricity futures market contracts	Total
2023						
Nominal amount – S$ million	677	1,436	99	1,307	–	3,519
Quantity	–	–	–	1,234,794 MT and 5,781,287 BBL	–	1,234,794 MT and 5,781,287 BBL
Carrying amount – S$ million						
Other financial assets	*	38	4	40	–	82
Other financial liabilities	17	–	1	40	–	58
Fair value increase / (decrease) – S$ million						
Hedging instruments	(15)	(34)	(2)	(5)	–	(56)
Hedged items	15	34	2	5	–	56
Hedge ineffectiveness	*	–	–	–	–	*
Reconciliation of hedging reserve – S$ million						
Changes in fair value	(15)	(34)	(2)	(5)	–	(56)
Amounts reclassified to profit or loss:						
– Turnover	–	–	–	(2)	1	(1)
– Cost of goods sold	2	–	–	(4)	–	(2)
Amount reclassified to cost of investment in a subsidiary	1	–	–	–	–	1
						(58)
Transfer of reserve						5
Tax on above items						11
Change in hedging reserve						(42)
Share of other comprehensive income of associates and joint ventures						(6)
Movement during the year						**(48)**

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

(S$ million)	Cash flow hedge reserve 2024	Cash flow hedge reserve 2023
Balance at January 1	45	93
Movement during the year		
Changes in fair value:		
– Foreign currency risk	7	(15)
– Interest rate risk	(19)	(34)
– Foreign currency and interest rate risk	(14)	(2)
– Commodity risk	34	(5)
Amount reclassified to profit or loss:		
– Foreign currency risk	(1)	2
– Commodity risk	(29)	(5)
Amount reclassified to cost of investment in a subsidiary	5	1
Tax on movements on reserves during the year	4	11
Transfer of reserve	–	5
Share of other comprehensive income of associates and joint ventures	18	(6)
	5	(48)
Share of non-controlling interests	–	*
Balance at December 31	50	45

Net Investment Hedges

The Group's investments in its China (2023: China) subsidiaries are hedged by CNH / SGD (2023: CNH / SGD) forward foreign exchange contracts (hedging instrument) respectively, which mitigate the currency risks arising from the subsidiaries' net assets. The carrying amounts of the hedging instruments of S$1 million (2023: S$9 million) are included in other financial assets.

The notional amount of the contracts is S$186 million (2023: S$195 million). During the financial year, net hedging gain of S$4 million (2023: hedging loss of S$35 million) was recognised in other comprehensive income. As at December 31, 2024, the balance of foreign currency translation reserve for continuing hedges is a loss of S$97 million (2023: loss of S$101 million).

F3. Liquidity Risk

The Group manages its liquidity risk with a view to maintaining healthy level of cash and cash equivalents that corresponds with its operating environment and expected cash flows. Liquidity requirements are maintained within the credit facilities established and are adequate to meet the Group's obligations.

Maturity Profile of the Group's and Company's Financial Liabilities

The cash flows associated with the cash flow hedges of the Group are expected to occur within 1 year and between 1 and 5 years. Correspondingly, the cash flows related to the hedging instruments (foreign exchange contracts, fuel oil swaps, interest rate swaps, cross currency swaps and electricity futures) that are designated as cash flow hedges are expected to impact profit or loss within 1 year to 5 years and upon disposal, should it arise, of its investment in subsidiaries.

Approximately S$700 million (2023: S$1,300 million) of loans and borrowings are due within 12 months. The Group has at least S$2,307 million (2023: S$1,900 million) in committed credit facilities with final maturity dates beyond 2025 that can be drawn down.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F3. Liquidity Risk *(cont'd)*

Maturity Profile of the Group's and Company's Financial Liabilities *(cont'd)*

The table below analyses the maturity profile of the Group's and the Company's financial assets and liabilities (including derivative financial assets and liabilities) based on contractual undiscounted cash inflows / (outflows), including estimated interest payments and excluding the impact of netting agreements:

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Group					
2024					
Derivatives					
Derivative financial liabilities	66				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(72)				
– inflow		798	710	84	4
– outflow		(730)	(654)	(76)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,551	(1,586)	(1,545)	(41)	–
Lease liabilities	729	(1,067)	(53)	(215)	(799)
Loans and borrowings	8,671	(9,754)	(947)	(4,603)	(4,204)
	10,945	(12,404)	(2,525)	(4,880)	(4,999)
2023					
Derivatives					
Derivative financial liabilities	83				
– inflow		736	539	197	–
– outflow		(821)	(604)	(217)	–
Derivative financial assets	(96)				
– inflow		797	643	154	–
– outflow		(701)	(574)	(127)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,593	(1,595)	(1,565)	(30)	–
Lease liabilities	310	(491)	(31)	(121)	(339)
Loans and borrowings	7,254	(8,693)	(1,565)	(3,988)	(3,140)
	9,144	(10,768)	(3,157)	(4,132)	(3,479)

1 Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Company					
2024					
Non-derivative financial liabilities					
Trade and other payables[1]	1,588	(1,734)	(282)	(1,452)	–
Lease liabilities	108	(173)	(8)	(33)	(132)
	1,696	(1,907)	(290)	(1,485)	(132)
2023					
Non-derivative financial liabilities					
Trade and other payables[1]	1,678	(1,911)	(363)	(1,548)	–
Lease liabilities	115	(174)	(15)	(32)	(127)
	1,793	(2,085)	(378)	(1,580)	(127)

1 Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss and fair value of the related hedging instruments:

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Group					
2024					
Derivative financial liabilities	48				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(57)				
– inflow		794	710	82	2
– outflow		(730)	(654)	(76)	–
	(9)	(1)	20	(23)	2
2023					
Derivative financial liabilities	58				
– inflow		462	265	197	–
– outflow		(520)	(303)	(217)	–
Derivative financial assets	(83)				
– inflow		199	65	134	–
– outflow		(116)	(7)	(109)	–
	(25)	25	20	5	–

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk

The Group only deals with pre-approved customers and financial institutions with good credit rating. To minimise the Group's counterparty risk, the Group enters derivative transactions only with creditworthy institutions. Cash and fixed deposits are placed in banks and financial institutions with good credit rating. For some customers, the Group may also obtain security in the form of deposits, guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty defaults.

For the Company's amounts due from subsidiaries, the Company considers the financial assets to have a low credit risk by taking into consideration the Group's financial ability to settle the amounts, after estimating risk of default.

Accounting policies

The Group applies the simplified approach to provide ECL on trade and unbilled receivables as well as contract assets without significant financing component. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs. To measure expected lifetime ECLs, these balances have been grouped based on common credit risk characteristics and ageing profiles.

The loss allowance for service concession receivables is measured at 12-month ECL. When credit risk has increased significantly since initial recognition, loss allowance is measured at lifetime ECL.

A receivable balance is written-off to the extent that there is no realistic prospect of recovery.

For customers with credit ratings (or equivalent), the ECL rate is calculated based on probabilities of default and loss given default obtained from Standards and Poor's and Moody's. The Group monitors changes in credit risk by tracking published external credit ratings.

Customers with no credit ratings (or equivalent) are group based on shared credit risk characteristics and days past due, with ECL rates calculated using historical loss rates for each category of customers, adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of customers to settle the receivables.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of financial asset have occurred. These events include probability of insolvency, significant financial difficulties of the customer and default or significant delay in payments.

When the Group determines whether the credit risk has increased significantly, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment, taking into account forward-looking information. Customer collectability is assessed on an ongoing basis and any resulting impairment losses are recognised in profit or loss.

The maximum exposure to credit risk is the carrying amount of each financial asset (including derivatives) in the balance sheet, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets, except for balances with customers where guarantees or security deposits are obtained.

The Group and Company have issued financial guarantees to certain banks in respect of credit facilities on behalf of the obligors (see Note C5(c)). These guarantees are subject to the impairment assessment under SFRS(I) 9.

The Group has assessed that the obligors have strong financial capacities to meet the contractual cash flow obligation in the near future and hence, does not expect significant credit losses from their guarantees. The Group's assessment is based on qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, if available, and applying experienced credit judgment).

The Company has not recognised any additional ECL provision as the Company believes the subsidiaries have sufficient resources to fulfil its obligations and the Company does not consider it probable that a claim will be made against the Company under the guarantee.

ECL assessment for customers with credit ratings (or equivalent)

The Group allocates exposure to credit risk by segmenting customers based on geographic region and industry classification.

(S$ million)	Equivalent to external credit rating	Credit impaired	Gross carrying amount	Loss allowance	Net carrying amount
Group					
2024					
Receivables measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – BBB-	No	514	(3)	511
– Government	AAA – B2	No	246	(2)	244
– Retail	BBB+ – B2	No	54	(1)	53
– Others	AAA – B+	No	16	(2)	14
Service concession and related trade receivables (Note ii)	CC	No	338	(135)	203
			1,168	(143)	1,025
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B2	No	488	(7)	481
Total			**1,656**	**(150)**	**1,506**
2023					
Receivables measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – B-	No	585	(6)	579
– Government	AAA – BB	No	331	(1)	330
– Retail	BBB+ – B-	No	18	(2)	16
– Others	BBB – B+	No	4	(1)	3
Service concession and related trade receivables (Note ii)	CC	No	347	(131)	216
			1,285	(141)	1,144
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B+	No	667	(5)	662
Total			**1,952**	**(146)**	**1,806**
Company					
2024					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	AAA – BBB-	No	48	(1)	47
– Government	AAA	No	2	*	2
			50	**(1)**	**49**
2023					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	BB+ – BBB-	No	40	(1)	39
– Government	AAA	No	4	–	4
– Others	AAA	No	*	–	*
			44	**(1)**	**43**

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk *(cont'd)*

ECL assessment for customers with credit ratings (or equivalent) *(cont'd)*

i. As at December 31, 2024, 85% (2023: 84%) of service concession receivables relate to two major customers of the Group.

ii. In 2023, the economic situation in Myanmar has not improved and there has been escalating civil unrest and conflict in the country. The Group has assessed the potential risks that may cause severe and extended impact on the plant operations with the increased civil unrest and attacks observed in Myingyan and nearby towns. The Group has concluded that the credit risk has further increased and an additional S$23 million ECL has been provided.

iii. Other than (ii) above, there were no trade and other receivables and contract assets with significant increase in credit risk since initial recognition. There were also no credit impaired receivables at balance sheet date.

ECL assessment for customers without credit ratings (or equivalent)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for customers with no credit rating or no representative credit rating or equivalent:

(S$ million)	Credit impaired	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount
Group					
2024					
Not past due	No	2.7%	111	(3)	108
Past due 0 to 3 months	No	0.5%	75	*	75
Past due 3 to 6 months	No	0.7%	47	*	47
Past due 6 to 12 months	No	2.0%	50	(1)	49
More than 1 year	No	17.1%	298	(51)	247
Total			581	(55)	526
2023					
Not past due	No	3.4%	87	(3)	84
Past due 0 to 3 months	No	2.9%	34	(1)	33
Past due 3 to 6 months	No	4.8%	21	(1)	20
Past due 6 to 12 months	No	37.5%	8	(3)	5
More than 1 year	Yes	77.8%	36	(28)	8
Total			186	(36)	150
Company					
2024					
Not past due	No	0.5%	91	(1)	90
Past due 0 to 3 months	No	–	15	–	15
Past due 3 to 6 months	No	–	2	–	2
Past due 6 to 12 months	No	–	13	–	13
More than 1 year	No	–	10	*	10
Total			131	(1)	130
2023					
Not past due	No	1.1%	95	(1)	94
Past due 0 to 3 months	No	–	12	–	12
Past due 3 to 6 months	No	–	1	–	1
Past due 6 to 12 months	No	–	2	–	2
More than 1 year	No	–	2	–	2
Total			112	(1)	111

iv. In 2024, the Group made a S$22 million ECL allowance for the subsidy receivables of renewables assets in China. As the receipt of the subsidy receivables is awaiting final verification results from the regulators, the provision takes into consideration the present-value of the outstanding subsidy receivables, based on management's best estimate of timing of receipts.

For the remaining financial assets at amortised cost amounting to S$304 million (2023: S$315 million) which include deposits in margin accounts, long-term fixed deposits with financial institutions, convertible loan, dividends receivables and GST receivables, the Group considered the risk that a credit loss may occur, and recognised a loss allowance of S$2 million (2023: S$14 million).

ECL assessment for customers
Movements in loss allowances

		2024			2023		
(S$ million)	Note	12-month ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Total
Group							
Balance at January 1		5	191	196	4	159	163
Currency translation difference		*	4	4	*	(3)	(3)
Impairment loss recognised		2	30	32	1	23	24
Allowance written back		–	(23)	(23)	–	(4)	(4)
Acquisition of subsidiaries		–	2	2	–	18	18
Transfer to assets held for sale		–	(2)	(2)	–	–	–
Disposal of subsidiary		–	(1)	(1)	–	–	–
Loss allowance utilised		–	(1)	(1)	–	(2)	(2)
Balance at December 31	E1	7	200	207	5	191	196
Company							
Balance at January 1		–	1	1	–	2	2
Impairment loss recognised		–	*	*	–	*	*
Loss allowance utilised		–	–	–	–	(1)	(1)
Balance at December 31	E1	–	1	1	–	1	1

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments

Accounting policies

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1 – Using quoted prices (unadjusted) from active markets for identical financial instruments.
- Level 2 – Using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices).
- Level 3 – Using inputs not based on observable market data (unobservable input).

Securities

The fair value of financial assets is based on quoted market prices (bid price) in an active market at the balance sheet date without any deduction for transaction costs. If the market for a quoted financial asset is not active, and for unquoted financial assets, the Group establishes fair value by using other valuation techniques.

Derivatives

Derivatives are used by the Group for hedging. These derivatives are mainly foreign exchange contracts, foreign exchange swaps, interest rate swaps, cross currency swaps, fuel oil swaps and electricity futures.

1. The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current forward market price.
2. The fair values of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.
3. The fair value of fuel oil swaps and electricity futures is accounted for based on difference between the contractual strike price with the counterparty and the current forward market price.
4. CFDs are accounted for based on the difference between the contracted price entered into with the counterparty and the reference price. The fair value of the CFDs would need to be adjusted to reflect the illiquidity. However, there have been minimal trades made in the electricity future market. There is also no fixed quantity stated in the agreement. As such, the fair value of the CFDs cannot be measured reliably. Upon settlement, the gains and losses for CFDs are taken to profit or loss.

Non-derivative non-current financial assets and liabilities

Carrying amount of non-derivative non-current financial assets and liabilities on floating interest rate terms are assumed to approximate their fair value because of the short period to repricing. Fair values for the remaining non-derivative non-current financial assets and liabilities are calculated using discounted expected future principal and interest cash flows at the market rate of interest at the balance sheet date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, which is the fair value of the consideration given or received. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

For financial instruments not actively traded in the market, fair value is determined by independent third party or by various valuation techniques, with assumptions based on existing market conditions at each balance sheet date.

a. Fair Value Hierarchy

Financial assets and financial liabilities carried at fair value

	Fair value measurement			
(S$ million)	Level 1	Level 2	Level 3	Total
Group				
At December 31, 2024				
Financial assets at FVOCI	–	–	47	47
DPN receivable	–	–	1,581	1,581
Other financial assets at FVTPL	77	–	46	123
Derivative financial assets	–	72	–	72
	77	72	1,674	1,823
Financial liabilities at FVTPL	–	–	(97)	(97)
Derivative financial liabilities	–	(66)	–	(66)
	–	(66)	(97)	(163)
	77	6	1,577	1,660
At December 31, 2023				
Financial assets at FVOCI	–	–	46	46
DPN receivable	–	–	1,816	1,816
Other financial assets at FVTPL	63	–	31	94
Derivative financial assets	–	96	–	96
	63	96	1,893	2,052
Financial liabilities at FVTPL	–	(1)	(133)	(134)
Derivative financial liabilities	–	(83)	–	(83)
	–	(84)	(133)	(217)
	63	12	1,760	1,835

There have been no transfers between the different levels of the fair value hierarchy at December 31, 2024 and December 31, 2023.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments *(cont'd)*

a. Fair Value Hierarchy *(cont'd)*

Financial assets and financial liabilities carried at fair value *(cont'd)*

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances of Level 3 financial instruments measured at FVOCI and FVTPL:

	Group			
(S$ million)	Financial assets at FVOCI	DPN receivable	Other financial assets at FVTPL	Financial liabilities at FVTPL
Balance at January 1, 2024	46	1,816	31	(133)
Addition	–	–	5	(4)
Acquisition of subsidiaries	–	–	12	(3)
Translation adjustment	–	–	–	*
Net change in fair value	1	169	(2)	–
(Receipt) / Payment	–	(404)	–	43
Balance at December 31, 2024	47	1,581	46	(97)
Balance at January 1, 2023	53	–	32	(151)
Addition	–	2,038	5	–
Translation adjustment	–	–	–	6
Net change in fair value	(7)	133	(6)	–
(Receipt) / Payment	–	(355)	–	12
Balance at December 31, 2023	46	1,816	31	(133)

Level 3 financial assets at FVOCI includes unquoted equity shares. The fair value of the unquoted equity shares is determined by reference to the investment's adjusted net asset values as stated in the unaudited financial statements. The estimated fair value would increase / decrease if the net asset values for unquoted equity shares were higher / lower.

The DPN receivable was recognised in January 2023 at the completion of the sale of SEIL. DPN is measured at fair value based on the contractual terms of the sale (Note H1).

Level 3 other financial assets at FVTPL includes unquoted funds. The fair value of the unquoted funds is based on the latest available unaudited net asset values of the underlying funds provided by the administrator of those funds on the basis that their net asset values approximate their fair value at balance sheet date. The key unobservable inputs include net asset value for fund investments and / or recent transaction price among investors. The estimated fair value would increase / decrease if the net asset values for fund investments were higher / lower, or if the recent transaction prices were higher / lower.

Financial liabilities at FVTPL in Level 3 relate to the contingent consideration for 2022 acquisition in China (HYNE), 2023 acquisition in India and 2024 acquisition in Vietnam.

Financial assets at FVTPL under Level 3 included contingent receivable of S$12 million related to the 2024 acquisition in Vietnam.

Assets and liabilities not carried at fair value

The following table shows assets and liabilities not carried at fair value but for which fair values are disclosed, except financial assets and financial liabilities whose carrying amounts measured at amortised cost approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

	Fair value measurement			
(S$ million)	Level 1	Level 2	Level 3	Total
Group				
At December 31, 2024				
Investment properties	–	–	264	264
Associate	135	–	–	135
Service concession receivables	–	973	–	973
Non-current loans and borrowings	–	(7,990)	–	(7,990)
At December 31, 2023				
Investment properties	–	–	204	204
Associate	113	–	–	113
Service concession receivables	–	1,756	–	1,756
Non-current loans and borrowings	–	(5,887)	–	(5,887)
Company				
At December 31, 2024				
Amounts due to related parties	–	(1,393)	–	(1,393)
At December 31, 2023				
Amounts due to related parties	–	(1,370)	–	(1,370)

b. Fair Value versus Carrying Amount

The fair value of financial assets and financial liabilities measured at amortised cost approximate their carrying amounts, except for the following:

(S$ million)	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Fair value
Group				
At December 31, 2024				
Service concession receivables	827	–	827	1,573
Non-current loans and borrowings	–	(8,000)	(8,000)	(7,990)
At December 31, 2023				
Service concession receivables	843	–	843	1,756
Non-current loans and borrowings	–	(5,973)	(5,973)	(5,887)
Company				
At December 31, 2024				
Amounts due to related parties	–	(1,393)	(1,393)	(1,393)
At December 31, 2023				
Amounts due to related parties	–	(1,370)	(1,370)	(1,370)

Notes to the Financial Statements

G. Our Group Structure

This section provides key information on the Group's interests in joint arrangements, controlled entities and transactions with non-controlling interests. It also provides information on business acquisitions and disposals made during the year as well as information relating to Group's related parties, including related party transactions.

During the year, the Group made three significant acquisitions, requiring the purchase price to be allocated to the fair value of the identifiable assets (including intangible assets) acquired and liabilities assumed.

Judgement is required in determining the classification of the acquisitions as asset acquisitions or business combinations. There is judgement and inherent uncertainty involved in the valuation of the assets and liabilities as well as settlement of any existing litigations between the parties.

The Group has used provisional amounts of purchase price allocation for the accounting of these acquisitions and has a one-year measurement period from the acquisition date to complete the accounting for the acquisitions. Fair value adjustments may arise on the completion of respective final purchase price allocations due to the estimation uncertainty involved.

G1. Subsidiaries

Accounting policies

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

Investment in Subsidiaries

	Company	
(S$ million)	December 31, 2024	December 31, 2023
At cost and carrying value:		
Unquoted equity shares	1,949	2,215
Preference shares	288	288
Share-based payments reserve	(3)	(5)
	2,234	2,498

During the year, the Company has entered into a share purchase agreement to sell the entire issued and paid-up share capital of Sembcorp Environment Pte Ltd. The investment in the entity has been classified as held for sale.

Subsidiaries

Details of key subsidiaries of the Group are as follows:

		Effective equity held by the Group	
Name of key subsidiary	Country of incorporation	2024 %	2023 %
Sembcorp Utilities Pte Ltd (SCU)[1]	Singapore	100.00	100.00
Sembcorp Cogen Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Gas Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Environment Pte. Ltd.[1,2]	Singapore	100.00	100.00
Sembcorp Development Ltd[1]	Singapore	100.00	100.00
Sembcorp Energy UK Limited[3]	United Kingdom	100.00	100.00
UK Capacity Reserve Limited[3]	United Kingdom	100.00	100.00
Sembcorp North-West Power Company Ltd.[4]	Bangladesh	71.00	71.00
Sembcorp Green Infra Private Limited[5,6]	India	100.00	100.00
Sembcorp Energy (Shanghai) Holding Co., Ltd[4] (SESH)	China	100.00	100.00
Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd[4]	China	100.00	98.00
Sembcorp (China) Holding Co., Ltd[4]	China	100.00	100.00

1 Audited by KPMG LLP, Singapore
2 Held for sale as at 31 December 2024
3 Audited by UNW LLP, UK in FY2024
4 Audited by member firms of KPMG International
5 Audited by PricewaterhouseCoopers, India
6 In FY2023, Sembcorp Green Infra Limited (SGIL) amalgamated into GIWEL and was known as GIWEL. In FY2024, GIWEL was renamed as Sembcorp Green Infra Private Limited.

G2. Non-controlling Interests

There are no subsidiaries with material NCI for financial year ended December 31, 2024 and December 31, 2023.

G3. Associates and Joint Ventures

Accounting policies

Associates are those entities in which the Group has significant influence, but no control or joint control, over the financial and operating policies of these entities.

The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has significant influence over another entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has joint control over the entity.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

(S$ million)	Note	Group December 31, 2024	Group December 31, 2023
Associates and joint ventures	i	2,772	2,630
Loan to associate	ii	53	55
		2,825	2,685
Less: Allowance for impairment		(85)	(289)
	a, b	2,740	2,396

i. During the year, the Group acquired 30% equity stake in Senoko Energy Pte Ltd (SNK) for S$96 million. Based on the fair value of the identifiable assets (excluding SNK's intangibles) acquired and liabilities assumed, determined on provisional basis, the goodwill acquired was S$44 million.

ii. The loan to an associate is unsecured, bears interest at 8.5% per annum and has no fixed terms of repayment. The settlement of the amount is neither planned nor likely to occur in the foreseeable future and hence the loan is recognised within investment in associate. Allowance for impairment on this loan is insignificant.

iii. In 2024, the Group recognised dividends of S$186 million (2023: S$189 million) from its investments in associates and joint ventures.

iv. The carrying value includes goodwill on acquisition as follows:

(S$ million)	Group 2024	Group 2023
Balance at January 1	2	2
Addition	47	–
Balance at December 31	49	2

a. Associates

Details of the Group's key associates are as follows:

Name of key associate	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2024 %	Effective equity held by the Group 2023 %
Gas and Related Services				
Sembcorp Salalah Power and Water Company SAOG[1]	Generation of electric energy	Oman	40.00	40.00
Renewables				
SDIC New Energy Investment Co., Ltd[2]	Project investment; investment management; technology development, transfer, training and promotion; technical, economic and trade consultation and services; and renewable power generation	China	35.11	35.11
Hunan Xingling New Energy Co., Ltd.[3]	Renewable power generation, power transmission and distribution businesses	China	45.30	45.30
Integrated Urban Solutions				
Sino-Singapore Nanjing Eco Hi-tech Island Development Co., Ltd[4]	First-grade land development including building infrastructure and public amenities	China	21.50	21.50

[1] Audited by member firms of KPMG International
[2] Audited by BDO China Shu Lun Pan Certified Public Accountant LLP
[3] Audited by Baker Tilly Certified Public Accountants Co., Ltd, China
[4] Audited by Jiangsu Gongzheng Tianye Certified Public Accountants Co., Ltd, China

There is one (2023: one) associate that is considered to be material to the Group as at December 31, 2024. Summarised financial information of the associate is presented as follows:

(S$ million)	SDIC New Energy Investment Co., Ltd 2024	SDIC New Energy Investment Co., Ltd 2023
Revenue	376	413
Profit for the year	91	127
Other comprehensive income	*	–
Total comprehensive income	91	127
Attributable to non-controlling interests	4	4
Attributable to investee's shareholders	87	123

(S$ million)	SDIC New Energy Investment Co., Ltd December 31, 2024	SDIC New Energy Investment Co., Ltd December 31, 2023
Non-current assets	3,143	2,673
Current assets	637	641
Non-current liabilities	(1,776)	(1,448)
Current liabilities	(537)	(559)
Net assets	1,467	1,307
Attributable to non-controlling interests	26	24
Attributable to investee's shareholders	1,441	1,283

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

a. Associates *(cont'd)*

(S$ million)	SDIC New Energy Investment Co., Ltd	Individually immaterial associates	Total
Group's interest in net assets of investees at January 1, 2024	450	752	1,202
Group's share of:			
Profit from continuing operations	31	45	76
Other comprehensive income	*	4	4
Total comprehensive income	31	49	80
Dividends received during the year	(13)	(39)	(52)
Translation during the year	(1)	10	9
Addition during the year, net of disposal	39	20	59
Carrying amount of interest in investees at December 31, 2024	506	792	1,298
Group's interest in net assets of investees at January 1, 2023	389	731	1,120
Group's share of:			
Profit from continuing operations	43	59	102
Other comprehensive income	–	(3)	(3)
Total comprehensive income	43	56	99
Dividends received during the year	–	(23)	(23)
Translation during the year	(18)	(23)	(41)
Addition during the year, net of disposal	36	11	47
Carrying amount of interest in investees at December 31, 2023	450	752	1,202

The fair value of the equity interest of a listed associate amounted to S$135 million (2023: S$113 million) based on the last transacted market price on the last transaction day of the year.

b. Joint Ventures

Details of the Group's key joint ventures are as follows:

Name of key joint venture	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2024 %	2023 %
Gas and Related Services				
Shanghai Cao Jing Co-generation Co. Ltd[1]	Production of electricity and steam, supply of steam to customers, supply of electricity to the power grid and production and sale of other relevant products	China	30.00	30.00
Emirates Sembcorp Water & Power Company P.J.S.C[2]	Development, possession, operation and maintenance of production, power generation and water desalination projects	United Arab Emirates	40.00	40.00
Senoko Energy Pte. Ltd. (SNK)[3]	Generation and sale of electricity	Singapore	30.00	–
Renewables				
Guohua AES (Huanghua) Wind Power Co., Ltd[4] (HH)	Development, construction and operation of wind farms as well as provision of wind power technical consultation and services, training and research, development and engineering support services	China	49.00	49.00
Integrated Urban Solutions				
Vietnam Singapore Industrial Park J.V. Co., Ltd.[5] (VSIP)	Development of industrial parks, residential areas and commercial areas for sale and lease	Vietnam	49.26	49.26

1 Audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company
2 Audited by Deloitte & Touche (M.E.)
3 Audited by Ernst & Young LLP, Singapore
4 Audited by Baker Tilly Certified Public Accountants Co., Ltd, China
5 Audited by member firms of KPMG International

As at December 31, 2023, HH is directly held by SESH, previously held through Sembcorp Huanghua Wind Power Co Pte Ltd, a wholly owned subsidiary of SCU.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

b. Joint Ventures *(cont'd)*

The Group has three (2023: two) joint ventures that are material and a number of joint ventures that are individually immaterial to the Group. All are equity accounted. Summarised financial information of the joint ventures is presented as follows:

(S$ million)	Senoko Energy Pte. Ltd. 2024	Senoko Energy Pte. Ltd. 2023	Vietnam Singapore Industrial Park JV Co., Ltd. 2024	Vietnam Singapore Industrial Park JV Co., Ltd. 2023	Guohua AES (Huanghua) Wind Power Co., Ltd. 2024	Guohua AES (Huanghua) Wind Power Co., Ltd. 2023
Revenue	568	–	701	447	108	120
Profit for the year[1]	70	–	173	98	39	49
Other comprehensive income	40	–	(17)	(37)	–	6
Total comprehensive income	110	–	156	61	39	55
Attributable to non-controlling interests	–	–	14	7	–	–
Attributable to investee's shareholders	110	–	142	54	39	55

[1] Includes depreciation and amortisation from SNK of S$136 million (2023: nil), VSIP of S$13 million (2023: S$13 million) and HH of S$38 million (2023: S$40 million), finance income from SNK of S$10 million (2023: nil), VSIP of S$9 million (2023: S$13 million) and HH of less than S$1 million (2023: S$1 million), finance cost from SNK of S$87 million (2023: nil), VSIP of S$11 million (2023: S$15 million) and HH of S$6 million (2023: S$8 million) and income tax expense from SNK of S$111 million (2023: nil), VSIP of S$46 million (2023: S$26 million) and HH of S$14 million (2023: S$12 million).

(S$ million)	Senoko Energy Pte. Ltd. December 31, 2024	Senoko Energy Pte. Ltd. December 31, 2023	Vietnam Singapore Industrial Park JV Co., Ltd. December 31, 2024	Vietnam Singapore Industrial Park JV Co., Ltd. December 31, 2023	Guohua AES (Huanghua) Wind Power Co., Ltd. December 31, 2024	Guohua AES (Huanghua) Wind Power Co., Ltd. December 31, 2023
Non-current assets	1,757	–	228	237	462	527
Current assets[1]	973	–	1,950	1,705	184	171
Non-current liabilities[2]	(1,729)	–	(758)	(727)	(163)	(185)
Current liabilities[3]	(574)	–	(440)	(453)	(46)	(115)
Net assets	427	–	980	762	437	398
Attributable to non-controlling interests	–	–	221	124	–	–
Attributable to investee's shareholders	427	–	759	638	437	398

SNK's non-current assets, net assets and net assets attributable to investee's shareholders include S$317 million of goodwill, intangible assets, ROU assets net of lease liabilities, assets retirement obligations & deferred tax liabilities determined based on provisional basis.

[1] Includes cash and cash equivalents from SNK of S$385 million (2023: nil), VSIP of S$475 million (2023: S$407 million) and HH of S$10 million (2023: S$16 million).

[2] Includes non-current financial liabilities (excluding trade and other payables and provisions) from SNK of S$1,519 million (2023: nil), VSIP of S$636 million (2023: S$640 million) and HH of S$135 million (2023: S$185 million).

[3] Includes current financial liabilities (excluding trade and other payables and provisions) from SNK of S$140 million (2023: nil), VSIP of S$203 million (2023: S$204 million) and HH of S$32 million (2023: S$65 million).

In 2023, VSIP's higher current assets and non-current liabilities included loan drawdown to fund the construction of the industrial park.

(S$ million)	Senoko Energy Pte. Ltd.	Vietnam Singapore Industrial Park JV Co., Ltd.	Guohua AES (Huanghua) Wind Power Co., Ltd	Individually immaterial joint ventures	Total
Group's interest in net assets of investees at January 1, 2024	–	323	199	672	1,194
Group's share of:					
Profit from continuing operations	20	78	19	124	241
Other comprehensive income	12	–	–	4	16
Total comprehensive income	32	78	19	128	257
Dividends received during the year	–	(40)	–	(94)	(134)
Translation during the year	–	(6)	(4)	18	8
Elimination of unrealised profit	–	(3)	–	–	(3)
Addition during the year, net of disposal and impairment	96	29	–	(5)	120
Carrying amount of interest in investees at December 31, 2024	128	381	214	719	1,442
Group's interest in net assets of investees at January 1, 2023		354	213	600	1,167
Group's share of:					
Profit from continuing operations		45	24	95	164
Other comprehensive income		–	3	2	5
Total comprehensive income		45	27	97	169
Dividends received during the year		(57)	(36)	(73)	(166)
Translation during the year		(17)	(5)	(13)	(35)
Elimination of unrealised profit		(2)	–	–	(2)
Addition during the year, net of disposal and impairment		–	–	105	105
Capital reduction during the year		–	–	(44)	(44)
Carrying amount of interest in investees at December 31, 2023		323	199	672	1,194

i. The Group's share of the capital commitments of the joint ventures at the balance sheet date amounted to S$62 million (2023: S$80 million).

ii. The Group's interest in joint ventures with total carrying amount of S$127 million (2023: S$118 million) as at balance sheet date has been pledged to banks to secure credit facilities granted to the joint venture entities.

iii. The Group has fully impaired the carrying value of S$212 million interest in Chongqing Songzao Sembcorp Electric Power Co., Ltd (CSZ) in 2021. Post impairment, the Group no longer equity accounts the results of CSZ as the Group's cumulative share of losses exceeds its interests in CSZ. As at December 31, 2023, the Group's share of the unrecognised losses of CSZ was S$11 million. The Group has disposed its investment in the equity shares of CSZ in December 2024 (Note G6).

iv. In 2023, proceeds from the capital reduction of a joint venture in China was settled against an amount due to joint venture of S$44 million.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G4. Related Party Information

a. Amounts Due from Related Parties

(S$ million)	Note	Associates December 31, 2024	Associates December 31, 2023	Joint ventures December 31, 2024	Joint ventures December 31, 2023	Related companies December 31, 2024	Related companies December 31, 2023	Total December 31, 2024	Total December 31, 2023
Group									
Trade		4	5	4	1	104	59	112	65
Non-trade		2	2	5	5	5	4	12	11
Dividends		5	–	46	37	–	–	51	37
Loans		*	*	61	1	1	–	62	1
	E1	11	7	116	44	110	63	237	114
Loss allowance	ii	*	(1)	*	(10)	(1)	(1)	(1)	(12)
		11	6	116	34	109	62	236	102
Amount due within 1 year		(11)	(6)	(112)	(31)	(108)	(62)	(231)	(99)
Amount due more than 1 year		–	–	4	3	1	–	5	3

i. The non-trade amounts due from related parties are unsecured, repayable on demand and interest-free.

ii. In 2023, loss allowance mainly pertained to a dividend receivable from a joint venture which was impaired (see G3(b)(iii)).

(S$ million)	Note	Subsidiaries December 31, 2024	Subsidiaries December 31, 2023
Company			
Current:			
– Trade		47	30
	E1	47	30

b. Amounts Due to Related Parties

(S$ million)	Note	Holding company December 31, 2024	Holding company December 31, 2023	Associates December 31, 2024	Associates December 31, 2023	Joint ventures December 31, 2024	Joint ventures December 31, 2023	Related companies December 31, 2024	Related companies December 31, 2023	NCI December 31, 2024	NCI December 31, 2023	Total December 31, 2024	Total December 31, 2023
Group													
Current:													
– Trade		–	–	6	*	*	*	8	5	–	–	14	5
– Non-trade		–	–	*	*	*	6	6	7	–	1	6	14
	E3	–	–	6	*	*	6	14	12	–	1	20	19

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

(S$ million)	Note	Subsidiaries December 31, 2024	Subsidiaries December 31, 2023
Company			
Current:			
– Trade		2	*
– Non-trade		4	6
– Loans		–	145
	E3	6	151
Non-current:			
– Loans	E3	1,393	1,370
		1,399	1,521

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G4. Related Party Information *(cont'd)*

b. Amounts Due to Related Parties *(cont'd)*

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

The loans from a related party of S$1,393 million (2023: S$1,515 million) bear interest rates ranging from 3.70% to 4.06% (2023: 3.72% to 4.90%) per annum and are secured.

c. Related Party Transactions

In addition to the above, the Group had the following significant outstanding balances and transactions with related parties during the year:

(S$ million)	Outstanding balances December 31, 2024	Outstanding balances December 31, 2023	Transactions 2024	Transactions 2023
Related Corporations				
Sales	104	59	577	543
Purchases including rental	8	5	352	378
Finance income	5	4	*	12
Finance expense	6	7	7	27
Associates and Joint Ventures				
Sales	8	6	32	47
Purchases including rental	6	*	*	20
Finance income	7	4	6	5
Payment on behalf	–	–	1	3
Loans receivable	61	1	–	–

d. Compensation of Key Management Personnel

The Group considers the Directors of the Company (including the Group CEO of the Company) and other personnel who have the authority and responsibility for planning, directing and controlling the activities of the Group to be key management personnel in accordance with SFRS(I) 1-24 Related Party Disclosures.

The compensation of the six (2023: six) key management personnel is included in the table below:

(S$ million)	Group 2024	Group 2023
Directors		
Directors' fees paid / payable	2	2
Key Management Personnel		
Short-term employee benefits[1]	18	15
Employer's contributions to defined contribution plans	*	*
Share-based compensation expenses	18	13

[1] Short-term employee benefits comprise of base salary, bonus and other benefits, excluding the fair value of shares vested during the year.

The Group adopts an incentive compensation plan, which is tied to the creation of Economic Value Added (EVA), as well as attainment of individual and Group performance goals for its key executives. "A bonus bank" is used to hold incentive compensation credited in any year. Typically, one-third of the available balance is paid out in cash each year, with the balance being carried forward to the following year. The balances of the bonus bank will increase or decrease by the yearly EVA performance achieved and the pay-outs made from the bonus bank.

G5. Acquisition of Subsidiaries

Acquisition of Significant Subsidiaries

2024

During the year, the Group completed the acquisition of subsidiaries in the renewable business in India, Vietnam and China.

<u>Acquisition of subsidiaries in India</u>

On February 13, 2024, the Group completed the acquisition of a 100% interest in two SPVs of Leap Green. The SPVs contributed turnover of S$22 million and loss of S$3 million to the Group's results.

<u>Acquisition of subsidiaries in Vietnam</u>

In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex. These acquisitions contributed turnover of S$32 million and profit of S$9 million to the Group's results.

<u>Acquisition of subsidiaries in China</u>

During December 2024, the Group completed the acquisitions of 100% interest in Hechishi Yizhouqu Xinyang New Energy Co. Ltd. and Qinzhou Fengmushan Wind Power Co., Ltd (collectively China subsidiaries). These subsidiaries' contributions to the Group's turnover and profit for the year are not material.

(S$ million)	Note	India (Note i)	Vietnam (Note ii)	China (Note iii)	Total
Purchase consideration					
Cash paid		46	174	51	271
Contingent and deferred consideration payable		–	3	–	3
Contingent receivable	ii	–	(12)	–	(12)
Consideration transferred for the businesses		46	165	51	262
Effect on cash flows of the Group					
Cash paid		46	174	51	271
Less: Cash and cash equivalents in subsidiaries acquired		(9)	(11)	(7)	(27)
Cash outflow on acquisition		37	163	44	244
Identifiable assets acquired and liabilities assumed					
Property, plant and equipment		146	282	165	593
Intangible assets		1	44	16	61
Trade and other receivables		9	17	19	45
Deferred tax assets		–	*	–	*
Cash and cash equivalents		9	11	7	27
Total assets		165	354	207	726
Trade and other payables		3	1	11	15
Provisions		2	–	–	2
Borrowings		104	189	142	435
Lease liabilities		*	*	*	*
Deferred tax liabilities		2	5	3	10
Total liabilities		111	195	156	462
Identifiable net assets acquired		54	159	51	264
Less: NCI measured on proportionate basis		–	(4)	–	(4)
Identifiable net assets acquired		54	155	51	260
Add: Goodwill acquired		–	10	–	10
Less: Gain on bargain purchase		(8)	–	–	(8)
Considerations transferred for the business		46	165	51	262

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*

i. Acquisition of subsidiaries in India

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The gain on bargain purchase relating to the acquisition is presented within non-operating income in the income statement in FY2024.

ii. Acquisition of subsidiaries in Vietnam

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The goodwill recognised is not expected to be deductible for tax purposes.

c. Contingent consideration includes both contingent receivables and contingent consideration payable. The receivable is due when the agreed energy production level is not met within two years after the acquisition, while the payable is for the payment of a defined amount upon obtaining the necessary permits for the operation of certain projects. The receivable and payable are presented at gross amounts within trade and other receivables and trade and other payables, respectively, on the balance sheet as of December 31, 2024.

In determining the fair value of the contingent consideration, the Group has applied estimates to evaluate the probability and timing of fulfillment, considering past experiences and changes in the market, economic, or legal environment in Vietnam.

iii. Acquisition of subsidiaries in China

a. Acquisition-related costs amounting to S$1 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss.

iv. Measurement of fair values

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

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function
	Vietnam Replacement cost method	Replacement cost could be obtained or estimated using the quote of similar assets or inflation-adjusted historical cost of subject assets.
	China Replacement cost method	The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project
		Discount rate India: 11.22%–11.33% Vietnam: 9.45%–11.14% China: 6.60%

2023

On January 11, 2023, the Group completed the acquisition of a 100% interest in Vector Green, which consists of a portfolio of solar and wind assets. On December 6, 2023 and December 28, 2023, the Group completed the acquisition of a 100% interest in Qinzhou Yuanneng Wind Power Co., Ltd (Qinzhou Yuanneng) and Binyang County Santai Energy Technology Co., Ltd (Binyang Santai) (collectively China subsidiaries) respectively. These acquisitions will support the Group in achieving its 2028 target of attaining 25GW gross installed capacity in renewable energy, reinforcing its commitment to driving the energy transition.

India

Vector Green contributed turnover of S$89 million and profit of S$18 million to the Group's results. As the completion date was in January 2023, management estimated that the change in contribution to turnover and profit for the year would not have been material if the acquisition was completed on January 1, 2023.

China

The China subsidiaries contributed turnover of S$5 million and profit of S$3 million to the Group's results. As the projects only achieved commercial operation in 4Q2023, management estimated that the contribution to turnover and profit for the year would not have been material should the acquisition be completed on January 1, 2023.

(S$ million)	Note	India (Note i)	China (Note i)	Total
Purchase consideration				
Cash paid		450	112	562
Deferred consideration	ii	–	35	35
Consideration transferred for the businesses		450	147	597
Effect on cash flows of the Group				
Cash paid		450	112	562
Less: Cash and cash equivalents in subsidiaries acquired		(49)	(11)	(60)
Cash outflow on acquisition		401	101	502
Identifiable assets acquired and liabilities assumed				
Property, plant and equipment		470	319	789
Intangible assets		164	90	254
Trade and other receivables		72	33	105
Other investments and derivative assets		57	–	57
Deferred tax assets		2	–	2
Cash and cash equivalents		49	11	60
Total assets		814	453	1,267
Trade and other payables		36	13	49
Deferred tax liabilities		65	27	92
Lease liabilities		7	4	11
Borrowings		354	262	616
Total liabilities		462	306	768
Identifiable net assets acquired		352	147	499
Add: Goodwill acquired		98	*	98
Consideration transferred for the businesses		450	147	597

The China subsidiaries' identifiable assets acquired, and liabilities assumed are inclusive of fair value adjustments, determined on provisional basis as of December 31, 2023.

Prior to the end of the provisional one-year period from the date of acquisition of HYNE (June 1, 2022), the consideration has decreased by S$3 million, resulting in a reduction in goodwill by S$3 million. As at December 31, 2023, the goodwill arising from the acquisition of subsidiaries was S$95 million (see Note D3).

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*

2023 *(cont'd)*

i. Measurement of fair values

a. The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function
	China Replacement cost method	Replacement cost derived from a markup on comparable companies' average gross margin
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project
		Remaining average contract tenure of 18 years for Vector Green and permits tenure of 20 years for the China subsidiaries
		Discount rate of 11.48% and 8.5% for Vector Green and the China subsidiaries respectively

b. The goodwill recognised is not expected to be deductible for tax purposes.

c. Acquisition-related costs amounting to S$2 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss.

ii. The deferred consideration is payable on the fulfilment of the completion procedures and is expected to be paid within 2024. This amount was presented within trade and other payables in the balance sheet as at December 31, 2023.

G6. Disposal Group Held for Sale and Discontinued Operations

Accounting policies

Non-current assets or disposal groups are classified as assets held for sale and measured at the lower of carrying amount and fair value less costs to sell if they are expected to be recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

Any impairment losses on initial classification and subsequent re-measurement are recognised in profit or loss. Subsequent increases in fair value less costs to sell are recognised in profit or loss but not exceeding the accumulated impairment loss that has been previously recognised.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- represents a separate major line of business or geographical area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;

Key estimates and judgements

The assessment on whether the Group has lost control of a subsidiary takes into consideration the terms of the sales, including the transaction structure. Judgements are applied in determining if there is a loss of control or influence of the subsidiary. Factors considered in the assessment for disposal during the year are described in the note.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

a. Disposal Group Held for Sale

i. Sembcorp Environment Pte. Ltd. (SembEnviro)

On November 8, 2024, the Group has entered into a share purchase agreement (SPA) to sell the entire issued and paid-up share capital of SembEnviro to SBT Investment 2 Pte. Ltd., a wholly-owned subsidiary of PT TBS Energi Utama Tbk (TBS), a company listed on the Indonesian Stock Exchange. The completion of the transaction is subject to fulfilment of conditions precedent, including regulatory approvals. The transaction will be settled in cash and is expected to be completed by the first half of 2025.

As at December 31, 2024, SembEnviro is classified as held for sales having assessed the following:

1. Management is committed to sell and the sale is highly probable
2. The asset or disposal group is ready for immediate sale in its present condition
3. The carrying amount will be recovered principally through sale rather than through continuing operation

Post Completion

Post completion of the sale, SCI will lose control of SembEnviro. Our considerations include:

1. SCI will not be a shareholder of SembEnviro and will have no voting rights on shareholder matters relating to SembEnviro
2. SCI will not have the rights or ability to appoint directors, key management, and participate as a director or management of SembEnviro
3. SCI will not have contractual arrangements that give SCI the rights or ability to direct the operating and financing activities of SembEnviro
4. SCI will also not be exposed to, or have rights to, the variable returns of SembEnviro

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G6. Disposal Group Held for Sale and Discontinued Operations *(cont'd)*

a. Disposal Group Held for Sale *(cont'd)*

i. Sembcorp Environment Pte. Ltd. (SembEnviro) *(cont'd)*

As of December 31, 2024, the assets and liabilities relating to SembEnviro and its subsidiaries were classified as held for sale. Correspondingly, the Company has also classified its investment in SembEnviro as held for sale.

	Carrying amount at December 31, 2024			
	Group			Company
(S$ million)	SembEnviro	Intercompany	Attributable to Group	
Assets held for sale				
Investment in subsidiary	–	–	–	268
Property, plant and equipment	323	–	323	–
Investment properties	1	–	1	–
Intangible assets	*	–	*	–
Trade and other receivables	115	(80)	35	–
Inventories	6	–	6	–
Cash and cash equivalents	24	–	24	–
	469	(80)	389	268
Liabilities held for sale				
Trade and other payables	44	(2)	42	–
Provisions	2	–	2	–
Current tax payable	9	–	9	–
Lease liabilities	62	–	62	–
Deferred tax liabilities	33	–	33	–
	150	(2)	148	–
Excess of assets over liabilities held for sale	319	(78)	241	268

The disposal of SembEnviro will not be disclosed as discontinued operation, as SembEnviro business is part of the Integrated Urban Solutions segment and is not a major line of business of the Group.

ii. Vietnam assets

Included within assets held for sale is S$3 million relating to property, plant and equipment located in Vietnam.

b. Discontinued Operations

2024

On December 19, 2024, the Group completed the sale of Chongqing Songzao Sembcorp Electric Power Co., Ltd. (CSZ). The loss on disposal of S$9 million relates mainly to the realisation of the accumulated currency translation loss recognised in the foreign currency translation reserve.

In May 2021, SCI announced its strategy to reduce its carbon emission, and in 2022, the Group announced the divestment of SEIL, which was completed in 2023, and to exit its coal business. The exit of the coal business, being a major line of business under the Conventional Energy business segment then, was classified as discontinued operation.

In 2024, the Group completed its divestment of CSZ, the Group's remaining coal-fired power generation assets. Being part of the Group's plan to exit its coal business, the loss on disposal was reported under discontinued operation.

2023

On January 19, 2023, the Group completed the sale of SEIL. The loss on disposal of S$78 million was after realisation of an accumulated currency translation loss recognised in the foreign currency translation reserve of S$423 million and a gain in capital reserve and other reserves of S$290 million. Before realisation of these reserves, there was a gain of S$55 million recognised on the sale.

The financial effects arising from the divestment of the discontinued operation are as follows:

	Group	
(S$ million)	2024	2023
Net assets derecognised	–	1,938
Less: Realisation of currency translation, capital and other reserves upon disposal	9	133
Less: Transaction costs	*	42
Loss on disposal	(9)	(78)
Consideration received	*	2,035
Add: Stamp duties and tax	*	3
Less: DPN receivable	–	(2,038)
Net cash inflow	*	–

Loss of control of SEIL

Post divestment of the Group's 100% equity stake in SEIL (now known as SEIL EIL), the Group has indirect exposure to SEIL EIL's operational and financial risks as a lender by virtue of the DPN issued to the Purchaser, extension of the corporate guarantees on an arm's length basis to certain SEIL EIL's existing lenders and the provision of non-exclusive technical service to SEIL EIL. Judgements were applied in determining the loss of control in SEIL EIL based on the terms of the sale. The factors being considered include:

i. The Group does not have any voting rights, board representatives or decision-making authority in SEIL EIL's operational and financial matters.

ii. Affirmative, negative and information covenants common in commercial project finance arrangements, were included as the terms of the DPN to ensure full recoverability of the DPN amount. Such rights are typical of project finance agreements and are not exclusive to the Group. They do not confer any power to direct SEIL EIL's activities for any variable returns, similar to those of SEIL EIL's then existing project finance loans.

iii. The corporate guarantee extended to SEIL EIL's lenders was required as part of the consents from lenders for the change in shareholder of SEIL EIL, under the terms of SEIL EIL's then existing project finance arrangements. The Group charges a corporate guarantees fee at an arm's length basis to compensate for the risks assumed and is not a mechanism to extract returns from SEIL EIL.

iv. The Group has also entered into Technical Service Agreement (TSA) to facilitate a smooth transition of the change in ownership in SEIL EIL for the Purchaser (*Tanweer Infrastructure SAOC*). The Purchaser may request for advice from time to time so that it can run SEIL EIL's operations reliably and efficiently, safeguarding the interest of SEIL EIL's stakeholders, namely the power distribution customers, end users, employees, lenders, and the Indian Power system. The TSA can be terminated by either party with 30 days' notice in writing in accordance with the terms of the agreement.

   The fees charged for TSA are at market rate on an arm's length basis, based on the scope as decided and requested by the Purchaser and SEIL EIL, and not in accordance with the performance achieved by SEIL EIL. The TSA is also not a mechanism to extract returns from SEIL EIL, and the TSA fees are not linked to SEIL EIL's returns and are not material relative to the earnings of SEIL EIL.

v. The Group derives interest income as its return under the DPN. The interest rate is at 1.8% per annum plus benchmark rate equal to 10-year Indian government bond minus GHG emission intensity reduction incentive. As a lender under the DPN, the Group has no power nor significant influence over SEIL EIL to affect the amounts of its return from SEIL EIL. Like any other non-recourse project finance lender, the Group's recoverability of the DPN principal is subject to the downside risk of SEIL EIL's ability to generate cashflow to repay the DPN principal.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

Notes to the Financial Statements

H. Other Disclosures

H1. DPN Receivable, Other Investments and Derivatives

Accounting policies

Classification and Measurement

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group initially recognises financial liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group classifies financial liabilities as measured at amortised cost or FVTPL.

Equity Investments at FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. The Group's equity investments are classified as FVOCI. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets and liabilities at FVTPL

All other financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI, as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial liability is classified as FVTPL if it is held for trading, it is a derivative or it is designated as such on initial recognition. Financial assets and financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest income and expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Derecognition

The Group derecognises a financial asset when a) the contractual rights to the cash flows from the financial asset expire, or b) when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or if the Group neither transfers nor retains substantially all of the risks and rewards of ownership, it does not retain control of the financial asset.

The Group enters transactions whereby it transfers assets recognised in its balance sheet but retains either all or substantially all of its risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantively different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash transferred or liabilities assumed) is recognised in profit or loss.

Deferred Payment Note receivable (DPN)

Arising from the completion of the sale of 100% of the shares in Sembcorp Energy India Limited (SEIL) by Sembcorp Utilities Pte Ltd (SCU) to Tanweer Infrastructure SAOC (the Purchaser) on January 19, 2023, the consideration for the sale was settled through a deferred payment note receivable amounting to approximately S$2,038 million. The DPN, measured at fair value, is classified as a financial asset at fair value through profit and loss, as it does not meet the criteria for the SPPI (Solely Payments of Principal and Interest) test based on its terms.

Key estimates and judgements

The determination of the fair value of the DPN requires significant judgements and estimates, which are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected.

The Group has derived the fair value of DPN by performing a discounted cashflow using the forecasted distributable reserves available from SEIL Energy India Limited (SEIL EIL), considering secured cash flows from various power purchase agreements and unsecured cash flows from contract renewals and / or new contracts.

The fair value of DPN assumed that the Group will receive interest payments in accordance with a pre-agreed interest rate and principal repayment according to SEIL EIL's a cash distribution waterfall agreed in the DPN agreement.

A discount rate is applied to the DPN to reflect the cash flow risks associated with the forecasted distributable dividends from SEIL EIL and credit default risk of the Purchaser^. This discount rate was derived from the yields of comparable INR bonds in India in the same industry with similar credit ratings, adjusted for maturity and subordinated structure of the DPN and cross referenced with Indian company INR perps and comparable Indian company loans.

An increase in 10 basis points on the discount rate would have reduced the fair value by S$8 million. Conversely, a 10 basis points decrease would have increased the fair value by S$8 million (Note H1(i)).

^ Tanweer Infrastructure SAOC

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

(S$ million)	Note	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current
2024					
DPN receivable	i	–	1,581		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	47		
At FVTPL:					
– Mutual funds	ii	76	34	–	–
– Cross currency swaps		–	2	–	–
– Interest rate swaps		–	2	–	–
– Forward foreign exchange contracts		8	2	11	7
		84	40	11	7
Hedge of net investment in foreign operations:					
– Forward foreign exchange contracts		1	–	–	–
		1	–	–	–
Cash flow hedges:					
– Forward foreign exchange contracts		2	–	–	–
– Fuel oil swaps		27	1	23	4
– Interest rate swaps		–	27	2	6
– Cross currency swaps		–	–	–	13
		29	28	25	23
At amortised cost:					
– Long-term fixed deposits		–	14		
– Redeemable preference shares		–	7		
		–	21		
Total		114	136	36	30

(S$ million)	Note	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current
2023					
DPN receivable	i	–	1,816		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	46		
At FVTPL:					
– Mutual funds	ii	63	31	–	–
– Cross currency swaps		–	2	25	–
– Interest rate swaps		–	*	–	–
– Forward foreign exchange contracts		2	–	*	–
– Foreign exchange swap contracts		1	–	*	–
		66	33	25	–
Hedge of net investment in foreign operations:					
– Foreign exchange swap contracts		–	1	–	–
– Forward foreign exchange contracts		8	–	–	–
		8	1	–	–
Cash flow hedges:					
– Forward foreign exchange contracts		*	–	9	8
– Fuel oil swaps		29	11	29	11
– Interest rate swaps		11	27	–	–
– Cross currency swaps		–	4	–	1
		40	42	38	20
At amortised cost:					
– Long-term fixed deposits		–	3		
– Redeemable preference shares		–	7		
		–	10		
Total		114	132	63	20

i. DPN Receivable

The DPN was entered into by SCU, a wholly owned subsidiary of the Company, as part of the sale of SEIL in January 2023 as a means of providing financing to the Purchaser^. The DPN receivable is now classified as a financial asset at fair value through profit and loss, as it does not pass the SPPI (Solely Payments of Principal and Interest) test. A Technical Services Agreement ("TSA") was also entered into by SCU to provide technical advisory services to SEIL EIL as part of transition arrangements, pursuant to which SCU is paid fees which are mutually agreed annually based on estimated man-days. Under the terms of the DPN, the TSA cannot be terminated without SCU's consent.

The DPN receivable was initially measured at fair value as at the date of sale. Subsequent changes in fair value are recognised in profit or loss as DPN income (Note B4).

The DPN bears interest at a rate per annum equal to 1.8% plus a benchmark rate equal to the Indian government 10-year bond yield spot rate, minus a greenhouse gas emissions intensity reduction incentive rate.

^ Tanweer Infrastructure SAOC

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

i. DPN Receivable *(cont'd)*

SCU has put in place a mechanism to monitor and manage the credit exposure via the rights provided in the DPN. A summary of the terms of the DPN are set out below and can also be found in Circular to Shareholders dated October 22, 2022:

a. Under the DPN, SCU receives payment from the borrower (Tanweer Infrastructure SAOC);

b. SCU has protective rights as a lender by way of covenants in the DPN (affirmative, negative and information) in line with common financing terms provided by project lenders;

c. These covenants ensure that the borrower and the underlying project's funding and operational activities do not negatively affect payments under the DPN and also impose obligations on the borrower to ensure that SEIL EIL continues to operate in accordance with the annual operating budget, contractual obligations and in compliance with applicable laws and standards.

The Group has continued to assess that it has no control over SEIL EIL and only retain risks as lender through the DPN provided to the Purchaser and corporate guarantee given over SEIL EIL's borrowing facilities. The Group also assessed that the services provided as part of the TSA did not give rise to power to direct the relevant activities of SEIL EIL that result in the Group having control or any significant influence over the operating and financial decisions of SEIL EIL.

The balance as at December 31, 2024 of S$1,581 million (2023: S$1,816 million) included a fair value gain of S$169 million (2023: S$133 million) for the period, net of receipts of S$404 million (2023: S$355 million) consisting of principal and interest repayments.

ii. Included in mutual funds are amounts of S$14 million (2023: S$19 million) pledged to secure loan facilities.

H2. Provisions

Accounting policies

A provision is an amount set aside based on reliable estimate to settle a probable legal or constructive obligation from a past event.

Key estimates and judgements

Estimates of the Group's obligations arising from contracts or regulations that exist as at balance sheet date may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on management's knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Certain of the Group's subsidiaries are involved in claims, litigations, land disputes and other regulatory matters in certain countries at year end. Due to the nature of these disputes and matters, and in view of the uncertainty of the outcome, the Group believes that the amount of exposure cannot currently be reliably determined. Therefore, no provision has been recorded for these.

Provision for restoration cost

The provision recognised represents management's best estimate of the present value of the future costs required. Significant estimates and assumptions are made in determining the amount of restoration provisions. Those estimates and assumptions deal with uncertainties such as: changes to the relevant legal and regulatory framework; the timing, extent and costs required. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the balance sheet by adjusting both the asset and provision. Such changes give rise to a change in future depreciation and interest charges.

Movements in provisions are as follows:

(S$ million)	Note	Claims (i)	Restoration costs (ii)	Remediation of legacy sites (iii)	Others (iv)	Total
Group						
2024						
Balance at January 1		6	89	12	35	142
Translation adjustments		*	*	*	*	*
Provisions made during the year		8	15	*	3	26
Provisions reversed during the year		*	–	*	(9)	(9)
Provisions utilised during the year		(7)	(5)	(5)	(11)	(28)
Acquisition of subsidiaries		–	2	–	–	2
Transfer to liabilities held for sale		–	(2)	–	–	(2)
Unwind of accretion on restoration costs	C6	–	3	–	–	3
Balance at December 31		7	102	7	18	134
Provisions due:						
– within 1 year		7	49	7	2	65
– after 1 year but within 5 years		–	2	–	12	14
– after 5 years		–	51	–	4	55
		7	102	7	18	134
2023						
Balance at January 1		2	69	20	13	104
Translation adjustments		*	1	1	*	2
Provisions made during the year		4	19	–	25	48
Provisions reversed during the year		*	*	(2)	(2)	(4)
Provisions utilised during the year		–	(2)	(7)	(1)	(10)
Unwind of accretion on restoration costs	C6	–	2	–	–	2
Balance at December 31		6	89	12	35	142
Provisions due:						
– within 1 year		6	45	11	15	77
– after 1 year but within 5 years		–	3	1	20	24
– after 5 years		–	41	–	–	41
		6	89	12	35	142

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H2. Provisions *(cont'd)*

(S$ million)	Claims (i)	Restoration costs (ii)	Total
Company			
2024			
Balance at January 1	1	51	52
Provisions made during the year	–	6	6
Provisions utilised during the year	*	(4)	(4)
Unwind of accretion on restoration costs	–	1	1
Balance at December 31	1	54	55
Provisions due:			
– within 1 year	1	38	39
– after 5 years	–	16	16
	1	54	55
2023			
Balance at January 1	*	41	41
Provisions made during the year	1	10	11
Provisions utilised during the year	–	*	*
Balance at December 31	1	51	52
Provisions due:			
– within 1 year	1	34	35
– after 5 years	–	17	17
	1	51	52

i. Provision for claims relates to the obligations arising from contractual and commercial arrangements in the Group's and the Company's operations, based on the best estimate of the possible outflow considering both contractual and commercial factors.

ii. Restoration costs relate to cost of dismantling and removing assets and restoring the premises to its original condition as stipulated in the agreements. The liability is expected to be incurred upon fulfilment of restoration obligation or termination of the lease.

iii. This relates to remediation obligations of certain legacy sites in the UK, which are expected to be utilised within one to three years. This provision has been determined with reference to external quotes from suppliers as well as management's best estimate of the costs to complete the remediation works.

iv. Others for the Group include provision for maintenance obligation based on contractual obligations to maintain the infrastructure and equipment to specified levels of serviceability under the service concession agreements. These provisions are measured at the best estimate of the expenditure required and timing of outflows, to settle the present obligation at the end of each reporting period.

H3. Performance Guarantees

Group

As at December 31, 2024, the Group has provided performance guarantees to external parties amounting to nil (2023: S$2 million). The Group does not consider it probable that a claim will be made against the Group under these guarantees, as such there were no liabilities recognised.

Company

The Company has provided performance guarantees of S$75 million (2023: S$80 million) on behalf of a subsidiary, Sembcorp Cogen Pte Ltd (SembCogen) for two long-term agreements entered in Year 2010 for the purchase of a total of 20 BBtud (2023: 20 BBtud) (Billion British thermal units per day) of liquefied natural gas (LNG) from Shell Gas Marketing Pte Ltd (Shell).

These agreements have a start date on May 7, 2013 and September 1, 2015 respectively, and have a term of 10 years and SembCogen has an option to extend the term by two successive periods of five years each, subject to fulfilment of conditions set in the agreements. As the contract which expired in May 2023 was not renewed, the Company's obligations under this contract have been discharged.

The Company believes that the subsidiary has sufficient resources to fulfil its contractual obligations and does not consider it probable that a claim will be made against the Company under these guarantees, as such there were no liabilities recognised.

H4. Subsequent Events

On January 31, 2025, the Group announced the signing of a share purchase agreement to acquire a 100% interest in Puente Al Sol Inc for consideration of approximately S$105 million. Puente Al Sol Inc is currently developing a 96MW solar farm in Cadiz, Philippines.

H5. New or Revised Accounting Standards and Interpretations Not Yet Effective

The following new SFRS(I)s, amendments to and interpretations of SFRS(I)s are effective for annual periods beginning after January 1, 2024:

Applicable to 2025 financial statements

- *Amendments to SFRS(I) 1-21: Lack of Exchangeability*

Applicable to 2026 financial statements

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

Applicable to 2027 financial statements

- *SFRS(I) 18: Presentation and Disclosure in Financial Statements*
- *SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures*

Mandatory effective date deferred

- *Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)*

The Group is still in the process of assessing the impact of the new SFRS(I)s, amendments to and interpretations of SFRS(I)s on the financial statements. The Group does not expect significant impact on the financial statements upon the adoption of these new SFRS(I)s.

Notes to the Financial Statements

I. Supplementary Information

I1. Interested Person Transactions (Under SGX-ST Listing Manual requirements)

For the purposes of Chapter 9 of the SGX-ST Listing Manual, shareholders' approval is required for any interested person transaction of a value equal to, or more than 5% of the Group's latest audited consolidated net tangible assets (NTA) or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than 5% of the Group's latest NTA. For FY2024, the 5% Group's consolidated NTA as at December 31, 2023 was S$181 million.

Chapter 9 however permits the Company to obtain a shareholders' mandate for recurrent transaction of a revenue or trading nature or those necessary for its day-to-day operations. At the Annual General Meeting held on April 2023, the Company obtained approval for such shareholders' mandate.

Transactions under shareholders' mandate

(S$ million)	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than S$100,000) 2024
Sale of Goods and Services		
Singapore Technologies Telemedia Pte Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	0.1
Mapletree Investments Pte Ltd and its Associates		0.5
PSA International Pte Ltd and its Associates		6.0
Olam International Ltd and its Associates		45.6
SATS Ltd and its Associates		0.1
CapitaLand Investment Limited and its Associates		0.9
Singapore Power Limited and its Associates		2.6
Singapore Technologies Engineering Ltd and its Associates		1.4
		57.2
Purchase of Goods and Services		
Singapore Power Limited and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	57.3
Mapletree Investments Pte Ltd and its Associates		3.8
SATS Ltd and its Associates		1.0
Singapore Airlines Limited and its Associates		0.1
Singapore Telecommunications Ltd and its Associates		8.1
Singapore Technologies Engineering Ltd and its Associates		10.8
Surbana-Jurong Private Limited and its Associates		7.2
PSA International Pte Ltd and its Associates		0.4
Lan Ting Holdings Pte Ltd and its Associates		82.2
Starhub Ltd and its Associates		0.5
Constellar Holdings Pte. Ltd.		0.3
		171.7
Treasury Transactions		
Subscription to S$350 million 3.65% fixed rate notes due 2036 notes issued by Sembcorp Financial Services Pte. Ltd. on October 23, 2024		
Yap Chee Keong	Director	0.4
		0.4
Total		229.3

There are no interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920).

I2. List of Properties

Urban

Description	Type	Land tenure	Gross floor area (sq m)	Group's effective interest	Status
China					
Industrial & Business Properties					
1. Global Sustainability Hub, Nanjing	Office & exhibition centre	Leasehold 50 years from 2015	36,489[1]	100%	Completed development
2. Jiangdao Intelligent Cube, Nanjing	Office & business park	Leasehold 50 years from 2012	72,273	21.5%	Completed development
3. Jiangdao Technology Innovation Centre, Nanjing	Office & exhibition centre	Leasehold 50 years from 2012	49,340	21.5%	Completed development
4. Wuxi-Singapore Industrial Park	Ready-built factories	Leasehold 50 years from 1995	540,227	45.4%	Completed development
5. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 2011	118,202	45.4%	Completed development
6. Wuxi-Singapore Industrial Park	Office & amenities	Leasehold 50 years from 1996	10,491	45.4%	Completed development
7. Wuxi-Singapore Industrial Park	Office	Leasehold 50 years from 1999	4,423	45.4%	Completed development
8. Wuxi-Life Science Park Phase 1	Ready-built factories	Leasehold 50 years from 2022	60,655	45.4%	Completed development
9. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 1995	13,087	45.4%	Under development
Commercial & Residential Properties					
1. Jiangdao Xin Tiandi, Nanjing	Retail	Leasehold 40 years from 2012	51,644	21.5%	Completed development
2. Jiangdao Hua Ting, Nanjing	Residential	Leasehold 70 years from 2012	3,229	21.5%	Completed development
3. Modena by Fraser, Wuxi New District	Service apartment	Leasehold 40 years from 2008	11,056	45.4%	Completed development
4. Chengdu Innovation & Technology Centre	Office & retail	Leasehold 40 years from 2022	65,930	50.0%	Under development
Indonesia					
Industrial & Business Properties					
1. Kendal Industrial Park, Central Java	Ready-built factories	Leasehold 30 years from 2015	1,836	49.0%	Completed development

[1] Gross floor area excludes carpark and basement area

Notes to the Financial Statements

I. Supplementary Information *(cont'd)*

I2. List of Properties *(cont'd)*

Urban *(cont'd)*

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
Vietnam					
Industrial & Business Properties					
1. Sembcorp Logistics Park Quang Ngai	Warehouses	Leasehold 60 years from 2022	33,600	52.5%	Under development
2. Sembcorp Logistics Park Nghe An	Warehouses	Leasehold 43 years from 2022	39,390	52.5%	Under development
3. VSIP Binh Duong I	Ready-built factories	Leasehold 50 years from 1996	57,659	49.3%	Completed development
4. VSIP Binh Duong II	Ready-built factories	Leasehold 50 years from 2005	25,020	49.3%	Completed development
5. VSIP Binh Duong II-A	Ready-built factories	Leasehold 50 years from 2008	85,111	49.3%	Completed development
6. VSIP Nghe An	Ready-built factories	Leasehold 50 years from 2015	8,810	49.3%	Completed development
7. VSIP Binh Duong – Hai Phong Branch	Ready-built factories	Leasehold 50 years from 2008	30,066	49.3%	Completed development
8. VSIP Bac Ninh	Ready-built factories	Leasehold 50 years from 2007	37,826	46.5%	Completed development
9. VSIP Bac Ninh Flatted Factory	Flatted factory	Leasehold 50 years from 2007	15,583	46.5%	Completed development
10. Sembcorp Logistics Park Hai Phong Phase I	Warehouses	Leasehold 44 years from 2014	15,000	52.5%	Completed development
11. Sembcorp Logistics Park Hai Phong Phase II	Warehouses	Leasehold 43 years from 2016	14,279	52.5%	Completed development
12. Sembcorp Logistics Park Hai Phong Phase III	Warehouses	Leasehold 40 years from 2018	13,200	52.5%	Completed development
13. Sembcorp Logistics Park Hai Duong	Warehouses	Leasehold 38 years from 2020	13,176	52.5%	Completed development
14. Sembcorp Logistics Park Thuy Nguyen	Warehouses	Leasehold 34 years from 2024	19,617	52.5%	Under development
15. Sembcorp Logistics Park Dinh Vu	Warehouses	Leasehold 34 years from 2024	83,260	52.5%	Under development
16. Sembcorp Logistics Park Bac Ninh I	Warehouses	Leasehold 47 years from 2024	61,864	100%	Under development
17. Sembcorp Logistics Park Binh Duong	Warehouses	Leasehold 43 years from 2024	77,080	100%	Under development
18. Sembcorp Logistics Park Nam Dinh	Warehouses	Leasehold 35 years from 2024	87,877	100%	Under development

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
Vietnam *(cont'd)*					
Commercial & Residential Properties					
1. VSIP Binh Duong II-A	Retail	Leasehold 50 years from 2008	1,118	49.3%	Completed development
2. VSIP Plaza, Quang Ngai	Retail	Leasehold 50 years from 2015	3,062	49.3%	Completed development
3. VSIP Hai Phong	Retail	Leasehold 50 years from 2008	233	46.5%	Completed development
4. Hai Phong Gateway	Retail	Leasehold 50 years from 2008	674	46.5%	Completed development
5. VSIP Bac Ninh	Shophouses	Leasehold 50 years from 2007	680	46.5%	Completed development
6. Sun Casa, Binh Duong	Residential & shophouses	Leasehold 50 years from 2008	1,677	49.3%	Completed development
7. Sun Casa Central I, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	7,372	49.3%	Completed development
8. Sun Casa Central II, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	27,504	49.3%	Under development
9. The Habitat Binh Duong Phase II	Residential & retail	Leasehold 45 years from 2018	431	51.6%	Completed development
10. The Habitat Binh Duong Phase III	Residential & retail	Leasehold 44 years from 2019	60,583	51.6%	Under development

Corporate and Others

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest
Singapore				
30 Hill Street	Office	Freehold land and building	11,410	100%

REGISTERED OFFICE OF THE ISSUER

SG Issuer
10, Porte de France,
L-4360 Esch-sur-Alzette,
Luxembourg

REGISTERED OFFICE OF THE GUARANTOR

Societe Generale
29, boulevard Haussmann
75009 Paris
France

ISSUER'S AUDITORS

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg

GUARANTOR'S STATUTORY AUDITORS

KPMG S.A
Tour Eqho - 2 avenue Gambetta
92400 Courbevoie
France

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly-sur-Seine
France

WARRANT AGENT

THE CENTRAL DEPOSITORY (PTE) LIMITED
4 Shenton Way
#02-01 SGX Centre 2
Singapore 068807

LEGAL ADVISERS TO THE ISSUER
(as to Singapore law)

ALLEN & GLEDHILL LLP
One Marina Boulevard #28-00
Singapore 018989