

**Singapore Exchange Limited
and its subsidiaries
Registration Number: 199904940D**

Financial Statements
For the financial year ended 30 June 2024

Directors' statement

The directors present their statement to the shareholders together with the audited financial statements of Singapore Exchange Limited (“the Company” or “SGX”) and its subsidiaries (“the Group”) for the financial year ended 30 June 2024.

In the opinion of the directors,

- (a) the financial statements set out on pages FS1 to FS128 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 30 June 2024 and the financial performance, changes in equity of the Group and of the Company, and the cash flows of the Group for the financial year ended on that date; 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.

Directors

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

Mr Koh Boon Hwee	(Chairman)
Mr Loh Boon Chye	(Chief Executive Officer)
Dr Beh Swan Gin	
Ms Julie Gao	
Mr Lim Chin Hu	
Ms Lim Sok Hui (Mrs Chng Sok Hui)	
Ms Lin Huey Ru	
Ms Claire Louise Perry	(Appointed on 5 October 2023)
Professor Subra Suresh	
Mr Samuel Tsien	
Mr Yeoh Oon Jin	

Arrangements to enable directors to acquire shares and debentures

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under “Share plans” in this statement.

Directors' interests in shares or debentures

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Number of ordinary shares registered in name of <u>director or nominee</u>		Number of ordinary shares in which director is deemed <u>to have an interest</u>	
	At	At	At	At
	<u>30.06.2024</u>	<u>01.07.2023</u>	<u>30.06.2024</u>	<u>01.07.2023</u>
Singapore Exchange Limited				
Mr Koh Boon Hwee	25,287	–	–	–
Mr Loh Boon Chye	–	–	1,499,232	1,121,199
Mr Lim Chin Hu	48,110	45,982	–	–
Professor Subra Suresh	10,533	8,405	–	–
Mr Samuel Tsien	2,128	–	–	–
Mr Yeoh Oon Jin	4,275	2,147	–	–

- (b) According to the register of directors' shareholdings,
- i. five non-executive directors holding office at the end of the financial year had interests in the shares of the Company granted pursuant to the SGX Restricted Share Plan; and
 - ii. one executive director holding office at the end of the financial year had interests in the shares of the Company granted pursuant to the SGX Performance Share Plan; and the SGX Deferred Long-Term Incentives Scheme as set out below:

Subject to the terms and conditions of the SGX Performance Share Plan and SGX Deferred Long-Term Incentives Scheme, 933,268 shares granted to Loh Boon Chye will vest between 1 September 2024 and 1 September 2027.

- (c) There was no change in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 July 2024.

Share plans

The Company offers the following share plans administered by the Remuneration & Staff Development Committee ("RSDC"):

- (a) SGX Performance Share Plan;
- (b) SGX Deferred Long-Term Incentives Scheme; and
- (c) SGX Restricted Share Plan.

Share plans (continued)

(a) SGX Performance Share Plan

The current SGX Performance Share Plan (“SGX PSP 2015”) was adopted at the annual general meeting of the Company held on 23 September 2015. Through the SGX PSP 2015, SGX will be able to recognise and reward past contributions and services, and motivate the plan participants to continue to strive for SGX’s long term success. In addition, the SGX PSP 2015 aims to foster an ownership culture which aligns the interest of employees with the interest of shareholders.

Eligibility

Selected members of senior management who have attained the rank of Executive Director and above are eligible to be considered for the award under SGX PSP 2015.

Fully paid SGX shares, their equivalent cash value or combinations thereof will be awarded and vest, free of charge, provided that certain prescribed performance targets are met and upon expiry of the prescribed vesting period(s). The amount released, if in the form of cash, is based on the market value of such shares on vesting date.

Unless otherwise decided by the RSDC, the entitlement to this award shall lapse immediately as of the date of notice of termination of employment is tendered by or given to a plan participant.

Restrictions

The total number of new SGX shares which may be issued pursuant to awards granted under SGX PSP 2015 on any date, when added to the total number of new shares issued and issuable in respect of all awards granted, shall not exceed 10% of SGX’s issued share capital on the day preceding the relevant date of award.

For grants under SGX PSP 2015, the vesting period is four years and any shares that have been released to the participants are not subject to a retention period.

Share grant and vesting

The RSDC approves all grants and has absolute discretion in the granting and award of performance shares.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(i) FY2020 Grant under SGX PSP 2015

The number of SGX shares awarded to each participant was based on the achievement of prescribed performance targets over a three-year performance period from 1 July 2019 to 30 June 2022. The performance shares vested on 4 September 2023 and were fulfilled by delivery of the shares previously purchased from the market.

The details of shares granted to the participants are as follows:

Participants (as defined under SGX Performance Share Plan)	Shares granted at grant date ⁽¹⁾	Balance as at 01.07.2023	Shares lapsed during the financial year	Additional shares from higher achievement level	Shares vested during the financial year	Balance as at 30.06.2024
EMCO members						
Mr Loh Boon Chye ⁽²⁾	155,800	155,800	–	71,000	(226,800)	–
Mr Syn Hsien-Min Michael ⁽²⁾	46,200	46,200	–	21,100	(67,300)	–
Mr Tan Boon Gin ⁽²⁾	39,000	39,000	–	17,800	(56,800)	–
Ms Tinku Gupta	25,600	25,600	–	11,700	(37,300)	–
Ms Agnes Koh	25,000	25,000	–	11,400	(36,400)	–
Other recipients						
Mr Muthukrishnan Ramaswami ⁽²⁾⁽³⁾	58,400	58,400	–	26,600	(85,000)	–
Mr Chew Sutat ⁽²⁾⁽⁴⁾	40,300	40,300	–	18,400	(58,700)	–
Others	320,700	269,000	(8,700)	118,800	(379,100)	–
	<u>711,000</u>	<u>659,300</u>	<u>(8,700)</u>	<u>296,800</u>	<u>(947,400)</u>	<u>–</u>

⁽¹⁾ The shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions. The achievement level for FY2020 grant is at 145.6%, hence the number of shares vested exceeds the number of shares granted.

⁽²⁾ Received more than 5% of the shares granted.

⁽³⁾ Mr Muthukrishnan Ramaswami retired as SGX's President and his last day of service was 30 September 2019. As approved by the RSDC, he will continue to be eligible to receive the grant at the vesting date, subject to the level of achievement against the performance conditions.

⁽⁴⁾ Mr Chew Sutat retired as SGX's Head of Global Sales & Origination and his last day of service was 31 July 2021. As approved by the RSDC, he will continue to be eligible to receive the grant at the vesting date, subject to the level of achievement against the performance conditions.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(ii) FY2021 Grant under SGX PSP 2015

The number of SGX shares to be awarded to each participant will be based on the achievement of prescribed performance targets over a three-year performance period from 1 July 2020 to 30 June 2023. An estimated 862,900 performance shares will vest on 2 September 2024.

The details of shares granted to the participants are as follows:

Participants (as defined under SGX Performance Share Plan)	Shares granted at grant date ⁽¹⁾	Balance as at 01.07.2023	Shares lapsed during the financial year	Balance as at 30.06.2024
EMCO members				
Mr Loh Boon Chye ⁽²⁾	161,200	161,200	–	161,200
Mr Lee Beng Hong ⁽²⁾	42,600	42,600	–	42,600
Mr Syn Hsien-Min Michael ⁽²⁾	41,100	41,100	–	41,100
Mr Tan Boon Gin ⁽²⁾	39,500	39,500	–	39,500
Ms Tinku Gupta	27,400	27,400	–	27,400
Ms Agnes Koh	26,200	26,200	–	26,200
Other recipients				
Mr Chew Sutat ⁽²⁾⁽³⁾	39,500	39,500	–	39,500
Others	354,700	289,600	(14,400)	275,200
	<u>732,200</u>	<u>667,100</u>	<u>(14,400)</u>	<u>652,700</u>

⁽¹⁾ Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

⁽²⁾ Received more than 5% of the shares granted.

⁽³⁾ Mr Chew Sutat retired as SGX's Head of Global Sales & Origination and his last day of service was 31 July 2021. As approved by the RSDC, he will continue to be eligible to receive the grant at the vesting date, subject to the level of achievement against the performance conditions.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(iii) FY2022 Grant under SGX PSP 2015

The number of SGX shares to be awarded to each participant will be based on the achievement of prescribed performance targets over a three-year performance period from 1 July 2021 to 30 June 2024. The performance shares will vest on 1 September 2025.

The details of shares granted to the participants are as follows:

Participants (as defined under SGX Performance Share Plan)	Shares granted at grant date⁽¹⁾	Balance as at 01.07.2023	Shares lapsed during the financial year	Balance as at 30.06.2024
EMCO members				
Mr Loh Boon Chye ⁽²⁾	135,700	135,700	–	135,700
Mr Syn Hsien-Min Michael ⁽²⁾	40,100	40,100	–	40,100
Mr Lee Beng Hong ⁽²⁾	34,400	34,400	–	34,400
Mr Tan Boon Gin ⁽²⁾	33,200	33,200	–	33,200
Ms Tinku Gupta	22,900	22,900	–	22,900
Ms Agnes Koh	21,800	21,800	–	21,800
Mr Ng Yao Loong	18,300	18,300	–	18,300
Other recipients	<u>258,500</u>	<u>223,400</u>	<u>(4,700)</u>	<u>218,700</u>
	<u>564,900</u>	<u>529,800</u>	<u>(4,700)</u>	<u>525,100</u>

⁽¹⁾ Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

⁽²⁾ Received more than 5% of the shares granted.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(iv) FY2023 Grant under SGX PSP 2015

The number of SGX shares to be awarded to each participant will be based on the achievement of prescribed performance targets over a three-year performance period from 1 July 2022 to 30 June 2025. The performance shares will vest on 1 September 2026.

The details of shares granted to the participants are as follows:

Participants (as defined under SGX Performance Share Plan)	Shares granted at grant date ⁽¹⁾	Balance as at 01.07.2023	Shares lapsed during the financial year	Balance as at 30.06.2024
EMCO members				
Mr Loh Boon Chye ⁽²⁾	156,800	156,800	–	156,800
Mr Syn Hsien-Min Michael ⁽²⁾	49,700	49,700	–	49,700
Mr Lee Beng Hong ⁽²⁾	44,400	44,400	–	44,400
Mr Tan Boon Gin ⁽²⁾	39,200	39,200	–	39,200
Mr Pol de Win	31,400	31,400	–	31,400
Ms Tinku Gupta	28,200	28,200	–	28,200
Ms Agnes Koh	26,800	26,800	–	26,800
Mr Ng Yao Loong	24,800	24,800	–	24,800
Other recipients	<u>313,800</u>	<u>313,800</u>	<u>(6,100)</u>	<u>307,700</u>
	<u>715,100</u>	<u>715,100</u>	<u>(6,100)</u>	<u>709,000</u>

⁽¹⁾ Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

⁽²⁾ Received more than 5% of the shares granted.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(v) FY2024 Grant under SGX PSP 2015

The number of SGX shares to be awarded to each participant will be based on the achievement of prescribed performance targets over a three-year performance period from 1 July 2023 to 30 June 2026. The performance shares will vest on 1 September 2027.

The details of shares granted to the participants are as follows:

Participants (as defined under SGX Performance Share Plan)	Shares granted during financial year	Shares lapsed during the financial year	Balance as at 30.06.2024 ⁽¹⁾
EMCO members			
Mr Loh Boon Chye ⁽²⁾	164,900	–	164,900
Mr Syn Hsien-Min Michael ⁽²⁾	52,300	–	52,300
Mr Lee Beng Hong ⁽²⁾	48,000	–	48,000
Mr Tan Boon Gin ⁽²⁾	40,400	–	40,400
Mr Pol de Win	32,300	–	32,300
Ms Tinku Gupta	29,700	–	29,700
Ms Agnes Koh	28,700	–	28,700
Mr Ng Yao Loong	26,200	–	26,200
Other recipients	362,400	–	362,400
	784,900	–	784,900

⁽¹⁾ Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

⁽²⁾ Received more than 5% of the shares granted.

Share plans (continued)

(a) *SGX Performance Share Plan* (continued)

Share grant and vesting (continued)

(vi) Summary of SGX Performance Share Plan under SGX PSP 2015

Summary of the total number of shares granted, lapsed, vested and outstanding as at 30 June 2024 is as follows:

	Shares granted during financial year	Additional shares from higher achievement level	Aggregate shares granted since commencement of SGX Performance Share Plan to 30.06.2024	Aggregate shares lapsed since commencement of SGX Performance Share Plan to 30.06.2024	Aggregate shares vested since commencement of SGX Performance Share Plan to 30.06.2024	Aggregate shares outstanding as at 30.06.2024
Participants who received more than 5% of the total grants available						
Mr Loh Boon Chye	164,900	71,000	1,333,900	(97,700)	(617,600)	618,600
Mr Syn Hsien-Min Michael	52,300	21,100	420,900	(64,000)	(173,700)	183,200
Mr Muthukrishnan Ramaswami ⁽¹⁾	–	26,600	346,200	(97,600)	(248,600)	–
Participants who received less than 5% of the total grants available						
Other recipients	567,700	178,100	4,494,600	(1,001,400)	(1,623,300)	1,869,900
	<u>784,900</u>	<u>296,800</u>	<u>6,595,600</u>	<u>(1,260,700)</u>	<u>(2,663,200)</u>	<u>2,671,700</u>

⁽¹⁾ Mr Muthukrishnan Ramaswami retired as SGX's President and his last day of service was 30 September 2019. As approved by the RSDC, he will continue to be eligible to receive the grant at the vesting date, subject to the level of achievement against the performance conditions.

Share plans (continued)

(b) SGX Deferred Long-Term Incentives Scheme

The SGX Deferred Long-Term Incentives Scheme (“SGX DLTIS”) was approved by the RSDC in July 2006. The objective of the SGX DLTIS is to recognise past contributions and services, retain high-performing employees whose contributions are essential to the long-term growth and profitability of the SGX Group and attract potential employees with relevant skills to contribute to the SGX Group and to create value for its shareholders.

Eligibility

Selected executives in the rank of Associates and above are eligible to be considered for the award under the SGX DLTIS.

Fully paid SGX shares, their equivalent cash value or combinations thereof will be awarded to eligible employees and vest upon expiry of the prescribed vesting period(s). The amount released, if in the form of cash, is based on the market value of such shares on vesting date.

Unless otherwise decided by the RSDC, the entitlement to the award is conditional on the recipient remaining in service up to the specified vesting date.

Share plans (continued)

(b) *SGX Deferred Long-Term Incentives Scheme* (continued)

Share grant and vesting

(i) FY2021 Award

The FY2021 Award is in the form of SGX shares. The award vested in three equal instalments over a period of three years with the first instalment vested on 1 September 2021 and the final instalment vested on 4 September 2023.

The details of shares awarded are as follows:

Recipients (as defined under SGX Deferred Long-Term Incentives Scheme)	Shares awarded at grant date	Balance as at 01.07.2023	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2024
EMCO members					
Mr Loh Boon Chye ⁽¹⁾	161,200	53,734	–	(53,734)	–
Mr Lee Beng Hong	42,600	14,200	–	(14,200)	–
Mr Syn Hsien-Min Michael	41,100	13,700	–	(13,700)	–
Mr Tan Boon Gin	39,500	13,168	–	(13,168)	–
Ms Tinku Gupta	27,400	9,134	–	(9,134)	–
Ms Agnes Koh	26,200	8,734	–	(8,734)	–
Other recipients	<u>1,138,800</u>	<u>310,114</u>	<u>(5,236)</u>	<u>(304,878)</u>	<u>–</u>
	<u>1,476,800</u>	<u>422,784</u>	<u>(5,236)</u>	<u>(417,548)</u>	<u>–</u>

⁽¹⁾ Received more than 5% of the shares awarded.

Share plans (continued)

(b) *SGX Deferred Long-Term Incentives Scheme* (continued)

Share grant and vesting (continued)

(ii) FY2022 Award

The FY2022 Award is in the form of SGX shares. The award will vest in three equal instalments over a period of three years with the first instalment vested on 1 September 2022.

The details of shares awarded are as follows:

Recipients (as defined under SGX Deferred Long-Term Incentives Scheme)	Shares awarded at grant date	Balance as at 01.07.2023	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2024
EMCO members					
Mr Loh Boon Chye ⁽¹⁾	135,700	90,467	–	(45,233)	45,234
Mr Syn Hsien-Min Michael	40,100	26,734	–	(13,366)	13,368
Mr Lee Beng Hong	34,400	22,934	–	(11,466)	11,468
Mr Tan Boon Gin	33,200	22,134	–	(11,066)	11,068
Ms Tinku Gupta	22,900	15,267	–	(7,633)	7,634
Ms Agnes Koh	21,800	14,534	–	(7,266)	7,268
Mr Ng Yao Loong	18,300	12,200	–	(6,100)	6,100
Other recipients	862,500	500,205	(13,540)	(247,629)	239,036
	<u>1,168,900</u>	<u>704,475</u>	<u>(13,540)</u>	<u>(349,759)</u>	<u>341,176</u>

⁽¹⁾ Received more than 5% of the shares awarded.

Share plans (continued)

(b) *SGX Deferred Long-Term Incentives Scheme* (continued)

Share grant and vesting (continued)

(iii) FY2023 Award

The FY2023 Award is in the form of SGX shares. The award will vest in three equal instalments over a period of three years with the first instalment vested on 4 September 2023.

The details of shares awarded are as follows:

Recipients (as defined under SGX Deferred Long-Term Incentives Scheme)	Shares awarded at grant date	Balance as at 01.07.2023	Shares lapsed during financial year	Shares vested during financial year	Balance as at 30.06.2024
EMCO members					
Mr Loh Boon Chye ⁽¹⁾	156,800	156,800	–	(52,266)	104,534
Mr Syn Hsien-Min Michael	49,700	49,700	–	(16,566)	33,134
Mr Lee Beng Hong	44,400	44,400	–	(14,800)	29,600
Mr Tan Boon Gin	39,200	39,200	–	(13,066)	26,134
Mr Pol de Win	31,400	31,400	–	(10,466)	20,934
Ms Tinku Gupta	28,200	28,200	–	(9,400)	18,800
Ms Agnes Koh	26,800	26,800	–	(8,933)	17,867
Mr Ng Yao Loong	24,800	24,800	–	(8,266)	16,534
Other recipients	1,067,700	1,026,900	(31,602)	(339,760)	655,538
	1,469,000	1,428,200	(31,602)	(473,523)	923,075

⁽¹⁾ Received more than 5% of the shares awarded.

Share plans (continued)

(b) *SGX Deferred Long-Term Incentives Scheme* (continued)

Share grant and vesting (continued)

(iv) FY2024 Award

The FY2024 Award is in the form of SGX shares. The award will vest in three equal instalments over a period of three years with the first instalment vesting on 2 September 2024.

The details of shares awarded are as follows:

Recipients (as defined under SGX Deferred Long-Term Incentives Scheme)	Shares awarded at grant date	Shares lapsed during financial year	Balance as at 30.06.2024
EMCO members			
Mr Loh Boon Chye ⁽¹⁾	164,900	–	164,900
Mr Syn Hsien-Min Michael	52,300	–	52,300
Mr Lee Beng Hong	48,000	–	48,000
Mr Tan Boon Gin	40,400	–	40,400
Mr Pol de Win	32,300	–	32,300
Ms Tinku Gupta	29,700	–	29,700
Ms Agnes Koh	28,700	–	28,700
Mr Ng Yao Loong	26,200	–	26,200
Other recipients	<u>1,092,900</u>	<u>(39,300)</u>	<u>1,053,600</u>
	<u>1,515,400</u>	<u>(39,300)</u>	<u>1,476,100</u>

⁽¹⁾ Received more than 5% of the shares awarded.

Share plans (continued)

(b) *SGX Deferred Long-Term Incentives Scheme* (continued)

Share grant and vesting (continued)

(v) Summary of SGX Deferred Long-Term Incentives Scheme

Summary of the total number of shares awarded, lapsed, vested and outstanding as at 30 June 2024 is as follows:

	Shares awarded during financial year	Aggregate shares awarded since commencement of SGX Deferred Long-Term Incentives Scheme to 30.06.2024	Aggregate shares lapsed since commencement of SGX Deferred Long-Term Incentives Scheme to 30.06.2024	Aggregate shares vested since commencement of SGX Deferred Long-Term Incentives Scheme to 30.06.2024	Aggregate shares outstanding as at 30.06.2024
Recipient who received more than 5% of the total grants available					
Mr Loh Boon Chye	164,900	1,196,300	–	(881,632)	314,668
Recipients who received less than 5% of the total awards available					
Other recipients	1,350,500	16,408,800	(1,488,747)	(12,494,370)	2,425,683
	<u>1,515,400</u>	<u>17,605,100</u>	<u>(1,488,747)</u>	<u>(13,376,002)</u>	<u>2,740,351</u>

(c) *SGX Restricted Share Plan*

The SGX Restricted Share Plan (“SGX RSP”) was adopted at the annual general meeting of the Company held on 20 September 2018 to:

- (i) Grant shares to the Group non-executive directors as part of their remuneration in respect of their office as such in lieu of cash, or where, the RSDC deems appropriate, to give recognition to the contributions made or to be made by such Group non-executive directors to the success of the Group, in order to improve the alignment of the interests of Group non-executive directors with the interests of shareholders; and
- (ii) Serve as an additional motivational tool to recruit and retain Group employees whose contributions are essential to the long-term growth and profitability of the Group and to give recognition to outstanding Group employees who have contributed to the growth of the Group. The SGX RSP will act as an enhancement to the Group's overall ability to attract and retain high performing talent.

Share plans (continued)

(c) *SGX Restricted Share Plan* (continued)

Eligibility

Non-executive directors meeting the criteria set out below under "Share grant and vesting" and employees of the Group are eligible to participate in the SGX RSP.

Share grant and vesting

For shares granted under the SGX RSP to non-executive directors of the Group, the non-executive director is required to have served on the board of directors for at least 12 months on the date of grant of the share awards. The grant will consist of fully paid shares with no performance conditions attached and no vesting period imposed. A moratorium on sale of such shares for a period of up to one year after the grant of the award is imposed. The moratorium will be lifted if the non-executive director steps off the board of directors before the end of the moratorium period.

For shares granted under the SGX RSP to employees, while there are no performance conditions, these shares are subject to vesting period(s) as may be determined on a case-by-case basis.

(i) FY2024 Award

In FY2024, approximately one-quarter of the Group Chairman's fees and approximately one-quarter of eligible non-executive directors' basic fees were delivered in SGX shares, with approximately three-quarters being paid in cash.

The details of shares awarded are as follows:

Recipients⁽¹⁾ (as defined under SGX Restricted Share Plan)	Shares awarded at grant date	Shares vested during financial year	Balance as at 30.06.2024
Non-Executive Directors			
Mr Koh Boon Hwee	25,287	(25,287)	–
Mr Lim Chin Hu	2,128	(2,128)	–
Professor Subra Suresh	2,128	(2,128)	–
Mr Samuel Tsien	2,128	(2,128)	–
Mr Yeoh Oon Jin	2,128	(2,128)	–
Other recipient	2,128	(2,128)	–
	<u>35,927</u>	<u>(35,927)</u>	<u>–</u>

⁽¹⁾ All recipients received more than 5% of the shares awarded

Share plans (continued)

(c) *SGX Restricted Share Plan* (continued)

(ii) Summary of SGX Restricted Share Plan

Summary of the total number of shares awarded and vested as at 30 June 2024 is as follows:

	Shares awarded during financial year	Aggregate shares awarded since commencement of SGX restricted share plan to 30.06.2024	Aggregate shares vested since commencement of SGX restricted share plan to 30.06.2024	Aggregate shares outstanding as at 30.06.2024
Recipients who received more than 5% of the total grants available				
Mr Kwa Chong Seng ⁽¹⁾	–	109,584	(109,584)	–
Mr Koh Boon Hwee	25,287	25,287	(25,287)	–
Mr Lim Chin Hu	2,128	13,110	(13,110)	–
Ms Chew Gek Khim ⁽²⁾	–	10,982	(10,982)	–
Professor Subra Suresh	2,128	10,533	(10,533)	–
Recipients who received less than 5% of the total grants available				
Mr Yeoh Oon Jin	2,128	4,275	(4,275)	–
Mr Samuel Tsien	2,128	2,128	(2,128)	–
Other recipients	2,128	28,828	(28,828)	–
	<u>35,927</u>	<u>204,727</u>	<u>(204,727)</u>	–

⁽¹⁾ Mr Kwa Chong Seng stepped down as SGX's Board Chairman on 31 December 2022.

⁽²⁾ Ms Chew Gek Khim stepped down as SGX's Non-Executive Director on 5 October 2023.

Audit Committee

The Audit Committee ("AC") comprises the following non-executive directors at the date of this statement:

Mr Yeoh Oon Jin (Chairman)
Ms Julie Gao
Mr Samuel Tsien

Based on the criteria prescribed in the Securities and Futures (Corporate Governance of Approved Exchanges, Approved Clearing Houses and Approved Holding Companies) Regulations 2005 (SFR 2005), and the Code of Corporate Governance 2018 (CCG 2018), all of the AC members are independent.

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Regulation 14(2) of the SFR 2005, the CCG 2018 and the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual. These functions include a review of the financial statements of the Group and of the Company for the financial year and the independent auditors' report thereon.

Accordingly, the AC has also undertaken a review of the nature and extent of non-audit services provided by the firm acting as the auditor. In the opinion of the AC, these services would not affect the independence of the auditor.

The AC has recommended to the Board that the independent auditor, KPMG LLP be nominated for re-appointment at the forthcoming Annual General Meeting.

In appointing the auditor of the Company and the subsidiaries, the Group has complied with Rule 712 and Rule 715 of the SGX-ST Listing Manual.

Independent Auditor

The independent auditor, KPMG LLP, has indicated its willingness to accept re-appointment.

On behalf of the Board of Directors



Mr Koh Boon Hwee
Director



Mr Loh Boon Chye
Director

7 August 2024



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Independent auditors' report

Members of the Company
Singapore Exchange Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Exchange Limited (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS128.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (“the Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the financial performance and changes in equity of the Company for the year ended on that date.

Basis for opinion

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

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.



<p>Impairment of goodwill (Refer to Note 23 to the financial statements)</p>	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 30 June 2024, the carrying amount of goodwill on the Group's balance sheet arising from its business acquisitions amounted to \$700 million.</p> <p>The Group performs an impairment testing of the carrying amount of goodwill annually or more frequently if there is an indication of impairment. Goodwill is impaired if the carrying amount of the cash generating units ("CGUs"), including goodwill, is not supported by the respective recoverable amount.</p> <p>The recoverable amounts are determined based on the value-in-use method, using discounted cash flows. In calculating the value-in-use ("VIU"), significant judgement and estimation are made by management in its:</p> <ul style="list-style-type: none"> • forecasts of future cash flows; • estimation of terminal growth rates; and • determination of the applicable discount rates. 	<p>We assessed the appropriateness of management's identification of the CGUs, considering our understanding of the Group's business, its operations and structure, including the reallocation of goodwill to CGUs following the Group's reorganisation of its reporting structure.</p> <p>Together with our valuation specialists, we evaluated management's estimation of the recoverable amounts, including:</p> <ul style="list-style-type: none"> • assessing the reasonableness of management's cash flow forecasts, by comparing the projections against historical performance, Board approved forecasts, business plans, economic indicators and industry trends; • evaluating the data sources used by management in deriving the terminal growth rates, and comparing the growth rates against long-term inflation rates based on the CGU's country of operation; and • comparing the risk-adjusted discount rates applied by management against that independently determined by our valuation specialists based on external observable data sources. <p>We performed sensitivity analysis over the key assumptions used to assess the impact of reasonably possible changes in these assumptions to the VIU calculations.</p> <p>We found management's assessment that there is no impairment of the Group's goodwill to be reasonable and supported by the recoverable amounts.</p>



Valuation of financial assets measured at fair value (Refer to Notes 17 and 18 to the financial statements)	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 30 June 2024, the Group's financial assets measured at fair value include the following instruments classified as Level 3 on the fair value hierarchy:</p> <ul style="list-style-type: none"> • unquoted debt securities of \$429 million, at fair value through profit or loss; and • an unquoted equity security of \$176 million, at fair value through other comprehensive income. <p>Significant management judgement is required in determining the valuation of these Level 3 financial assets, including the application of valuation methodologies, unobservable inputs and assumptions.</p>	<p>We engaged our valuation specialists to assess the reasonableness of the methodologies applied and challenge the appropriateness of key inputs and assumptions used by management, taking into consideration external market data and industry trends. We also considered alternative valuation methods and assessed sensitivities of the key inputs and assumptions.</p> <p>We found that the fair values of the Group's Level 3 financial assets were within a reasonable range of outcomes.</p>

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 Directors' Statement prior to the date of this auditors' report. The other sections of the annual report ("the Reports") are expected to be made available to us after that date.

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 controls that we identify during our audit.

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 the law or regulations preclude 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.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries 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 Leong Kok Keong.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
7 August 2024

Statement of comprehensive income
For the financial year ended 30 June 2024

	Note	Group		Company	
		2024	Restated ^(a) 2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Operating revenue					
Fixed Income, Currencies and Commodities	4	322,497	263,611	–	–
Equities - Cash	4	334,937	342,070	–	–
Equities - Derivatives	4	334,045	361,280	–	–
Platform and Others	4	240,196	227,447	41,443	34,822
Management fees from subsidiaries		–	–	248,531	247,880
Dividends from subsidiaries		–	–	474,500	446,500
		<u>1,231,675</u>	<u>1,194,408</u>	<u>764,474</u>	<u>729,202</u>
Operating expenses					
Staff	5	291,730	276,159	155,157	150,313
Technology	6	90,965	88,094	47,936	50,458
Processing and royalties		69,647	73,116	4,428	1,654
Premises	7	10,380	9,801	6,592	5,844
Professional fees		17,320	18,344	7,971	9,056
Others	8	49,398	41,029	22,177	22,650
		<u>529,440</u>	<u>506,543</u>	<u>244,261</u>	<u>239,975</u>
Earnings before interest, tax, depreciation and amortisation					
		702,235	687,865	520,213	489,227
Depreciation and amortisation	9	95,853	98,322	39,649	35,674
Operating profit	10	606,382	589,543	480,564	453,553
Non-operating items					
Other income (net)	11	110,261	92,008	12,412	20,525
Interest income	11	37,182	28,096	5,470	3,899
Finance charges	11	(10,315)	(7,251)	(9,101)	(5,583)
Net foreign exchange gains /(losses)	11	409	(1,391)	95	6,537
Impairment loss on amount due from a subsidiary	11	–	–	(152,097)	–
Other impairment losses	11	(20,436)	(11,626)	(65,000)	–
		<u>117,101</u>	<u>99,836</u>	<u>(208,221)</u>	<u>25,378</u>

^(a) Refer to Note 47 for restatement to the presentation of the statement of comprehensive income and segment information following implementation of changes to the organisation structure from 1 October 2023. The statement of comprehensive income for the year ended 30 June 2024 is presented based on the new organisation structure.

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

Statement of comprehensive income (continued)
For the financial year ended 30 June 2024

	Note	Group		Company	
		2024 \$'000	Restated ^(a) 2023 \$'000	2024 \$'000	2023 \$'000
Profit before tax and share of results of associated companies and joint ventures		723,483	689,379	272,343	478,931
Share of results of associated companies and joint ventures, net of tax	25, 26	(14,466)	(15,557)	–	–
Profit before tax		709,017	673,822	272,343	478,931
Tax	30	(111,439)	(103,257)	(3,456)	(2,148)
Net profit after tax		<u>597,578</u>	<u>570,565</u>	<u>268,887</u>	<u>476,783</u>
Attributable to:					
Equity holders of the Company		597,907	570,895	268,887	476,783
Non-controlling interests		<u>(329)</u>	<u>(330)</u>	–	–
Earnings per share based on net profit after tax attributable to the equity holders of the Company (in cents)					
- Basic	12	55.9	53.4		
- Diluted	12	<u>54.5</u>	<u>51.8</u>		

^(a) Refer to Note 47 for restatement to the presentation of the statement of comprehensive income and segment information following implementation of changes to the organisation structure from 1 October 2023. The statement of comprehensive income for the year ended 30 June 2024 is presented based on the new organisation structure.

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

Statement of comprehensive income (continued)
For the financial year ended 30 June 2024

	Group		Company	
	2024 \$'000	Restated ^(a) 2023 \$'000	2024 \$'000	2023 \$'000
Net profit after tax	597,578	570,565	268,887	476,783
Other comprehensive income				
Items that may be reclassified				
subsequently to profit or				
loss:				
Foreign exchange translation				
- Exchange differences arising during the year	445	(10,095)	-	-
Cash flow hedges				
- Fair value gains/(losses) arising during the year	384	(109)	-	-
- Transferred to profit or loss	428	626	-	-
Financial assets, at FVOCI				
- Fair value gains/(losses) arising during the year	962	(267)	-	-
Items that will not be				
reclassified subsequently to				
profit or loss:				
Financial assets, at FVOCI				
- Fair value gains/(losses) arising during the year	17,131	(61,634)	-	-
Foreign exchange translation				
- Exchange differences arising during the year	77	39	-	-
Other comprehensive income for the financial year, net of tax	19,427	(71,440)	-	-
Total comprehensive income for the financial year	617,005	499,125	268,887	476,783
Total comprehensive income attributable to:				
Equity holders of the Company	617,257	499,416	268,887	476,783
Non-controlling interests	(252)	(291)	-	-

^(a) Refer to Note 47 for restatement to the presentation of the statement of comprehensive income and segment information following implementation of changes to the organisation structure from 1 October 2023. The statement of comprehensive income for the year ended 30 June 2024 is presented based on the new organisation structure.

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

Statement of financial position
As at 30 June 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets					
Current assets					
Cash and cash equivalents	13	998,111	1,033,183	182,296	130,098
Trade and other receivables	14	1,113,204	1,111,368	204,209	179,141
Derivative financial instruments	16	197	1,008	–	–
Financial assets, at FVOCI	17	135,505	33,917	–	–
		<u>2,247,017</u>	<u>2,179,476</u>	<u>386,505</u>	<u>309,239</u>
Non-current assets					
Financial assets, at FVOCI	17	187,335	162,919	–	–
Financial assets, at FVPL	18	444,077	353,866	–	–
Investment property	19	13,368	15,231	–	–
Property, plant and equipment	19	54,660	41,178	38,589	26,362
Software	20	134,952	151,770	49,926	45,813
Right-of-use assets	21	83,771	33,931	79,773	28,293
Intangible assets	22	69,288	91,628	–	–
Goodwill	23	699,783	702,865	–	–
Subsidiaries	24	–	–	1,647,052	1,604,180
Associated companies	25	33,773	38,226	4,389	4,389
Joint ventures	26	16,829	10,140	–	–
Other assets		109	109	109	109
		<u>1,737,945</u>	<u>1,601,863</u>	<u>1,819,838</u>	<u>1,709,146</u>
Total assets		<u>3,984,962</u>	<u>3,781,339</u>	<u>2,206,343</u>	<u>2,018,385</u>

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

Statement of financial position (continued)
As at 30 June 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Liabilities					
Current liabilities					
Trade and other payables	27	1,077,985	1,136,571	158,395	237,672
Derivative financial instruments	16	1,301	2,599	–	–
Loans and borrowings	28	–	351,883	–	1,093
Lease liabilities	29	20,097	20,470	18,823	18,290
Taxation	30	114,990	112,812	4,959	4,443
Provisions	31	24,106	14,012	9,485	8,680
		<u>1,238,479</u>	<u>1,638,347</u>	<u>191,662</u>	<u>270,178</u>
Non-current liabilities					
Loans and borrowings	28	643,086	340,040	643,086	340,040
Lease liabilities	29	64,830	14,828	62,126	11,622
Deferred tax liabilities	30	53,628	55,046	4,310	1,960
Other liabilities	32	23,764	29,469	–	–
		<u>785,308</u>	<u>439,383</u>	<u>709,522</u>	<u>353,622</u>
Total liabilities		<u>2,023,787</u>	<u>2,077,730</u>	<u>901,184</u>	<u>623,800</u>
Net assets		<u>1,961,175</u>	<u>1,703,609</u>	<u>1,305,159</u>	<u>1,394,585</u>
Equity					
Capital and reserves attributable to the Company's equity holders					
Share capital	33	420,476	423,056	420,476	423,056
Capital reserve		3,989	3,989	–	–
Treasury shares	33	(27,665)	(32,447)	(27,665)	(32,447)
Cash flow hedge reserve		(420)	(1,232)	–	–
Currency translation reserve		(3,987)	(4,432)	–	–
Fair value reserve		99,878	82,211	–	–
Securities clearing fund reserve	37	25,000	25,000	–	–
Derivatives clearing fund reserve	38	34,021	34,021	–	–
Share-based payment reserve		34,170	30,881	34,170	30,881
Other reserve	34	(40,506)	(40,506)	–	–
Retained profits		1,318,712	1,089,582	782,000	882,316
Proposed dividends	35	96,178	90,779	96,178	90,779
		<u>1,959,846</u>	<u>1,700,902</u>	<u>1,305,159</u>	<u>1,394,585</u>
Non-controlling interests		<u>1,329</u>	<u>2,707</u>	<u>–</u>	<u>–</u>
Total equity		<u>1,961,175</u>	<u>1,703,609</u>	<u>1,305,159</u>	<u>1,394,585</u>

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

**Consolidated statement of changes in equity
For the financial year ended 30 June 2024**

Group	Note	Attributable to equity holders of the Company													Non-controlling interests \$'000	Total equity \$'000
		Share capital \$'000	Capital reserve* \$'000	Treasury shares \$'000	Cash flow hedge reserve* \$'000	Currency translation reserve* \$'000	Fair value reserve* \$'000	Securities clearing fund reserve* \$'000	Derivatives clearing fund reserve* \$'000	Share-based payment reserve* \$'000	Other reserve* \$'000	Retained profits \$'000	Proposed dividends \$'000	Total \$'000		
		423,056	3,989	(32,447)	(1,232)	(4,432)	82,211	25,000	34,021	30,881	(40,506)	1,089,582	90,779	1,700,902	2,707	1,703,609
		Transactions with equity holders, recognised directly in equity														
		<u>Contributions by and distributions to equity holders</u>														
		Dividends paid														
		- Financial year 2023 – Final dividends														
		-	-	-	-	-	-	-	-	-	-	-	(90,779)	(90,779)	-	(90,779)
		- Financial year 2023 – Under provision of final dividends														
		-	-	-	-	-	-	-	-	-	-	(186)	-	(186)	-	(186)
		- Financial year 2024 – Interim dividends														
	35	-	-	-	-	-	-	-	-	-	-	(272,839)	-	(272,839)	-	(272,839)
		Proposed dividends														
		- Financial year 2024 – Final dividends														
	35	-	-	-	-	-	-	-	-	-	-	(96,178)	96,178	-	-	-
		Employees' share plans – Value of employees' services														
		-	-	-	-	-	-	-	-	20,630	-	-	-	20,630	-	20,630
		Restricted share plan - Value of directors' services														
		-	-	-	-	-	-	-	-	348	-	-	-	348	-	348
		Vesting of shares under share-based remuneration plans														
	33(a)	(2,624)	-	19,965	-	-	-	-	-	(17,341)	-	-	-	-	-	-
		Vesting of shares under restricted share plan														
	33(a)	44	-	304	-	-	-	-	-	(348)	-	-	-	-	-	-
		Purchase of treasury shares														
	33(a)	-	-	(14,640)	-	-	-	-	-	-	-	-	-	(14,640)	-	(14,640)
		Tax effect on treasury shares**														
	33(a)	-	-	(847)	-	-	-	-	-	-	-	-	-	(847)	-	(847)
		Transfer upon disposal of equity investments														
		-	-	-	-	-	(426)	-	-	-	-	426	-	-	-	-
		Dividends paid to non-controlling interests														
		-	-	-	-	-	-	-	-	-	-	-	-	-	(1,126)	(1,126)
		Total contributions by and distributions to equity holders														
		(2,580)	-	4,782	-	-	(426)	-	-	3,289	-	(368,777)	5,399	(358,313)	(1,126)	(359,439)
		Total comprehensive income for the financial year														
		-	-	-	812	445	18,093	-	-	-	-	597,907	-	617,257	(252)	617,005
		Balance at 30 June 2024														
		420,476	3,989	(27,665)	(420)	(3,987)	99,878	25,000	34,021	34,170	(40,506)	1,318,712	96,178	1,959,846	1,329	1,961,175

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

Consolidated statement of changes in equity (continued)
For the financial year ended 30 June 2024

Group	Note	Attributable to equity holders of the Company												Non-controlling interests \$'000	Total equity \$'000	
		Share capital \$'000	Capital reserve* \$'000	Treasury shares \$'000	Cash flow hedge reserve* \$'000	Currency translation reserve* \$'000	Fair value reserve* \$'000	Securities clearing fund reserve* \$'000	Derivatives clearing fund reserve* \$'000	Share-based payment reserve* \$'000	Other reserve* \$'000	Retained profits \$'000	Proposed dividends \$'000			Total \$'000
Balance at 1 July 2022		427,365	3,989	(34,640)	(1,749)	5,663	140,464	25,000	34,021	29,595	(40,506)	869,767	85,439	1,544,408	5,057	1,549,465
Transactions with equity holders, recognised directly in equity																
Contributions by and distributions to equity holders																
Dividends paid																
- Financial year 2022 – Final dividends		-	-	-	-	-	-	-	-	-	-	-	(85,439)	(85,439)	-	(85,439)
- Financial year 2022 – Under provision of final dividends		-	-	-	-	-	-	-	-	-	-	-	(163)	(163)	-	(163)
- Financial year 2023 – Interim dividends	35	-	-	-	-	-	-	-	-	-	-	(256,490)	-	(256,490)	-	(256,490)
Proposed dividends																
- Financial year 2023 – Final dividends	35	-	-	-	-	-	-	-	-	-	-	(90,779)	90,779	-	-	-
Employees' share plans – Value of employees' services		-	-	-	-	-	-	-	-	17,780	-	-	-	17,780	-	17,780
Restricted share plan - Value of directors' services		-	-	-	-	-	-	-	-	94	-	-	-	94	-	94
Vesting of shares under share-based remuneration plans	33(a)	(4,303)	-	20,797	-	-	-	-	-	(16,494)	-	-	-	-	-	-
Vesting of shares under restricted share plan	33(a)	(6)	-	100	-	-	-	-	-	(94)	-	-	-	-	-	-
Purchase of treasury shares	33(a)	-	-	(18,613)	-	-	-	-	-	-	-	-	-	(18,613)	-	(18,613)
Tax effect on treasury shares**	33(a)	-	-	(91)	-	-	-	-	-	-	-	-	-	(91)	-	(91)
Transfer upon disposal of equity investments		-	-	-	-	3,648	-	-	-	-	-	(3,648)	-	-	-	-
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	(2,059)	(2,059)
Total contributions by and distributions to equity holders		(4,309)	-	2,193	-	-	3,648	-	-	1,286	-	(351,080)	5,340	(342,922)	(2,059)	(344,981)
Total comprehensive income for the financial year		-	-	-	517	(10,095)	(61,901)	-	-	-	-	570,895	-	499,416	(291)	499,125
Balance at 30 June 2023		423,056	3,989	(32,447)	(1,232)	(4,432)	82,211	25,000	34,021	30,881	(40,506)	1,089,582	90,779	1,700,902	2,707	1,703,609

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

Statement of changes in equity
For the financial year ended 30 June 2024

	Attributable to equity holders of the Company						
	Note	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve* \$'000	Retained profits \$'000	Proposed dividends \$'000	Total equity \$'000
Company							
Balance at 1 July 2023		423,056	(32,447)	30,881	882,316	90,779	1,394,585
Dividends paid							
- Financial year 2023 – Final dividends		–	–	–	–	(90,779)	(90,779)
- Financial year 2023 – Under provision of final dividends		–	–	–	(186)	–	(186)
- Financial year 2024 – Interim dividends	35	–	–	–	(272,839)	–	(272,839)
Proposed dividends							
- Financial year 2024 – Final dividends	35	–	–	–	(96,178)	96,178	–
Employees' share plans – Value of employees' services		–	–	20,630	–	–	20,630
Restricted share plan – Value of directors' services		–	–	348	–	–	348
Vesting of shares under share-based remuneration plans	33(a)	(2,624)	19,965	(17,341)	–	–	–
Vesting of shares under restricted share plan	33(a)	44	304	(348)	–	–	–
Purchase of treasury shares	33(a)	–	(14,640)	–	–	–	(14,640)
Tax effect on treasury shares**	33(a)	–	(847)	–	–	–	(847)
		(2,580)	4,782	3,289	(369,203)	5,399	(358,313)
Total comprehensive income for the financial year		–	–	–	268,887	–	268,887
Balance at 30 June 2024		420,476	(27,665)	34,170	782,000	96,178	1,305,159

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

Statement of changes in equity (continued)
For the financial year ended 30 June 2024

	Attributable to equity holders of the Company						
	Note	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve* \$'000	Retained profits \$'000	Proposed dividends \$'000	Total equity \$'000
Company							
Balance at 1 July 2022		427,365	(34,640)	29,595	752,965	85,439	1,260,724
Dividends paid							
- Financial year 2022 – Final dividends		–	–	–	–	(85,439)	(85,439)
- Financial year 2022 – Under provision of final dividends		–	–	–	(163)	–	(163)
- Financial year 2023 – Interim dividends	35	–	–	–	(256,490)	–	(256,490)
Proposed dividends							
- Financial year 2023 – Final dividends	35	–	–	–	(90,779)	90,779	–
Employees' share plans – Value of employees' services		–	–	17,780	–	–	17,780
Restricted share plan – Value of directors' services		–	–	94	–	–	94
Vesting of shares under share-based remuneration plans	33(a)	(4,303)	20,797	(16,494)	–	–	–
Vesting of shares under restricted share plan	33(a)	(6)	100	(94)	–	–	–
Purchase of treasury shares	33(a)	–	(18,613)	–	–	–	(18,613)
Tax effect on treasury shares**	33(a)	–	(91)	–	–	–	(91)
		(4,309)	2,193	1,286	(347,432)	5,340	(342,922)
Total comprehensive income for the financial year		–	–	–	476,783	–	476,783
Balance at 30 June 2023		423,056	(32,447)	30,881	882,316	90,779	1,394,585

* These reserves are not available for distribution as dividends to the equity holders of the Company.

** The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and share-based payment expense relating to employees' and directors' services.

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

Consolidated statement of cash flows
For the financial year ended 30 June 2024

	Note	Group 2024 \$'000	2023 \$'000
Cash flows from operating activities			
Profit before tax and share of results of associated companies and joint ventures		723,483	689,379
Adjustments for:			
- Depreciation and amortisation	9	95,853	98,322
- Share-based payment expense		20,978	17,874
- Net loss on disposal of property, plant and equipment and software	8	828	708
- Finance charges	11	10,315	7,251
- Impairment losses	11	20,436	11,626
- Net fair value gains on financial assets, at FVPL	11	(84,479)	(39,748)
- Fair value gain on forward liability to acquire non-controlling interests	11	(5,674)	(23,306)
- Fair value gain on contingent consideration	11	–	(14,880)
- Interest income	11	(37,182)	(28,096)
- Other non-cash income		–	(10,000)
- Net gains on changes in interests in associated companies and joint ventures	11	(17,190)	(1,707)
- Grant income for property, plant and equipment and software		–	(111)
Operating cash flow before working capital change		727,368	707,312
Changes in:			
- Cash committed for National Electricity Market of Singapore		65,987	(23,501)
- Cash committed for Singapore Exchange Derivatives Clearing Limited – Derivatives Clearing Fund		(12,499)	(6,784)
- Cash committed for Securities Clearing Fund		–	20,000
- Trade and other receivables		(2,868)	(33,894)
- Trade and other payables		(49,899)	(117,527)
Cash generated from operations		728,089	545,606
Income tax paid	30	(112,291)	(98,908)
Net cash generated from operating activities		615,798	446,698

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

Consolidated statement of cash flows (continued)
For the financial year ended 30 June 2024

	Note	Group 2024 \$'000	Group 2023 \$'000
Cash flows from investing activities			
Purchase of financial assets, at FVPL		(4,687)	(4,729)
Purchase of financial assets, at FVOCI		(207,433)	(260,866)
Purchase of property, plant and equipment and software		(64,569)	(54,304)
Investments in associated companies		–	(13,349)
Investments in joint ventures		(4,717)	(4,731)
Proceeds from loan repayment from external party		–	9,036
Proceeds from financial assets, at FVOCI		108,074	322,135
Interest received		33,996	16,423
Grant income received for property, plant and equipment and software		–	1,019
Dividend received from associated company		1,439	1,710
Net cash (used in)/generated from investing activities		<u>(137,897)</u>	<u>12,344</u>
Cash flows from financing activities			
Dividends paid		(364,930)	(344,151)
Net proceeds from issue of medium term notes	28	299,477	–
Purchase of treasury shares	33	(14,640)	(18,613)
Repayment of lease liabilities	29	(25,797)	(24,429)
Repayment of borrowings	28	(349,630)	(41,241)
Interest paid	28	(4,170)	(4,452)
Net cash used in financing activities		<u>(459,690)</u>	<u>(432,886)</u>
Net increase in cash and cash equivalents		18,211	26,156
Cash and cash equivalents at beginning of financial year	13	777,304	752,153
Effects of currency translation on cash and cash equivalents		205	(1,005)
Cash and cash equivalents at end of financial year	13	<u>795,720</u>	<u>777,304</u>

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 7 August 2024.

1 Domicile and activities

The Company is incorporated and domiciled in Singapore. On 23 November 2000, the Company was admitted to the Official List of Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of the registered office is:

2 Shenton Way
#02-02 SGX Centre 1
Singapore 068804

The principal activities of the Group are to operate an integrated securities exchange and derivatives exchange, related clearing houses, operation of an electricity market in Singapore, provision and distribution of bulk freight market indices and information, index administration and related services, operation of electronic foreign exchange trading platforms and investment holding.

The principal activities of the Company are those of investment holding, treasury management, provision of management and administrative services to related corporations, provision of market data and technology connectivity services. The principal activities of the subsidiaries are set out in Note 24 to the financial statements. There has been no significant change in the principal activities of the Company and its subsidiaries during the financial year.

2 Material accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) under the historical cost convention except as disclosed in the accounting policies below. The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions, based on management’s best knowledge, that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year.

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

New standards and amendments

The Group has applied the following SFRS(I) and amendments to SFRS(I) for the first time for the annual period beginning on 1 July 2023:

- SFRS(I) 17: *Insurance Contracts*
- Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*

Other than the below, the application of these SFRS(I) and amendments to accounting standards does not have a material effect on the financial statements.

Global minimum top-up tax

The Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules* provide a temporary mandatory exception from deferred tax accounting for the top-up tax that may arise from the jurisdictional adoption of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), and require new disclosures about the Pillar Two tax exposure.

The mandatory exception is effective immediately and applies retrospectively.

Material accounting policy information

The Group adopted Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies* for the first time in the current financial year ended 30 June 2024. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and there is no significant change on the information disclosed in Note 2 Material accounting policies (FY2023: Significant accounting policies).

2 Material accounting policies (continued)

2.2 Group accounting

(1) Subsidiaries

(i) Consolidation

Subsidiaries are entities over which the Group has control. 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. Subsidiaries are consolidated from the date when control is transferred to the Group and cease to be consolidated on the date when that control ceases.

In preparing the consolidated financial statements, intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Unrealised losses are considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2 Material accounting policies (continued)

2.2 Group accounting (continued)

(1) Subsidiaries (continued)

(ii) Acquisitions

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

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

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

2 Material accounting policies (continued)

2.2 Group accounting (continued)

(1) Subsidiaries (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific SFRS(I).

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(iv) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(2) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Where the voting rights are less than 20%, the presumption that the entity is not an associated company is overcome if the Group has significant influence including representation on the board of directors or participation in policy-making process of the investee.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and the rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

2 Material accounting policies (continued)

2.2 Group accounting (continued)

(2) *Associated companies and joint ventures (continued)*

(ii) *Equity method of accounting*

In applying the equity method of accounting, the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distribution received from associated companies or joint ventures are adjusted against the carrying amounts of the investments. Dividends received or recoverable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company or joint venture.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the assets transferred. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

(iii) *Disposals*

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. Any retained interest in the entity, if classified as a financial asset, is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

(3) *Put and call options with non-controlling interests*

When the Group enters into a put and call option agreement with the non-controlling shareholder in an existing subsidiary on their equity interests in that subsidiary and provides for settlement in cash or in another financial asset by the Group, the Group recognises a financial liability for the present value of the exercise price of the option and a corresponding entry under equity - other reserve. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised in profit or loss. Amount initially recognised under equity is not subsequently re-measured.

When the non-controlling shareholder continues to have present access to the returns associated with the underlying ownership interest, the Group has elected the present-access method to account for the underlying non-controlling interests. Under this method, non-controlling interests continue to be recognised because the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests.

2 Material accounting policies (continued)

2.2 Group accounting (continued)

(3) Put and call options with non-controlling interests (continued)

On exercise of the put or call option, the financial liability will be derecognised on settlement in cash or in another financial asset by the Group. Changes in the Group's ownership interest in a subsidiary is accounted for according to transaction with non-controlling interests. Refer to Note 2.2(1)(iv).

If the put and call options expire unexercised, the financial liability is reversed against equity – other reserve.

2.3 Currency translation

(1) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollars (“SGD”), which is the functional currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss.

Foreign currency monetary assets and liabilities are translated into the functional currency at the rates of exchange at the balance sheet date. Currency translation differences are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When the foreign operation is a non-wholly-owned subsidiary, the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

2 Material accounting policies (continued)

2.3 Currency translation (continued)

(2) Transactions and balances (continued)

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

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(3) Translation of Group entities' financial statements

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) Revenue and expenses are translated at average exchange rates; and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.4 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue as service is performed and as it satisfied its obligations to provide a product or service to a customer. Revenue is presented net of goods and services tax and after eliminating revenue within the Group on the following basis:

2 Material accounting policies (continued)

2.4 Revenue recognition (continued)

(1) Fixed Income, Currencies and Commodities

Fixed Income

Listing, corporate actions and other revenue of fixed income

Revenue is recognised on a per transaction basis when service is provided.

Currencies and Commodities

Trading and clearing

Trading and clearing revenue, net of rebates, generated from contracts traded, cleared and settled is recognised when service is provided and on a per transaction basis.

Treasury and other revenue

Treasury revenue is recognised on a time proportion basis. Other revenue is recognised when service is rendered.

(2) Equities - Cash

Listing

Initial and additional listing fees represent one performance obligation. Revenue is recognised over a period of time that the Group provides listing services.

Annual listing fee is recognised on a straight-line basis over the period which the fee relates. It represents the extent of the Group's completion of the performance obligation under the contract.

Trading and clearing

Trading revenue generated from contracts is recognised when service is rendered and on a per transaction basis. Clearing revenue, net of rebates, generated from contracts cleared and settled is recognised when service is provided and on a per transaction basis.

Securities settlement and depository management

Revenue is recognised on a per transaction basis when service is provided.

Corporate actions and other

Corporate actions revenue is recognised on a per transaction basis when service is provided.

Treasury revenue is recognised on a time proportion basis. Other revenue is recognised when service is rendered.

2 Material accounting policies (continued)

2.4 Revenue recognition (continued)

(3) Equities - Derivatives

Trading and clearing

Trading and clearing revenue, net of rebates, generated from contracts traded, cleared and settled is recognised when service is provided and on a per transaction basis.

Treasury and other revenue

Treasury revenue is recognised on a time proportion basis. Other revenue is recognised when service is rendered.

(4) Platform and Others

Market data subscription, connectivity and indices revenue is recognised to the extent of the Group's completion of the performance obligation under the contract. Other market data services are recognised when service is rendered.

Membership revenue is recognised on a straight-line basis over the period which the fee relates. It represents the extent of the Group's completion of the performance obligation under the contract.

Other revenue is recognised when service is rendered.

(5) Interest income

Revenue is recognised on a time proportion basis using the effective interest method.

(6) Dividend income

Revenue is recognised when the right to receive payment is established.

2.5 Income taxes

Current income tax liabilities (and assets) for current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

2 Material accounting policies (continued)

2.5 Income taxes (continued)

Deferred income tax assets and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax jurisdiction.

Global minimum top-up tax

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of SFRS(I) 1-12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

2.6 Leases

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

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

2 Material accounting policies (continued)

2.6 Leases (continued)

(i) As a lessee (continued)

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

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

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

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

2 Material accounting policies (continued)

2.7 Employee benefits

Employee benefits are recognised as staff costs when they are due, unless they can be capitalised as an asset.

(1) Defined contribution plans

The Group makes legally required contributions to defined contribution plans. The Group's obligation is limited to the amount it contributes to the defined contribution plan. The Group's contributions are recognised as staff costs when they are due.

(2) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(3) Share-based compensation

The fair value of employee services received in exchange for equity-settled share-based remuneration plans granted to employees is recognised as variable share-based payment to employees in profit or loss with a corresponding increase in the share-based payment reserve over the vesting period. The amount is determined by reference to the fair value of the shares on grant date and the expected number of shares to be vested on vesting date.

At the end of each financial reporting period, the Company revises its estimates of the expected number of shares that the participants are expected to receive. Any changes to the expected number of shares to be vested will entail a corresponding adjustment to the share-based payment to employees and share-based payment reserve.

Upon vesting of a share-based compensation plan, the portion of share-based payment previously recognised in the share-based payment reserve is reversed against treasury shares. Differences between share-based payment and cost of treasury shares are taken to the share capital of the Company.

2 Material accounting policies (continued)

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with banks which are subject to an insignificant risk of change in value, and are used by the Group in the management of its short-term commitments.

2.9 Financial assets

(1) Classification and measurement

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

- Amortised cost;
- Fair value through other comprehensive income (“FVOCI”); and
- Fair value through profit or loss (“FVPL”).

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

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

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Group’s business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

2 Material accounting policies (continued)

2.9 Financial assets (continued)

(1) Classification and measurement (continued)

At subsequent measurement (continued)

(i) Debt instruments (continued)

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in other comprehensive income and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented in "non-operating items". Interest income from these financial assets is included in interest income using the effective interest rate method.
- FVPL: Debt instruments that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values, including any interest income, are recognised in profit and loss in the period in which it arises and presented in "non-operating items".

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments or for liquidity funds and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/(losses)" in other comprehensive income.

(2) Impairment

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

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses ("ECLs") to be recognised from initial recognition of the receivables.

2 Material accounting policies (continued)

2.9 Financial assets (continued)

(2) *Impairment (continued)*

For all other financial instruments, the general approach is applied to provide for ECLs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

(3) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and the sale proceeds is recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.10 Property, plant and equipment

(1) *Property, plant and equipment*

Property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and accumulated impairment losses.

(2) *Components of costs*

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition and bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management. Cost also includes any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is required to be incurred for the purpose of acquiring and using the asset.

2 Material accounting policies (continued)

2.10 Property, plant and equipment (continued)

(3) Depreciation of property, plant and equipment

No depreciation is provided on work-in-progress.

Depreciation is calculated on a straight-line basis to allocate the cost of property, plant and equipment over their expected useful lives as follows:

	<u>Useful lives</u>
Leasehold improvements	1 to 7 years or lease term, whichever is shorter
Furniture, fittings and office equipment	3 to 10 years
Computer hardware	1 to 7 years
Motor vehicles	5 years

Fully depreciated assets still in use are retained in the financial statements.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each financial year end. The effects of any revision are recognised in profit or loss when the changes arise.

(4) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and the cost can be reliably measured. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(5) Disposal

On disposal or retirement of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

2.11 Software

Costs recognised are directly associated with identifiable software controlled by the Group that generate economic benefits exceeding costs beyond one year. Cost also includes any fair value gains or losses on qualifying cash flow hedges of software that are transferred from the hedging reserve. Costs associated with maintaining computer software are expensed off when incurred.

Acquired software licences are capitalised on the basis of the cost incurred to acquire and other directly attributable costs of preparing the software for its intended use. Direct expenditures, including employee costs, which enhance or extend the performance of software programmes beyond their original specifications, and which can be reliably measured, are recognised as a capital improvement and added to the original cost of the software.

2 Material accounting policies (continued)

2.11 Software (continued)

Software costs and acquired software licences are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives, a period not exceeding 7 years. Where an indication of impairment exists, the carrying amount is assessed and written down immediately to its recoverable amount.

The period and method of amortisation of the software are reviewed at least at each financial year end. The effects of any revision of the amortisation period or method are included in profit or loss for the period in which the changes arise.

2.12 Intangible assets

Intangible assets arising from business combinations are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the estimated useful life of the underlying asset as follows:

	<u>Useful lives</u>
Right to operate Singapore electricity spot market	30 years
Trade name	30 years
Technical know-how	7 to 10 years
Customer relationships	5 to 7 years

The period and method of amortisation of intangible assets are reviewed at least at each financial year end. The effects of any revision of the amortisation period or method are included in profit or loss for the period in which the changes arise.

2.13 Investment property

Investment property is held for capital appreciation.

Investment property is initially recognised at cost and subsequently carried at cost less accumulated depreciation and impairment losses. The investment property comprising the freehold land is not depreciated.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

2.14 Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

2 Material accounting policies (continued)

2.14 Goodwill on acquisitions (continued)

Goodwill on acquisitions of associated companies and joint ventures represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

2.15 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are stated at cost less accumulated impairment losses in the statement of financial position of the Company. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. Impairment losses are recognised in the profit or loss in the year in which it is determined.

On disposal of an investment, the difference between the net proceeds and its carrying amount is recognised in profit or loss.

2.16 Impairment of non-financial assets

(1) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in associated company or joint venture is tested for impairment as part of the investment, rather than separately.

For the purpose of impairment testing of goodwill, goodwill is allocated to the Group's cash-generating-units ("CGU") or group of CGUs expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

In the event of a reorganisation that changes the composition of one or more CGUs to which goodwill has been allocated, the goodwill shall be reallocated to the units affected using a relative value approach.

2 Material accounting policies (continued)

2.16 Impairment of non-financial assets (continued)

(2) *Property, plant and equipment*

Software

Intangible assets

Investment property

Investments in subsidiaries, associated companies and joint ventures

Property, plant and equipment, software, intangible assets, investment property and investments in subsidiaries, associated companies and joint ventures are reviewed for impairment whenever there is any objective evidence or indication that the carrying amount may not be fully recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of an asset's net selling value and its value-in-use. The impairment loss is recognised in profit or loss.

The recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.17 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities, if payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

2.18 Loans and borrowings

Loans and borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Loans and borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the loans and borrowings using the effective interest method.

2 Material accounting policies (continued)

2.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.20 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Changes in the estimated amount are recognised in profit or loss when the changes arise.

2.21 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

(1) Currency forwards – cash flow hedge

The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in other comprehensive income and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency forwards are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are transferred to profit or loss immediately.

2 Material accounting policies (continued)

2.21 Derivative financial instruments and hedging activities (continued)

(2) Net investment hedge

The Group has foreign currency borrowings that qualify as net investment hedges of foreign operations. The currency translation differences on the borrowings relating to the effective portion of the hedge are recognised in other comprehensive income in the consolidated financial statements, accumulated in the currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

2.22 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in Euro dollars that can be converted to ordinary shares at the option of the holder, where the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

2.23 Intra-group financial guarantees in the separate financial statements

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

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

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

Liabilities arising from financial guarantees are included within “Loans and borrowings”.

2 Material accounting policies (continued)

2.24 Share capital and treasury shares

Ordinary shares are classified as equity.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from equity attributable to the Company's equity holders and presented as treasury shares within equity, until they are cancelled, sold or reissued.

When treasury shares are subsequently sold or reissued pursuant to the share-based remuneration plan, the cost of the treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is taken to the share capital account of the Company.

2.25 Dividends

Interim dividends are deducted from retained profits during the financial year in which they are declared payable.

Final dividends are transferred from retained profits to a proposed dividend reserve when they are proposed by the directors. The amount will be transferred from the proposed dividend reserve to dividend payable when the dividends are approved by the shareholders.

2.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee who are responsible for allocating resources and assessing performance of the operating segments.

2.27 Government grants

Grants from the government are recognised as a receivable when there is reasonable assurance that the grant will be received and compliance with all the attached conditions.

Government grants relating to expenses are offset against the related expenses. Government grants relating to assets are deducted against the carrying amount of the assets.

3 Critical accounting estimates and judgements

Estimates and judgements are regularly evaluated based on historical experience, current circumstances and expectations of future events. The following provides a description of the areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements:

(i) Goodwill

Goodwill arising from a business combination is allocated to cash-generating units expected to benefit from the synergies of the combination. Goodwill is tested for impairment in accordance with Note 2.16(1). The recoverable amount of goodwill is based on value-in-use calculation using discounted cash flow model and management's best estimate of future cash flows, long term growth rate and discount rate (Note 23), taking into consideration the expected synergies arising from the business combination. If the anticipated synergies are no longer realisable due to a change in strategies, business plans or market conditions, amongst others, goodwill impairment loss may be recorded.

(ii) Fair value of financial instruments

The Group holds certain financial instruments for which no quoted prices are available, and which may have little or no observable market inputs. For these financial instruments, the determination of fair value requires subjective assessment and management judgment which takes into consideration the liquidity, pricing assumptions, current economic and competitive environment and the risks affecting the specific financial instrument. In such circumstances, valuation is determined based on management's judgment related to the assumptions that market participants would use in pricing assets or liabilities (Note 45).

(iii) Intangible assets

Intangible assets are valued on acquisition using appropriate methodology and amortised over the estimated useful lives. The valuation methodology employed includes: (a) discounted cash flow model and management's best estimate of future cash flows, long term growth rate and discount rate; (b) relief-from-royalty method for technical know-how; and (c) multi-period excess earnings method for customer relationships. Useful lives are based on management's best estimates of periods over which value from the intangible assets will be realised (Notes 2.12 and 22). Management reassesses the estimated useful lives at each financial year end, taking into account the period over which the intangible assets are expected to generate future economic benefit. Intangible assets are tested for impairment in accordance with Note 2.16(2).

(iv) Impairment loss on amount due from subsidiaries

In respect of credit-impaired amounts due from subsidiaries, management judgement and estimation are applied in, amongst others, identifying impaired exposures and estimating the related recoverable cash flows. Significant judgement and assumptions are required in respect of these matters.

4 Operating revenue

Operating revenue comprised the following:

	Group		Company	
	2024	(Restated)	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fixed Income, Currencies and Commodities				
<i>Fixed Income</i>				
Listing	5,739	5,126	–	–
Corporate actions and other	2,796	3,178	–	–
	<u>8,535</u>	<u>8,304</u>	–	–
<i>Currencies and Commodities</i>				
Trading and clearing	238,307	185,437	–	–
Treasury and other	75,655	69,870	–	–
	<u>313,962</u>	<u>255,307</u>	–	–
	<u>322,497</u>	<u>263,611</u>	–	–
Equities - Cash				
Listing	29,721	30,912	–	–
Trading and clearing	168,149	175,416	–	–
Securities settlement and depository management	91,276	96,925	–	–
Corporate actions and other	45,791	38,817	–	–
	<u>334,937</u>	<u>342,070</u>	–	–
Equities - Derivatives				
Trading and clearing	256,134	281,577	–	–
Treasury and other	77,911	79,703	–	–
	<u>334,045</u>	<u>361,280</u>	–	–
Platform and Others				
Market data	47,937	43,988	–	–
Connectivity	77,170	70,820	41,443	34,822
Indices and other	115,089	112,639	–	–
	<u>240,196</u>	<u>227,447</u>	41,443	34,822

5 Staff

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Salaries	183,469	173,995	89,923	88,766
Employer's contribution to defined contribution plans on salaries	11,012	8,978	7,050	6,417
	194,481	182,973	96,973	95,183
Variable bonus	74,021	72,575	38,358	38,154
Employer's contribution to defined contribution plans on variable bonus	2,598	2,831	1,877	2,101
	76,619	75,406	40,235	40,255
Variable share-based payment	20,630	17,780	20,086	17,111
Variable share-based payment recharged to subsidiary	–	–	(2,137)	(2,236)
	291,730	276,159	155,157	150,313

6 Technology

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
System maintenance and rental	86,980	84,804	45,235	47,881
Communication charges	3,985	3,290	2,701	2,577
	90,965	88,094	47,936	50,458

7 Premises

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Premise maintenance and rental	10,380	9,801	6,592	5,844

8 Other operating expenses

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Marketing	9,321	8,935	2,030	2,987
Travelling	5,189	6,227	1,529	2,079
Allowance for impairment of trade receivables, net	1,728	1,405	90	56
Net loss on disposal of property, plant and equipment and software	828	708	352	708
Directors' fees	3,177	3,063	2,472	2,284
Regulatory fees	7,469	7,318	400	402
Miscellaneous	21,686	13,373	15,304	14,134
	49,398	41,029	22,177	22,650

9 Depreciation and amortisation

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Technology-related depreciation and amortisation	63,170	64,911	22,925	21,810
Premises-related depreciation	19,433	15,584	16,724	13,796
Amortisation of intangible assets	13,250	17,759	–	–
Depreciation of motor vehicle	–	68	–	68
	95,853	98,322	39,649	35,674

10 Operating profit

The following items have been included in arriving the operating profit:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Charging/(crediting)^(a):</i>				
Audit services by auditor of the Company and other firms affiliated with KPMG International Limited	1,720	1,490	616	382
Non-audit services by auditor of the Company and other firms affiliated with KPMG International Limited ^(b)	447	247	329	52
Provision for/(utilisation of) unutilised leave (Note 31(b))	1,157	214	86	(31)
<i>And crediting:</i>				
Treasury income on collateral balances held in trust (net)	134,862	136,857	–	–

^(a) The information for audit and non-audit fees includes fees paid to affiliated firms of KPMG International Limited under 'auditor of the Company and other firms affiliated with KPMG International Limited', in accordance with the requirements in ACRA Code R410.31(a) and R410.31(b).

^(b) Amount for the financial year ended 30 June 2024 does not include \$90,000 for non-audit services relating to issuance of SGD 300 million 3.45% medium term notes that had been capitalised.

11 Non-operating items

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Other income (net)				
- Dividend income from associated company	–	–	1,439	1,710
- Fair value gain on forward liability to acquire non-controlling interests (Note 32)	5,674	23,306	–	–
- Changes in fair value of financial assets, at FVPL	84,479	39,748	–	–
- Changes in fair value of contingent consideration	–	14,880	–	–
- Gains on changes in interests in associated companies and joint ventures	17,190	1,707	–	–
- Others	2,918	12,367	10,973	18,815
	<u>110,261</u>	<u>92,008</u>	<u>12,412</u>	<u>20,525</u>
Interest income				
- Interest income from fixed deposits and current accounts with banks	34,551	25,697	5,470	3,899
- Interest income from financial assets, at FVOCI	2,631	2,399	–	–
	<u>37,182</u>	<u>28,096</u>	<u>5,470</u>	<u>3,899</u>

11 Non-operating items (continued)

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Finance charges				
Interest expense				
- Bank borrowings	–	(94)	–	(94)
- Lease liabilities	(1,500)	(1,227)	(1,290)	(1,116)
- Convertible bonds	(1,004)	(1,557)	–	–
- Medium term notes	(7,811)	(4,373)	(7,811)	(4,373)
	(10,315)	(7,251)	(9,101)	(5,583)
Net foreign exchange gains / (losses)	409	(1,391)	95	6,537
Impairment loss on amount due from a subsidiary (Note 24)	–	–	(152,097)	–
Other impairment losses				
- Impairment loss on investment in a subsidiary (Note 24)	–	–	(65,000)	–
- Impairment losses on property, plant and equipment and software (Notes 19, 20)	(9,822)	–	–	–
- Impairment losses on purchased intangible assets (Note 22)	(8,729)	(8,343)	–	–
- Impairment loss on investment property (Note 19)	(1,885)	(3,080)	–	–
- Impairment loss on investment in joint venture	–	(203)	–	–
	(20,436)	(11,626)	(65,000)	–
	117,101	99,836	(208,221)	25,378

12 Earnings per share

	Group	
	2024	2023
	\$'000	\$'000
Net profit after tax attributable to the equity holders of the Company for basic earnings per share	597,907	570,895
Interest expense on convertible bonds (Note 11)	1,004	1,557
Net profit after tax attributable to the equity holders of the Company for diluted earnings per share	598,911	572,452
Weighted-average number of shares		
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,069,546	1,068,621
Adjustments for:		
- Effect of conversion of convertible bonds ('000)	21,496	31,560
- Shares granted under SGX performance share plans and deferred long-term incentives schemes ('000)	5,342	5,346
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,096,384	1,105,527
Earnings per share (in cents)		
- Basic	55.9	53.4
- Diluted	54.5	51.8

13 Cash and cash equivalents

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and on hand	368,155	419,980	103,996	89,598
Fixed deposits with banks	629,956	613,203	78,300	40,500
	998,111	1,033,183	182,296	130,098

For the purpose of presenting the consolidated statement of cash flows of the Group, the consolidated cash and cash equivalents comprise the following:

	Group	
	2024 \$'000	2023 \$'000
Cash and cash equivalents per consolidated statement of cash flows	795,720	777,304
Add:		
Cash committed for		
- Singapore Exchange Derivatives Clearing Limited (“SGX-DC”) Clearing Fund (Note 38)	144,304	131,805
- Securities Clearing Fund (Note 37)	40,000	40,000
- National Electricity Market of Singapore (“NEMS”) (Note (a))	18,087	84,074
Cash and cash equivalents (as above)	998,111	1,033,183

(a) Cash committed for NEMS

Cash committed for NEMS represents Energy Market Company Pte Ltd (“EMC”) commitment to the operation of the electricity market of Singapore. The manner in which the cash can be used are defined by the Singapore Electricity Market Rules issued by the Energy Market Authority of Singapore. The committed cash is not available to EMC for its operations.

14 Trade and other receivables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Trade receivables (net)				
(Note (a))	895,582	904,559	10,038	11,848
Escrow deposits				
(Notes (b), 27(b))	7,161	5,294	–	–
Other receivables (Note (c))	210,461	201,515	194,171	167,293
	1,113,204	1,111,368	204,209	179,141

(a) Trade receivables (net) comprise:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Receivables from clearing members and settlement banks - Daily settlement of accounts for due contracts and rights (Note 27(a))	427,874	319,639	–	–
Receivables under NEMS (Note 15)	276,789	371,410	–	–
Other trade receivables	194,579	219,693	10,184	11,959
	899,242	910,742	10,184	11,959
Less: Allowance for impairment of trade receivables (Note 45)	(3,660)	(6,183)	(146)	(111)
	895,582	904,559	10,038	11,848

The receivables from clearing members and settlement banks represent the net settlement obligations to The Central Depository (Pte) Limited (“CDP”). The corresponding net settlement obligations from CDP to the clearing members and settlement banks are disclosed in Note 27(a).

14 Trade and other receivables (continued)

(b) Escrow deposits are cash balances placed by the Group in term deposits where the funds cannot be withdrawn at any time from the banks without penalty.

(c) Other receivables comprise:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Prepayments	33,183	36,420	18,217	21,450
Interest receivable	165,828	152,487	721	591
Deposits	1,080	931	119	186
Amounts due from subsidiaries (non-trade) (Note (d))	–	–	169,692	142,832
Others (non-trade)	10,370	11,677	5,422	2,234
	<u>210,461</u>	<u>201,515</u>	<u>194,171</u>	<u>167,293</u>

(d) Amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

15 Cash, receivables and payables under NEMS

EMC has cash, receivables and payables in respect of sale of electricity to market participants and purchase of electricity and ancillary services from market participants in the NEMS as follows:

	Group	
	2024	2023
	\$'000	\$'000
Cash committed for NEMS (Note 13)	18,087	84,074
Receivables under NEMS (Note 14(a))	276,789	371,410
Total settlement cash and receivables	<u>294,876</u>	<u>455,484</u>
Payables under NEMS (Note 27(a))	294,876	455,484
Total settlement payables	<u>294,876</u>	<u>455,484</u>

16 Derivative financial instruments

	Currency forwards notional amount \$'000	Group Fair value	
		Asset \$'000	Liability \$'000
30 June 2024			
Cash-flow hedges			
- Currency forwards	174,675	197	(1,301)
		<u>197</u>	<u>(1,301)</u>
30 June 2023			
Cash-flow hedges			
- Currency forwards	169,024	1,008	(2,599)
		<u>1,008</u>	<u>(2,599)</u>

17 Financial assets, at FVOCI

	Group	
	2024 \$'000	2023 \$'000
Current		
Bonds – Quoted	<u>135,505</u>	<u>33,917</u>
Non-current		
Equity securities – Unquoted	<u>187,335</u>	<u>162,919</u>

18 Financial assets, at FVPL

	Group	
	2024 \$'000	2023 \$'000
Non-current		
Equity securities – Quoted	15,335	22,169
Debt securities – Unquoted	428,742	331,697
	<u>444,077</u>	<u>353,866</u>

19 Investment property, and Property, plant and equipment

Group	Property, plant and equipment						Total \$'000
	Investment property \$'000	Leasehold improvements \$'000	Furniture, fittings and office equipment \$'000	Computer hardware \$'000	Motor Vehicle \$'000	Work-in-progress \$'000	
2024							
Cost							
At 1 July 2023	18,311	45,675	10,549	80,824	401	17,410	154,859
Reclassification	–	15,130	–	11,124	–	(26,254)	–
Additions	–	1,642	1,466	5,281	–	19,564	27,953
Write-off/Disposals	–	(29,733)	(6,715)	(4,311)	–	–	(40,759)
Currency translation	27	(1)	3	(13)	–	–	(11)
At 30 June 2024	<u>18,338</u>	<u>32,713</u>	<u>5,303</u>	<u>92,905</u>	<u>401</u>	<u>10,720</u>	<u>142,042</u>
Accumulated depreciation and impairment							
At 1 July 2023	3,080	43,169	9,254	60,857	401	–	113,681
Depreciation charge	–	3,045	559	10,604	–	–	14,208
Impairment (Note 11)	1,885	–	–	70	–	–	70
Write-off/Disposals	–	(29,709)	(6,670)	(4,218)	–	–	(40,597)
Currency translation	5	–	1	19	–	–	20
At 30 June 2024	<u>4,970</u>	<u>16,505</u>	<u>3,144</u>	<u>67,332</u>	<u>401</u>	<u>–</u>	<u>87,382</u>
Net book value							
At 30 June 2024	<u>13,368</u>	<u>16,208</u>	<u>2,159</u>	<u>25,573</u>	<u>–</u>	<u>10,720</u>	<u>54,660</u>
Market value							
At 30 June 2024	<u>13,368</u>						

During the financial year ended 30 June 2024, an impairment loss of \$1,885,000 was recognised on the investment property. The recoverable amount of the investment property was appraised by an external valuer and determined using the income method.

19 Investment property, and Property, plant and equipment (continued)

Group	Property, plant and equipment						Total \$'000
	Investment property \$'000	Leasehold improvements \$'000	Furniture, fittings and office equipment \$'000	Computer hardware \$'000	Motor Vehicle \$'000	Work-in-progress \$'000	
2023							
Cost							
At 1 July 2022	18,059	45,199	10,023	72,694	401	8,041	136,358
Reclassification	–	506	–	4,710	–	(5,216)	–
Additions	–	–	631	5,522	–	14,674	20,827
Write-off/Disposals	–	(27)	(104)	(2,024)	–	–	(2,155)
Currency translation	252	(3)	(1)	(78)	–	(89)	(171)
At 30 June 2023	18,311	45,675	10,549	80,824	401	17,410	154,859
Accumulated depreciation and impairment							
At 1 July 2022	–	41,305	8,747	51,744	333	–	102,129
Depreciation charge	–	1,894	609	10,949	68	–	13,520
Impairment (Note 11)	3,080	–	–	–	–	–	–
Write-off/Disposals	–	(27)	(104)	(1,787)	–	–	(1,918)
Currency translation	–	(3)	2	(49)	–	–	(50)
At 30 June 2023	3,080	43,169	9,254	60,857	401	–	113,681
Net book value							
At 30 June 2023	15,231	2,506	1,295	19,967	–	17,410	41,178
Market value							
At 30 June 2023	15,231						

During the financial year ended 30 June 2023, an impairment loss of \$3,080,000 was recognised on the investment property. The recoverable amount of the investment property was appraised by an external valuer and determined using the income method.

19 Investment property, and Property, plant and equipment (continued)

Details of the Group's investment property as at 30 June 2024 are as follows:

<u>Location</u>	<u>Description</u>	<u>Tenure</u>
38 St Mary Axe, London EC3, United Kingdom	Land	Freehold

The fair value of the investment property was independently appraised by an external valuer and is determined using the income method. The property is classified under Level 3 of the fair value hierarchy and the significant unobservable input used for valuation is market rental. The estimated fair value would increase (decrease) if the market rental was higher (lower).

	<u>Property, plant and equipment</u>					<u>Total</u> <u>\$'000</u>
	<u>Leasehold</u> <u>improve-</u> <u>ments</u> <u>\$'000</u>	<u>Furniture,</u> <u>fittings and</u> <u>office</u> <u>equipment</u> <u>\$'000</u>	<u>Computer</u> <u>hardware</u> <u>\$'000</u>	<u>Motor</u> <u>vehicle</u> <u>\$'000</u>	<u>Work-in-</u> <u>progress</u> <u>\$'000</u>	
Company						
2024						
Cost						
At 1 July 2023	44,913	9,634	34,333	401	15,388	104,669
Reclassification	15,103	–	9,509	–	(24,612)	–
Additions	1,642	508	–	–	18,109	20,259
Write-off/Disposals	(29,703)	(6,424)	(1,474)	–	–	(37,601)
At 30 June 2024	31,955	3,718	42,368	401	8,885	87,327
Accumulated depreciation						
At 1 July 2023	42,727	8,663	26,516	401	–	78,307
Depreciation charge	2,925	410	4,632	–	–	7,967
Write-off/Disposals	(29,680)	(6,382)	(1,474)	–	–	(37,536)
At 30 June 2024	15,972	2,691	29,674	401	–	48,738
Net book value						
At 30 June 2024	15,983	1,027	12,694	–	8,885	38,589

19 Investment property, and Property, plant and equipment (continued)

Company	Property, plant and equipment					Total \$'000
	Leasehold improve- ments \$'000	Furniture, fittings and office equipment \$'000	Computer hardware \$'000	Motor vehicle \$'000	Work-in- progress \$'000	
2023						
Cost						
At 1 July 2022	44,489	9,175	33,043	401	5,836	92,944
Reclassification	424	–	2,899	–	(3,323)	–
Additions	–	459	–	–	12,875	13,334
Write-off/Disposals	–	–	(1,609)	–	–	(1,609)
At 30 June 2023	44,913	9,634	34,333	401	15,388	104,669
Accumulated depreciation						
At 1 July 2022	40,944	8,139	24,049	333	–	73,465
Depreciation charge	1,783	524	3,874	68	–	6,249
Write-off/Disposals	–	–	(1,407)	–	–	(1,407)
At 30 June 2023	42,727	8,663	26,516	401	–	78,307
Net book value						
At 30 June 2023	2,186	971	7,817	–	15,388	26,362

20 Software

Group	Software \$'000	Work- in-progress \$'000	Total \$'000
2024			
Cost			
At 1 July 2023	408,350	27,306	435,656
Reclassification	28,373	(28,373)	–
Additions	11,595	26,610	38,205
Write-off/Disposals	(45,862)	(2,550)	(48,412)
Currency translation	(110)	(1)	(111)
At 30 June 2024	<u>402,346</u>	<u>22,992</u>	<u>425,338</u>
Accumulated amortisation			
At 1 July 2023	283,886	–	283,886
Amortisation charge	44,309	–	44,309
Impairment (Note 11)	7,791	1,961	9,752
Write-off/Disposals	(45,646)	(1,961)	(47,607)
Currency translation	46	–	46
At 30 June 2024	<u>290,386</u>	<u>–</u>	<u>290,386</u>
Net book value			
At 30 June 2024	<u>111,960</u>	<u>22,992</u>	<u>134,952</u>

20 Software (continued)

Group	Software \$'000	Work- in-progress \$'000	Total \$'000
2023			
Cost			
At 1 July 2022	375,573	34,404	409,977
Reclassification	28,511	(28,511)	–
Additions	10,322	21,995	32,317
Write-off/Disposals	(5,505)	–	(5,505)
Currency translation	(551)	(582)	(1,133)
At 30 June 2023	<u>408,350</u>	<u>27,306</u>	<u>435,656</u>
Accumulated amortisation			
At 1 July 2022	243,673	–	243,673
Amortisation charge	44,615	–	44,615
Write-off/Disposals	(4,125)	–	(4,125)
Currency translation	(277)	–	(277)
At 30 June 2023	<u>283,886</u>	<u>–</u>	<u>283,886</u>
Net book value			
At 30 June 2023	<u>124,464</u>	<u>27,306</u>	<u>151,770</u>
Company			
2024			
Cost			
At 1 July 2023	83,519	13,081	96,600
Reclassification	17,056	(17,056)	–
Additions	–	14,528	14,528
Write-off/Disposals	(3,017)	(69)	(3,086)
At 30 June 2024	<u>97,558</u>	<u>10,484</u>	<u>108,042</u>
Accumulated amortisation			
At 1 July 2023	50,787	–	50,787
Amortisation charge	10,129	–	10,129
Write-off/Disposals	(2,800)	–	(2,800)
At 30 June 2024	<u>58,116</u>	<u>–</u>	<u>58,116</u>
Net book value			
At 30 June 2024	<u>39,442</u>	<u>10,484</u>	<u>49,926</u>

20 Software (continued)

Company	Software \$'000	Work- in-progress \$'000	Total \$'000
2023			
Cost			
At 1 July 2022	76,846	10,156	87,002
Reclassification	10,100	(10,100)	–
Additions	–	13,025	13,025
Write-off/Disposals	(3,427)	–	(3,427)
At 30 June 2023	<u>83,519</u>	<u>13,081</u>	<u>96,600</u>
Accumulated amortisation			
At 1 July 2022	44,087	–	44,087
Amortisation charge	9,620	–	9,620
Write-off/Disposals	(2,920)	–	(2,920)
At 30 June 2023	<u>50,787</u>	<u>–</u>	<u>50,787</u>
Net book value			
At 30 June 2023	<u>32,732</u>	<u>13,081</u>	<u>45,813</u>

21 Right-of-use assets

Leases – The Group and the Company as a lessee

The Group and the Company lease office premises, data centres and equipment with varying terms and renewal rights.

The Group and the Company lease IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

Group	Premises \$'000	Other equipment \$'000	Total \$'000
2024			
At 1 July 2023	32,677	1,254	33,931
Depreciation charge	(22,794)	(1,292)	(24,086)
Additions	70,586	3,731	74,317
Derecognition	(363)	(15)	(378)
Reassessment and modifications ^(a)	3	–	3
Currency translation	(17)	1	(16)
At 30 June 2024	<u>80,092</u>	<u>3,679</u>	<u>83,771</u>
2023			
At 1 July 2022	48,646	2,292	50,938
Depreciation charge	(21,129)	(1,299)	(22,428)
Additions	5,123	261	5,384
Reassessment and modifications ^(a)	5	–	5
Currency translation	32	–	32
At 30 June 2023	<u>32,677</u>	<u>1,254</u>	<u>33,931</u>
Company			
2024			
At 1 July 2023	27,058	1,235	28,293
Depreciation charge	(20,266)	(1,287)	(21,553)
Additions	69,302	3,731	73,033
At 30 June 2024	<u>76,094</u>	<u>3,679</u>	<u>79,773</u>
2023			
At 1 July 2022	45,070	2,289	47,359
Depreciation charge	(18,512)	(1,293)	(19,805)
Additions	500	239	739
At 30 June 2023	<u>27,058</u>	<u>1,235</u>	<u>28,293</u>

^(a) Reassessment and modifications for the Group and the Company relate to changes in lease term and lease payments of existing leases.

21 Right-of-use assets (continued)

Leases – The Group and the Company as a lessee (continued)

(1) Other amounts recognised in profit or loss

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Leases under SFRS(I) 16				
Interest on lease liabilities (Note 11)	1,500	1,227	1,290	1,116
Expenses relating to short-term leases and low-value assets	4,301	2,840	1,464	808
	5,801	4,067	2,754	1,924

(2) Extension options

Some property leases contain extension options exercisable by the Group and the Company before the end of the non-cancellable contract period. Where practicable, the Group and the Company seek to include extension options in new leases to provide operational flexibility. The Group and the Company assess at lease commencement date whether it is reasonably certain to exercise the extension options. The Group and the Company reassess whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

22 Intangible assets

Group	Right to operate Singapore electricity spot market \$'000	Trade name \$'000	Technical know-how \$'000	Customer relationships \$'000	Total \$'000
2024					
Cost					
At 1 July 2023	27,140	38,023	50,682	46,665	162,510
Currency translation	–	55	(398)	(414)	(757)
At 30 June 2024	27,140	38,078	50,284	46,251	161,753
Accumulated amortisation and impairment losses					
At 1 July 2023	7,917	8,450	28,419	26,096	70,882
Amortisation charge (Note 9)	905	1,257	4,720	6,368	13,250
Impairment loss (Note 11)	–	–	6,056	2,673	8,729
Currency translation	–	25	(205)	(216)	(396)
At 30 June 2024	8,822	9,732	38,990	34,921	92,465
Net book value					
At 30 June 2024	18,318	28,346	11,294	11,330	69,288
2023					
Cost					
At 1 July 2022	27,140	37,501	50,816	46,835	162,292
Currency translation	–	522	(134)	(170)	218
At 30 June 2023	27,140	38,023	50,682	46,665	162,510
Accumulated amortisation and impairment losses					
At 1 July 2022	7,012	7,084	14,601	15,799	44,496
Amortisation charge (Note 9)	905	1,218	7,418	8,218	17,759
Impairment loss (Note 11)	–	–	6,409	1,934	8,343
Currency translation	–	148	(9)	145	284
At 30 June 2023	7,917	8,450	28,419	26,096	70,882
Net book value					
At 30 June 2023	19,223	29,573	22,263	20,569	91,628

The intangible assets are the right to operate the Singapore electricity spot market, arising from the acquisition of EMC, the Baltic Exchange Limited (“BEL”) trade name arising from the acquisition of BEL and technical know-how and customer relationships, arising from the acquisitions of Scientific Beta Pte. Ltd. (“SB”), BidFX Systems Ltd (“BidFX”) and MaxxTrader trading platform business (“MT”).

22 Intangible assets (continued)

During the financial year, an impairment loss of \$8,729,000 (2023: \$8,343,000) was recognised on SB's technical know-how and customer relationships, which was attributable to SB's performance decline. The recoverable amount of SB's technical know-how and customer relationships was estimated based on fair value less costs of disposal. For the technical know-how, the fair value was estimated using the relief-from-royalty method while the fair value of the customer relationships was estimated using the multi-period excess earnings method. No impairment loss has been recognised on the other intangible assets as there is no objective evidence or indication that the carrying amounts may not be fully recoverable as at 30 June 2024 (2023: Nil).

23 Goodwill

	Group	
	2024	2023
	\$'000	\$'000
Beginning of financial year	702,865	708,290
Currency translation	(3,082)	(5,425)
Balance at end of financial year	699,783	702,865

The goodwill relates to the acquisitions of:

- a) EMC, a subsidiary operating the Singapore electricity spot market;
- b) BEL, a subsidiary providing freight market indices and information as well as membership services;
- c) SB, an index-provider subsidiary specialising in smart beta strategies;
- d) BidFX, a subsidiary providing electronic foreign exchange trading solutions and platform to the global financial marketplace; and
- e) MT, a provider of foreign exchange pricing and risk solutions for sell-side institutions including banks and broker-dealers, and a multi-dealer platform for hedge funds.

23 Goodwill (continued)

Following the Group's reorganisation and changes to its operating segments effective 1 October 2023 (Note 47), the Group reassessed its cash-generating units ("CGUs") or groups of CGUs to which goodwill should be allocated.

The carrying amounts of acquired goodwill previously allocated to the C&C and D&I CGUs have been reallocated to the new groups of CGUs during the year ended 30 June 2024 as follows, based on a relative value approach:

CGUs	Reallocation –			30 June 2024
	30 June 2023	C&C and D&I CGU	Currency Translation	
	\$'000	\$'000	\$'000	\$'000
EMC	9,614	–	–	9,614
Currencies and commodities ("C&C")	459,357	(459,357)	–	–
Commodities	–	231,975	10	231,985
Currencies	–	227,382	10	227,392
Data and indices ("D&I")	233,894	(233,894)	–	–
Market Data	–	143,377	(2,337)	141,040
Indices	–	90,517	(765)	89,752
	702,865	–	(3,082)	699,783

For the purpose of impairment testing, goodwill is allocated to each of the Group's CGU or group of CGUs that is expected to benefit from synergies of the business combination. As at 30 June 2024, goodwill arising from the acquisition of EMC is allocated to EMC CGU; goodwill arising from the acquisitions of BEL, BidFX and MT are allocated to Commodities CGU and Currencies CGU; and goodwill arising from the acquisition of SB is allocated to Market Data CGU and Indices CGU (2023: Goodwill arising from the acquisition of EMC was allocated to EMC CGU; goodwill arising from the acquisitions of BEL, BidFX and MT were allocated to C&C CGU; and goodwill arising from the acquisition of SB was allocated to D&I CGU).

The recoverable amount of the goodwill was determined based on value-in-use calculation using the discounted cash flow model. Key inputs of the computation are as follows:

CGU – EMC	Key Inputs	Basis
Free cash flows	Management's forecasts of earnings and capital expenditure over a ten-year period.	Past performance and market developments
Long term growth rate	2% - 3.5% (2023: 2% - 3.5%)	Long term inflation and growth rate of Singapore
Discount rate	11.5% (2023: 12.0%)	Cost of capital to operate the Singapore electricity spot market

23 Goodwill (continued)

CGU – Commodities	Key Inputs	Basis
Free cash flows	Management’s forecasts of earnings and capital expenditure over a ten-year period.	Past performance, expectations of growth in commodities contract volumes and market developments
Long term growth rate	3.5% (2023: 3.5%)	Long term growth rate of developed economies
Discount rate	11.0% (2023: 11.5%)	Cost of capital to operate the commodities market
<hr/>		
CGU – Currencies	Key Inputs	Basis
Free cash flows	Management’s forecasts of earnings and capital expenditure over a ten-year period.	Past performance, expectations of growth in currencies volumes and market developments
Long term growth rate	3.5% (2023: 3.5%)	Long term growth rate of developed economies
Discount rate	11.0% (2023: 11.5%)	Cost of capital to operate the currencies market
<hr/>		
CGU – Market Data	Key Inputs	Basis
Free cash flows	Management’s forecasts of earnings and capital expenditure over a ten-year period.	Past performance, expectations of growth in data volumes and market developments
Long term growth rate	3.5% (2023: 3.5%)	Long term growth rate of developed economies
Discount rate	11.0% (2023: 11.5%)	Cost of capital to operate the data market

23 Goodwill (continued)

CGU – Indices	Key Inputs	Basis
Free cash flows	Management’s forecasts of earnings and capital expenditure over a ten-year period.	Past performance, expectations of growth in indices volumes and market developments
Long term growth rate	3.5% (2023: 3.5%)	Long term growth rate of developed economies
Discount rate	11.0% (2023: 11.5%)	Cost of capital to operate the indices market

Based on the value-in-use calculations, there is no impairment of goodwill (2023: Nil). While the estimated recoverable amount of the goodwill is sensitive to any change in key inputs to the value-in-use calculations, the change in the estimated recoverable amount from any reasonably possible changes on the key inputs do not cause the recoverable amount to be materially lower than its carrying amount.

24 Subsidiaries

	Company	
	2024 \$’000	2023 \$’000
<i>Equity investments at cost</i>		
Balance at beginning of financial year	1,317,193	1,063,997
Capital injection	5,340	253,196
Impairment loss on investment in a subsidiary (Notes (a), 11)	(65,000)	–
	1,257,533	1,317,193
<i>Long-term receivables</i>		
Amount due from subsidiaries	541,616	286,987
Impairment loss on amount due from a subsidiary (Notes (b), 11)	(152,097)	–
Balance at end of financial year	1,647,052	1,604,180

The amount due from subsidiaries is interest-free and has no fixed terms of repayment.

(a) During the financial year ended 30 June 2024, the Company wrote off its investment in SGX Bond Trading Pte. Ltd., following plans to cease operations. The recoverable amount of the investment based on value-in-use calculation is expected to be minimal post cessation.

(b) During the financial year ended 30 June 2024, the Company recognised an impairment loss on amount due from a subsidiary which holds the investment in Scientific Beta. The impairment loss was recognised in relation to continued underperformance of Scientific Beta.

24 Subsidiaries (continued)

The movements in impairment losses in respect of investments in subsidiaries and amounts owing by subsidiaries during the year are as follows:

<u>Impairment losses</u>	Company	
	2024	2023
	\$'000	\$'000
<i>Equity investments at cost</i>		
Balance at beginning of financial year	–	–
Impairment loss made	65,000	–
Balance at end of financial year	<u>65,000</u>	<u>–</u>
<i>Long-term receivables (credit-impaired)</i>		
Balance at beginning of financial year	–	–
Impairment loss made	152,097	–
Balance at end of financial year	<u>152,097</u>	<u>–</u>

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of business and incorporation	Equity held by			
			Company		Subsidiaries	
			2024	2023	2024	2023
			%	%	%	%
Singapore Exchange Securities Trading Limited	Operating a securities exchange	Singapore	100	100	–	–
Singapore Exchange Derivatives Trading Limited	Operating a derivatives exchange	Singapore	100	100	–	–
The Central Depository (Pte) Limited	Providing clearing, counterparty guarantee, depository and related services for securities transactions	Singapore	100	100	–	–
Singapore Exchange Derivatives Clearing Limited	Providing clearing, counterparty guarantee and related services for derivatives transactions	Singapore	100	100	–	–
SGX Bond Trading Pte. Ltd.	Providing bond trading services	Singapore	100	100	–	–
Singapore Exchange Regulation Pte. Ltd.	Providing front-line regulatory functions	Singapore	100	100	–	–
Singapore Exchange IT Solutions Pte Limited	Providing computer services and software maintenance	Singapore	100	100	–	–

24 Subsidiaries (continued)

Name of subsidiaries	Principal activities	Country of business and incorporation	Equity held by			
			Company		Subsidiaries	
			2024	2023	2024	2023
			%	%	%	%
Asian Gateway Investments Pte. Ltd.	Investment holding	Singapore	100	100	–	–
Singapore Commodity Exchange Limited	Dormant	Singapore	100	100	–	–
SGX International Pte. Ltd.	Investment holding	Singapore	100	100	–	–
Securities Clearing and Computer Services (Pte) Limited	Investment holding	Singapore	100	100	–	–
SGX General Counterparty Pte. Ltd.	Providing general counterparty services	Singapore	100	100	–	–
SGX FX Pte. Ltd.	Investment holding	Singapore	100	100	–	–
Asian Gateway Investments (China) Pte. Ltd.	Investment holding	Singapore	–	–	100	100
SGX Baltic Investments Pte. Ltd.	Investment holding	Singapore	–	–	100	100
The Baltic Exchange Limited	Investment holding, membership services and provision of management services to related corporations	United Kingdom	–	–	100	100
Baltic Exchange Derivatives Trading Limited	Dormant	United Kingdom	–	–	100	100
Baltic Exchange Information Services Limited	Providing and distributing bulk freight market indices and information	United Kingdom	–	–	100	100
The Baltic Exchange (Asia) Pte. Ltd.	Distributing bulk freight market indices and information in Asia and membership services	Singapore	–	–	100	100
Energy Market Company Pte Ltd	Operating an electricity market	Singapore	–	–	100	100
Scientific Beta Pte. Ltd.	Providing management consultancy services of index activities	Singapore	–	–	93	93

24 Subsidiaries (continued)

Name of subsidiaries	Principal activities	Country of business and incorporation	Equity held by			
			Company		Subsidiaries	
			2024	2023	2024	2023
			%	%	%	%
Scientific Beta (North America) Inc.	Providing services of index activities	United States of America	–	–	100	100
Scientific Beta (France) SAS	Providing services and administration for index calculation, risk analyses and financial research	France	–	–	100	100
Scientific Beta (Europe) Limited	Providing services of index activities	United Kingdom	–	–	100	100
Scientific Beta (ANZ) Pty Ltd	Providing services of index activities	Australia	–	–	100	100
SGX FX Systems UK Limited (formerly known as BidFX Systems Ltd.)	Providing electronic foreign exchange trading solutions and platform	United Kingdom	–	–	100	100
BidFX Systems Pte. Ltd.	Provision of management services to related corporations, sales and client support services	Singapore	–	–	100	100
BidFX Systems US LLC	Providing sales and client support services	United States of America	–	–	100	100
BidFX Systems Australia Pty. Ltd.	Providing sales and client support services	Australia	–	–	100	100
Asia Converge Pte Ltd	Investment holding	Singapore	–	–	100	100
Asiaclear Pte Ltd	Dormant	Singapore	–	–	100	100
CDP Nominees Pte Ltd	Dormant	Singapore	–	–	100	100
Global Clear Pte Ltd	Dormant	Singapore	–	–	100	100
Joint Asian Derivatives Pte. Ltd.	Dormant	Singapore	–	–	100	100
SGX America Limited	Providing consultancy services	United States of America	–	–	100	100
Shanghai Yaxu Consultancy Company Limited	Providing consultancy services	People's Republic of China	–	–	100	100

24 Subsidiaries (continued)

Name of subsidiaries	Principal activities	Country of business and incorporation	Equity held by			
			Company		Subsidiaries	
			2024	2023	2024	2023
			%	%	%	%
SGX FX Markets Pte. Ltd.	Operating an electronic communication network	Singapore	–	–	100	100
SGX Treasury I Pte. Ltd.	Investment holding	Singapore	–	–	100	100
SGX India Connect IFSC Private Limited	Providing financial services for dealing, trading and clearing of financial instruments	India	–	–	100	100
SGX FX Systems Singapore Pte. Ltd. (formerly known as MaxxTrader Systems Pte. Ltd.)	FX platform and providing FX pricing and risk solutions	Singapore	–	–	100	100
MaxxTrader Systems UK Limited	Providing sales support services relating to FX platform business	United Kingdom	–	–	100	100
SGX FX Systems India Private Limited (formerly known as LLFX Technologies Private Limited)	Providing research and development support services relating to FX platform business	India	–	–	100	100
MaxxTrader Japan KK (formerly known as MaxxTrader Kabushiki Kaisha)	Providing sales support services relating to FX platform business	Japan	–	–	100	100
MaxxTrader Systems US LLC	Providing sales support services relating to FX platform business	United States	–	–	100	100
SGX FX Markets UK Ltd	Providing electronic foreign exchange trading solutions and platform	United Kingdom	–	–	100	–
SGX FX Markets NL B.V.	Providing electronic foreign exchange trading solutions and platform	Netherlands	–	–	100	–

KPMG LLP is the auditor of all significant subsidiaries. For this purpose, a subsidiary is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

24 Subsidiaries (continued)

	Group	
	2024	2023
	\$'000	\$'000
<i>Carrying value of non-controlling interests</i>		
Subsidiary with immaterial non-controlling interests		
- Scientific Beta Pte. Ltd.	1,329	2,707

25 Associated companies

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Investments in associated companies	33,773	38,226	4,389	4,389

Details of the associated companies held by the Group and the Company are as follows:

Name of company	Principal activities	Country of business and incorporation	Equity held	
			2024	2023
			%	%
<i>Held by the Group through a subsidiary</i>				
Capbridge Pte. Ltd.	Shares, stocks and bonds broking	Singapore	5.8 ^(a)	6.8 ^(a)
1x Exchange Pte. Ltd.	Operating private market platform	Singapore	9.8 ^(a)	10.2 ^(a)
Commodities Intelligence Centre Pte. Ltd.	Operating e-commerce platform	Singapore	10.0 ^(a)	10.0 ^(a)

25 Associated companies (continued)

Name of company	Principal activities	Country of business and incorporation	Equity held	
			2024 %	2023 %
<i>Held by the Group through a subsidiary</i>				
ICHX Tech Pte. Ltd.	Operating capital markets platform	Singapore	9.2 ^(a)	9.2 ^(a)
Agridence Pte. Ltd. (formerly known as HeveaConnect Pte. Ltd.)	Commodities trading platform	Singapore	6.6 ^(a)	6.6 ^(a)
Wilshire Benchmarks TopCo Limited	Global provider of indexes	United Kingdom	8.3 ^(a)	9.7 ^(a)
<i>Held by the Company</i>				
Philippines Dealing System Holdings Corp	Investment holding	Philippines	20.0	20.0

^(a) Where the voting rights are less than 20%, the presumption that the entity is not an associated company is overcome if the Group has significant influence including representation on the board of directors or participation in policy-making process of the investee.

There was no associated company that was individually material to the Group (2023: Nil).

The following table summarises, in aggregate, the Group's share of loss and other comprehensive income of the Group's individually immaterial associated companies accounted for using the equity method:

	Group	
	2024 \$'000	2023 \$'000
Carrying amount of interests		
Net loss from continuing operations	(2,705)	(442)
Total comprehensive income	<u>(2,705)</u>	<u>(442)</u>

There is no contingent liability relating to the Group's interest in the associated companies (2023: Nil).

26 Joint ventures

	Group	
	2024	2023
	\$'000	\$'000
Investments in joint ventures	16,829	10,140

Details of the joint ventures held by the Group through a subsidiary are as follows:

Name of company	Principal activities	Country of business and incorporation	Equity held	
			2024	2023
			%	%
SGX MySteel Index Company Private Limited	Indexation and benchmarking of commodities	Singapore	50.0	50.0
MarketNode Holding Pte. Ltd.	Operating a digital asset issuance platform and development of digital assets	Singapore	45.5 ^(a)	65.0 ^(a)
XinTru Pte. Ltd.	Operation of electronic bond trading platform	Singapore	– ^(b)	33.3
Verified Impact Exchange Holdings Pte. Ltd. ^(c)	Establishment and operation of an international marketplace and exchange for the listing and trading of voluntary carbon credits	Singapore	21.1 ^(a)	23.6 ^(a)

(a) Unanimous consent is required for key relevant activities of the entity. Accordingly, the entity is accounted for as an investment in joint venture due to presence of joint control.

(b) Placed under members' voluntary liquidation during the year.

(c) Holding company of Climate Impact X Pte. Ltd. ("CIX")

There was no joint venture that was individually material to the Group (2023: Nil).

The following table summarises, in aggregate, the Group's share of loss and other comprehensive income of the joint ventures accounted for using the equity method:

	Group	
	2024	2023
	\$'000	\$'000
Carrying amount of interests		
Loss from continuing operations	(11,761)	(15,115)
Total comprehensive income	(11,761)	(15,115)

There is no contingent liability relating to the Group's interest in the joint ventures (2023: Nil).

27 Trade and other payables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Trade payables (Note (a))	866,820	934,135	13,118	3,988
Other payables (Note (b))	211,165	202,436	76,520	77,150
Amount due to subsidiaries (non-trade) (Note (c))	–	–	68,757	156,534
	<u>1,077,985</u>	<u>1,136,571</u>	<u>158,395</u>	<u>237,672</u>

(a) Trade payables comprise:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Payables to clearing members and settlement banks - Daily settlement of accounts for due contracts and rights (Note 14(a))	427,874	319,639	–	–
Payables under NEMS (Note 15)	294,876	455,484	–	–
Other trade payables	144,070	159,012	13,118	3,988
	<u>866,820</u>	<u>934,135</u>	<u>13,118</u>	<u>3,988</u>

The payables to clearing members and settlement banks represent the net settlement obligations by CDP. The corresponding net settlement obligations by clearing members and settlement banks to CDP are disclosed in Note 14(a).

(b) Other payables comprise:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Accrual for operating expenses	92,811	88,834	26,360	29,690
Accrual for bonus	82,703	81,388	43,742	44,464
Defined contribution plans payable	1,819	1,832	1,090	1,144
Advance receipts	16,868	16,308	–	–
Sundry creditors	2,831	3,242	–	–
Escrow payable (Note 14)	7,161	5,294	–	–
Others (non-trade)	6,972	5,538	5,328	1,852
	<u>211,165</u>	<u>202,436</u>	<u>76,520</u>	<u>77,150</u>

(c) The amounts due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

28 Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Convertible bonds (Note (a))	–	351,883	–	–
Intra-group financial guarantee (Note (c))	–	–	–	1,093
	<u>–</u>	<u>351,883</u>	<u>–</u>	<u>1,093</u>
Non-current				
Medium term notes (Note (b))	643,086	340,040	643,086	340,040
	<u>643,086</u>	<u>340,040</u>	<u>643,086</u>	<u>340,040</u>

The exposure of the Group and the Company to interest rate, currency and liquidity risk is disclosed in Note 45.

Terms and debt repayment schedule

The terms and conditions of outstanding loans and borrowings are as follows:

				2024		2023	
				Face value	Carrying amount	Face value	Carrying amount
	Currency	Weighted average interest rate	Year of maturity	\$'000	\$'000	\$'000	\$'000
Group							
Convertible bonds	EUR	0.44% (2023: 0.44%)	2024	–	–	356,423	351,883
Medium term notes	USD	1.29% (2023: 1.29%)	2026	339,126	340,119	339,199	340,040
Medium term notes	SGD	3.45%	2027	300,000	302,967	–	–
				<u>639,126</u>	<u>643,086</u>	<u>695,622</u>	<u>691,923</u>
Company							
Medium term notes	USD	1.29% (2023: 1.29%)	2026	339,126	340,119	339,199	340,040
Medium term notes	SGD	3.45%	2027	300,000	302,967	–	–
				<u>639,126</u>	<u>643,086</u>	<u>339,199</u>	<u>340,040</u>

28 Loans and borrowings (continued)

(a) Convertible bonds

EUR 240,000,000 of zero-coupon convertible bonds were issued on 1 March 2021 with maturity date on 1 March 2024. The bonds could be converted into ordinary shares at any time on or after 11 April 2021 up to 21 February 2024 at the option of the bond holder based on the prevailing effective conversion price. The conversion price was subjected to adjustment upon occurrence of certain trigger events set out in the terms and conditions of the bonds offering. On 1 March 2024, the convertible bonds were fully redeemed. Following the redemption, the convertible bonds were cancelled and no longer listed on Singapore Exchange Securities Trading Limited.

Information on beneficial holdings unavailable

The global certificate representing the Convertible Bonds is registered in the name of The Bank of New York Depository (Nominees) Limited. Information on the beneficial holdings of the convertible bonds is unavailable.

(b) Medium term notes

USD 250,000,000 of medium term notes were issued on 3 September 2021 with maturity date on 3 September 2026. The unsecured notes issued under SGX's SGD 1.5 billion multicurrency debt issuance programme, bear interest at a fixed rate of 1.234 per cent per annum payable semi-annually in arrears on 3 March and 3 September each year.

SGD 300,000,000 of medium term notes were issued on 26 February 2024 with maturity date on 26 February 2027. The unsecured notes issued under SGX's SGD 1.5 billion multicurrency debt issuance programme, bear interest at a fixed rate of 3.45 per cent per annum payable semi-annually in arrears on 26 February and 26 August each year.

	Group \$'000
Carrying amount as at 1 July 2022	348,214
Accrued interest (Note 11)	4,373
Interest paid	(4,210)
Effects of changes in foreign exchange rates	(8,337)
Carrying amount as at 30 June 2023	340,040
Proceeds from issue of medium term notes	300,000
Transaction costs relating to issue of medium term notes	(523)
Accrued interest (Note 11)	7,811
Interest paid	(4,170)
Effects of changes in foreign exchange rates	(72)
Carrying amount as at 30 June 2024	643,086

28 Loans and borrowings (continued)

(c) Intra-group financial guarantee

Intra-group financial guarantee comprises a guarantee given by the Company in respect of due payment of all sums in relation to the convertible bonds amounting to EUR 240,000,000 issued by a wholly-owned subsidiary maturing on 1 March 2024.

Following redemption of the convertible bonds, the intra-group financial guarantee amount expired.

At 30 June 2023, the Company had not recognised a provision for expected credit losses as the amount of expected credit losses was lower than the amortised liability for the intra-group financial guarantee contract. The Company did not consider it probable that a claim will be made against the Company under the guarantee. The carrying amount represented the initial fair value less the cumulative amount of income recognised.

28 Loans and borrowings (continued)**(d) Reconciliation of movements of liabilities to cash flows from financing activities**

	Convertible bonds \$'000	Medium term notes \$'000	Unsecured bank borrowings \$'000	Total \$'000
As at 1 July 2023	351,883	340,040	–	691,923
Financing cash flows				
Net proceeds from issue of medium term notes	–	299,477	–	299,477
Repayment of borrowings	(349,630)	–	–	(349,630)
Interest paid	–	(4,170)	–	(4,170)
	<u>(349,630)</u>	<u>295,307</u>	<u>–</u>	<u>(54,323)</u>
Non-cash changes				
Effect of changes in foreign exchange rates	(3,257)	(72)	–	(3,329)
Interest expense	1,004	7,811	–	8,815
	<u>(2,253)</u>	<u>7,739</u>	<u>–</u>	<u>5,486</u>
As at 30 June 2024	<u>–</u>	<u>643,086</u>	<u>–</u>	<u>643,086</u>
As at 1 July 2022	345,721	348,214	41,858	735,793
Financing cash flows				
Repayment of borrowings	–	–	(41,241)	(41,241)
Interest paid	–	(4,210)	(242)	(4,452)
	<u>–</u>	<u>(4,210)</u>	<u>(41,483)</u>	<u>(45,693)</u>
Non-cash changes				
Effect of changes in foreign exchange rates	4,605	(8,337)	(469)	(4,201)
Interest expense	1,557	4,373	94	6,024
	<u>6,162</u>	<u>(3,964)</u>	<u>(375)</u>	<u>1,823</u>
As at 30 June 2023	<u>351,883</u>	<u>340,040</u>	<u>–</u>	<u>691,923</u>

29 Lease liabilities

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current lease liabilities	20,097	20,470	18,823	18,290
Non-current lease liabilities	64,830	14,828	62,126	11,622
	<u>84,927</u>	<u>35,298</u>	<u>80,949</u>	<u>29,912</u>

The exposure of the Group and the Company to interest rate, currency and liquidity risk is disclosed in Note 45.

(a) Repayment schedule of lease liabilities

	Payment \$'000	Interest \$'000	Principal \$'000
Group			
2024			
Within 1 year	22,359	2,262	20,097
After 1 year but within 5 years	66,016	4,457	61,559
After 5 years	3,377	106	3,271
	<u>91,752</u>	<u>6,825</u>	<u>84,927</u>
2023			
Within 1 year	21,210	740	20,470
After 1 year but within 5 years	15,321	693	14,628
After 5 years	202	2	200
	<u>36,733</u>	<u>1,435</u>	<u>35,298</u>
Company			
2024			
Within 1 year	20,823	2,000	18,823
After 1 year but within 5 years	63,173	4,118	59,055
After 5 years	3,175	104	3,071
	<u>87,171</u>	<u>6,222</u>	<u>80,949</u>
2023			
Within 1 year	18,860	570	18,290
After 1 year but within 5 years	11,975	353	11,622
After 5 years	–	–	–
	<u>30,835</u>	<u>923</u>	<u>29,912</u>

29 Lease liabilities (continued)

(b) Reconciliation of liabilities arising from financing activities

	Lease liabilities Group	
	2024 \$'000	2023 \$'000
Balance at beginning of financial year	35,298	53,078
Financing cash flows		
Repayment of lease liabilities	(25,797)	(24,429)
	<u>(25,797)</u>	<u>(24,429)</u>
Non-cash changes		
New leases	74,317	5,384
Derecognition	(378)	–
Reassessment and modifications	3	5
Interest expense (Note 11)	1,500	1,227
Effect of changes in foreign exchange rates	(16)	33
	<u>75,426</u>	<u>6,649</u>
Balance at end of financial year	<u>84,927</u>	<u>35,298</u>

30 Income taxes

(a) Income tax expense

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Tax expense attributable to profit is made up of:				
- current income tax	117,550 ^(a)	112,191 ^(a)	1,953	2,039
- deferred income tax	(7,560)	(9,301)	1,503	109
	<u>109,990</u>	<u>102,890</u>	<u>3,456</u>	<u>2,148</u>
Under/(over) provision in prior financial years:				
- current income tax	1,698 ^(a)	358	–	–
- deferred income tax	(249)	9	–	–
	<u>111,439</u>	<u>103,257</u>	<u>3,456</u>	<u>2,148</u>

^(a) Includes \$1,763,000 (FY2023: \$533,000) utilisation of tax receivables under Trade and other receivables.

30 Income taxes (continued)**(b) Tax reconciliation**

The tax expense on profit differs from the amount that would arise using the Singapore rate of income tax due to the following:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit before tax and share of results of associated companies and joint ventures	723,483	689,379	272,343	478,931
Tax calculated at a tax rate of 17% (2023: 17%)	122,992	117,194	46,298	81,418
Tax effect of:				
Singapore statutory income exemption	(200)	(192)	(17)	(17)
Income not subject to tax	(20,155)	(14,965)	(80,896)	(79,131)
Tax incentives and rebates	(1,007)	(1,616)	(989)	(1,243)
Expenses not deductible for tax purposes	7,149	2,654	38,756	564
Different tax rates in other countries	2,474	1,015	–	–
Others	(1,263)	(1,200)	304	557
Under provision in prior financial years	1,449	367	–	–
	<u>111,439</u>	<u>103,257</u>	<u>3,456</u>	<u>2,148</u>

30 Income taxes (continued)

(c) Movements in provision for tax

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of financial year	112,812	99,939	4,443	5,678
Income tax paid	(112,291)	(98,908)	(1,437)	(3,274)
Tax expense on profit for the financial year	117,017	111,658	1,953	2,039
Under provision in prior financial years	468	358	–	–
Utilisation of losses and capital allowances ^(a)	(1,718)	–	–	–
Research and development credit	(1,796)	–	–	–
Currency translation	498	(235)	–	–
Balance at end of financial year	114,990	112,812	4,959	4,443

(a) This arises from transfer of prior year's tax losses and unutilised capital allowances between entities within the Group.

(d) Deferred income tax

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Deferred tax assets:				
- to be recovered within 12 months	7,987	6,008	3,746	3,518
- to be recovered after 12 months	1,584	2,231	925	1,623
	9,571	8,239	4,671	5,141
- Effect of offsetting	(9,571)	(8,239)	(4,671)	(5,141)
	–	–	–	–
Deferred tax liabilities:				
- to be settled within 12 months	9,329	14,555	2,667	2,486
- to be settled after 12 months	53,870	48,730	6,314	4,615
	63,199	63,285	8,981	7,101
- Effect of offsetting	(9,571)	(8,239)	(4,671)	(5,141)
	53,628	55,046	4,310	1,960

30 Income taxes (continued)

(d) Deferred income tax (continued)

The movements in the deferred tax assets and liabilities during the financial year are as follows:

The Group – deferred tax assets

	Unutilised tax losses		Share plans		Unutilised leave		Others		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of financial year	2,418	1,129	4,025	4,483	1,396	1,128	400	545	8,239	7,285
Credited/(charged) to profit or loss	3,363	1,297	476	(367)	203	268	(102)	(145)	3,940	1,053
Utilisation of losses and capital allowances ^(a)	(1,718)	–	–	–	–	–	–	–	(1,718)	–
Charged to equity	–	–	(847)	(91)	–	–	–	–	(847)	(91)
Currency translation	(43)	(8)	–	–	–	–	–	–	(43)	(8)
Balance at end of financial year	4,020	2,418	3,654	4,025	1,599	1,396	298	400	9,571	8,239

^(a) This arises from transfer of prior year's tax losses and unutilised capital allowances between entities within the Group.

The Group - deferred tax liabilities

	Cash flow hedge reserve		Accelerated tax depreciation		Intangible assets arising from business combinations		Financial assets, at FVOCI		Others		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of financial year	(187)	(236)	22,534	25,365	18,560	23,052	22,210	38,158	168	414	63,285	86,753
Credited to profit or loss	–	–	(614)	(2,884)	(3,087)	(5,107)	–	–	(168)	(248)	(3,869)	(8,239)
Charged/(credited) to equity	107	49	–	–	–	–	4,442	(15,948)	–	–	4,549	(15,899)
Currency translation	–	–	(19)	53	(747)	615	–	–	–	2	(766)	670
Balance at end of financial year	(80)	(187)	21,901	22,534	14,726	18,560	26,652	22,210	–	168	63,199	63,285

30 Income taxes (continued)

(d) Deferred income tax (continued)

The Company - deferred tax assets

	Share plans		Unutilised leave		Others		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of financial year	4,025	4,483	841	837	275	404	5,141	5,724
Credited/(charged) to profit or loss	476	(367)	6	4	(105)	(129)	377	(492)
Charged to equity	(847)	(91)	–	–	–	–	(847)	(91)
Balance at end of financial year	<u>3,654</u>	<u>4,025</u>	<u>847</u>	<u>841</u>	<u>170</u>	<u>275</u>	<u>4,671</u>	<u>5,141</u>

The Company - deferred tax liabilities

	Accelerated tax depreciation	
	2024 \$'000	2023 \$'000
Balance at beginning of financial year	7,101	7,484
Charged/(credited) to profit or loss	<u>1,880</u>	<u>(383)</u>
Balance at end of financial year	<u>8,981</u>	<u>7,101</u>

30 Income taxes (continued)

(d) Deferred income tax (continued)

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

	Group	
	2024	2023
	\$'000	\$'000
Tax losses	22,573	22,574

These items principally relate to four (2023: four) entities within the Group which are dormant.

Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Group can utilise the benefits. The tax losses are subject to the relevant provisions of the Singapore Income Tax Act and confirmation by the tax authorities.

(e) Tax effects on other comprehensive income

	Before tax	Group Tax (liability)/ benefit	Net of tax
	\$'000	\$'000	\$'000
2024			
Other comprehensive income			
Foreign exchange translation	522	–	522
Fair value gains and transferred to profit or loss on cash flow hedges	919	(107)	812
Fair value gains on financial assets, at FVOCI	22,535	(4,442)	18,093
	23,976	(4,549)	19,427
2023			
Other comprehensive income			
Foreign exchange translation	(10,056)	–	(10,056)
Fair value gains and transferred to profit or loss on cash flow hedges	566	(49)	517
Fair value losses on financial assets, at FVOCI	(77,849)	15,948	(61,901)
	(87,339)	15,899	(71,440)

(f) Global minimum top-up tax

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has not been enacted in Singapore, while some of the other countries that the Group operates in have enacted or substantively enacted Pillar Two legislation.

The Group has prepared a preliminary assessment of the Pillar Two impact based on the most recent tax filings and financial statements. If the new tax legislation had applied for the financial year ended 30 June 2024, the Group does not expect a material impact from these rules. However, due to the complex nature of the legislation, the Group will continue to assess its exposure to the Pillar Two legislation and the impact of the Pillar Two legislation on its financials.

31 Provisions

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Provision for Market Development Scheme/Fund (Note (a))	10,000	1,802	–	–
Provision for unutilised leave (Note (b))	9,406	8,249	4,980	4,894
Provision for dismantlement, removal or restoration of property, plant and equipment (Note (c))	4,574	3,961	4,505	3,786
Others	126	–	–	–
	<u>24,106</u>	<u>14,012</u>	<u>9,485</u>	<u>8,680</u>

(a) Provision for Market Development Fund/Scheme

Provision for SGX-MAS Market Development Scheme was used to fund projects that raise awareness of the securities and derivatives market among investors.

During the financial year ended 30 June 2024, the remaining provision of \$1,802,000 was repurposed, along with an additional provision of \$8,198,000, to fund initiatives targeted at improving the vibrancy of the Securities Market.

(b) Provision for unutilised leave

Provision for unutilised leave is the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Balance at beginning of financial year	8,249	8,035	4,894	4,925
Provision/(utilisation) made during the financial year, net	1,157	214	86	(31)
Balance at end of financial year	<u>9,406</u>	<u>8,249</u>	<u>4,980</u>	<u>4,894</u>

31 Provisions (continued)**(c) Provision for dismantlement, removal or restoration of property, plant and equipment**

Provision for dismantlement, removal or restoration of leased premises is expected to be utilised upon return of leased premises.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of financial year	3,961	3,964	3,786	3,786
Provision made during the financial year, net	613	–	719	–
Currency translation	–	(3)	–	–
Balance at end of financial year	<u>4,574</u>	<u>3,961</u>	<u>4,505</u>	<u>3,786</u>

32 Other liabilities

	Group	
	2024	2023
	\$'000	\$'000
Forward liability to acquire non-controlling interests (Note (a))	9,146	14,774
Deferred revenue	14,618	14,695
	<u>23,764</u>	<u>29,469</u>

- (a) Arising from the acquisition of Scientific Beta Pte. Ltd. (“SB”), the forward liability relates to a put and call option agreement with the non-controlling shareholder of SB to acquire its 7% equity interests in SB. Refer to Note 2.2(3) on the accounting policy relating to the forward liability.

During the financial year ended 30 June 2024, the forward liability decreased from \$14,774,000 (2023: \$37,583,000) to \$9,146,000 (2023: \$14,774,000) due to decline in SB performance. Excluding effects of changes in foreign exchange rates, the resultant fair value gain of \$5,674,000 (2023: \$23,306,000) was recognised for the financial year ended 30 June 2024 (Note 11).

33 Share capital

(a) Share capital and treasury shares

Group and Company

	Number of shares		Amount	
	Issued shares '000	Treasury shares '000	Share Capital \$'000	Treasury shares \$'000
2024				
Balance at beginning of financial year	1,071,642	3,654	423,056	(32,447)
Purchase of treasury shares	–	1,565	–	(14,640)
Vesting of shares under share-based remuneration plans	–	(2,188)	(2,624)	19,965
Vesting of shares under restricted share plan	–	(36)	44	304
Tax effect on treasury shares	–	–	–	(847)
Balance at end of financial year	<u>1,071,642</u>	<u>2,995</u>	<u>420,476</u>	<u>(27,665)</u>

	Number of shares		Amount	
	Issued shares '000	Treasury shares '000	Share Capital \$'000	Treasury shares \$'000
2023				
Balance at beginning of financial year	1,071,642	3,657	427,365	(34,640)
Purchase of treasury shares	–	2,115	–	(18,613)
Vesting of shares under share-based remuneration plans	–	(2,107)	(4,303)	20,797
Vesting of shares under restricted share plan	–	(11)	(6)	100
Tax effect on treasury shares	–	–	–	(91)
Balance at end of financial year	<u>1,071,642</u>	<u>3,654</u>	<u>423,056</u>	<u>(32,447)</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company, except for shares held as treasury shares.

The Company purchased 1,565,000 of its shares (2023: 2,115,000) in the open market during the financial year. The total amount paid to purchase the shares was \$14,640,000 (2023: \$18,613,000). The Company holds the shares bought back as treasury shares.

33 Share capital (continued)

(b) Performance share plans

(i) *Outstanding performance shares*

Details of performance shares awarded to participants at the balance sheet date are as follows:

Number of shares	<u>Group and Company</u>						Total
	FY2019 grant*	FY2020 grant*	FY2021 grant**	FY2022 grant**	FY2023 grant**	FY2024 grant**	
2024							
Balance at beginning of financial year	–	659,300	667,100	529,800	715,100	–	2,571,300
Granted	–	–	–	–	–	784,900	784,900
Additional award at vesting	–	296,800	–	–	–	–	296,800
Vested	–	(947,400)	–	–	–	–	(947,400)
Lapsed	–	(8,700)	(14,400)	(4,700)	(6,100)	–	(33,900)
Balance at end of financial year	–	–	652,700	525,100	709,000	784,900	2,671,700
2023							
Balance at beginning of financial year	654,200	668,800	676,000	535,300	–	–	2,534,300
Granted	–	–	–	–	715,100	–	715,100
Additional award at vesting	233,900	–	–	–	–	–	233,900
Vested	(888,100)	–	–	–	–	–	(888,100)
Lapsed	–	(9,500)	(8,900)	(5,500)	–	–	(23,900)
Balance at end of financial year	–	659,300	667,100	529,800	715,100	–	2,571,300

* The number of shares vested represents the level of achievement against the performance conditions. Performance targets exceeded for FY2019 and FY2020 grant. Accordingly, additional shares were awarded for vesting.

** Represents the number of shares required if participants are to be awarded at 100% of the grant. However, the shares to be awarded at the vesting date may range from 0% to 150% of the grant, depending on the level of achievement against the performance conditions.

The terms of the performance share plans are set out in the Directors' Statement under the caption "SGX Performance Share Plan".

33 Share capital (continued)

(b) Performance share plans (continued)

(ii) *Fair value of performance shares*

The fair value of the performance shares at grant date and the key assumptions of the fair value model for the grants were as follows:

	FY2024 grant	FY2023 grant	FY2022 grant	FY2021 grant	FY2020 grant
Date of grant	17.08.2023	18.08.2022	16.08.2021	17.08.2020	15.08.2019
Vesting date	01.09.2027	01.09.2026	01.09.2025	01.09.2024	01.09.2023
Number of performance shares at grant date	784,900	715,100	564,900	732,200	711,000
Fair value per performance share at grant date	\$8.29	\$8.78	\$9.55	\$7.37	\$7.08
Assumptions under Monte-Carlo Model					
Expected volatility					
Shares of Singapore Exchange Limited	15.50%	22.42%	22.30%	22.00%	14.20%
Shares of selected peer exchanges	15.50% to 42.53%	22.42% to 45.84%	22.40% to 78.60%	21.30% to 41.90%	14.80% to 31.40%
Shares of Straits Times Index peer companies	14.92% to 46.56%	19.82% to 36.96%	19.80% to 45.20%	19.40% to 40.70%	13.10% to 39.30%
Historical volatility period	36 months	36 months	36 months	36 months	36 months
Risk-free interest rate					
Date on which yield of Singapore government bond was based	17.08.2023	18.08.2022	16.08.2021	17.08.2020	15.08.2019
Term (years)	3	3	3	3	3
Expected dividend yield based on management's forecast					
	3.55%	3.20%	2.96%	3.70%	3.64%
Share price reference	\$9.57	\$10.00	\$10.82	\$8.64	\$8.25

(c) Deferred long-term incentives scheme

(i) *Outstanding deferred long-term incentives shares*

Details of deferred long-term incentives shares awarded to recipients at the balance sheet date are as follows:

Number of shares 2024	Group and Company				Total
	FY2021 award	FY2022 award	FY2023 award	FY2024 award	
Balance at beginning of financial year	422,784	704,475	1,428,200	–	2,555,459
Awarded	–	–	–	1,515,400	1,515,400
Vested	(417,548)	(349,759)	(473,523)	–	(1,240,830)
Lapsed	(5,236)	(13,540)	(31,602)	(39,300)	(89,678)
Balance at end of financial year	–	341,176	923,075	1,476,100	2,740,351

33 Share capital (continued)

(c) Deferred long-term incentives scheme (continued)

(i) *Outstanding deferred long-term incentives shares (continued)*

Number of shares 2023	Group and Company				Total
	FY2020 award	FY2021 award	FY2022 award	FY2023 award	
Balance at beginning of financial year	420,664	875,530	1,092,500	–	2,388,694
Awarded	–	–	–	1,469,000	1,469,000
Vested	(419,664)	(436,804)	(362,721)	–	(1,219,189)
Lapsed	(1,000)	(15,942)	(25,304)	(40,800)	(83,046)
Balance at end of financial year	–	422,784	704,475	1,428,200	2,555,459

The terms of the deferred long-term incentives scheme are set out in the Directors' Statement under the caption "SGX Deferred Long-Term Incentives Scheme".

(ii) *Fair value of deferred long-term incentives shares*

The fair value of deferred long-term incentives shares was estimated by the present value of the share price adjusted for future expected dividends. The fair value of shares at award date and the key assumptions of the fair value model for the awards were as follows:

FY2024 Award

Date of award	←	17.08.2023	→
Vesting date	01.09.2024	01.09.2025	01.09.2026
Number of shares at award date	505,051	505,051	505,298
Fair value per deferred long-term incentives share at award date	\$9.24	\$8.91	\$8.60
Assumptions used in fair value model			
Risk-free interest rate	3.64%	3.48%	3.29%
Date on which yield of Singapore government bond was based	17.08.2023	17.08.2023	17.08.2023
Expected dividend yield based on management's forecast	3.55%	3.55%	3.55%
Share price reference	\$9.57	\$9.57	\$9.57

33 Share capital (continued)

(c) Deferred long-term incentives scheme (continued)

(ii) *Fair value of deferred long-term incentives shares (continued)*

FY2023 Award

Date of award	←	18.08.2022	→
Vesting date	01.09.2023	01.09.2024	01.09.2025
Number of shares at award date	489,584	489,584	489,832
Fair value per deferred long-term incentives share at award date	\$9.68	\$9.38	\$9.07
Assumptions used in fair value model			
Risk-free interest rate	2.81%	2.61%	2.59%
Date on which yield of Singapore government bond was based	18.08.2022	18.08.2022	18.08.2022
Expected dividend yield based on management's forecast	3.20%	3.20%	3.20%
Share price reference	\$10.00	\$10.00	\$10.00

FY2022 Award

Date of award	←	16.08.2021	→
Vesting date	01.09.2022	01.09.2023	01.09.2024
Number of shares at award date	389,546	389,546	389,808
Fair value per deferred long-term incentives share at award date	\$11.11	\$10.79	\$10.47
Assumptions used in fair value model			
Risk-free interest rate	0.30%	0.51%	0.67%
Date on which yield of Singapore government bond was based	16.08.2021	16.08.2021	16.08.2021
Expected dividend yield based on management's forecast	2.96%	2.96%	2.96%
Share price reference	\$10.82	\$10.82	\$10.82

33 Share capital (continued)

(c) Deferred long-term incentives scheme (continued)

(ii) *Fair value of deferred long-term incentives shares (continued)*

FY2021 Award

Date of award	←	17.08.2020	→
Vesting date	01.09.2021	01.09.2022	01.09.2023
Number of shares at award date	492,193	492,193	492,414
Fair value per deferred long-term incentives share at award date	\$8.16	\$7.84	\$7.52
Assumptions used in fair value model			
Risk-free interest rate	0.25%	0.29%	0.39%
Date on which yield of Singapore government bond was based	17.08.2020	17.08.2020	17.08.2020
Expected dividend yield based on management's forecast	3.70%	3.70%	3.70%
Share price reference	\$8.64	\$8.64	\$8.64

FY2020 Award

Date of award	←	15.08.2019	→
Vesting date	01.09.2020	01.09.2021	01.09.2022
Number of shares at award date	482,009	482,009	482,182
Fair value per deferred long-term incentives share at award date	\$7.71	\$7.41	\$7.13
Assumptions used in fair value model			
Risk-free interest rate	1.67%	1.63%	1.62%
Date on which yield of Singapore government bond was based	15.08.2019	15.08.2019	15.08.2019
Expected dividend yield based on management's forecast	3.64%	3.64%	3.64%
Share price reference	\$8.25	\$8.25	\$8.25

33 Share capital (continued)

(d) Restricted Share Plan

Details of restricted share plan (“RSP”) awarded to recipients at the balance sheet date are as follows:

	Group and Company	
	2024	2023
Number of shares		
Balance at beginning of financial year	–	–
Awarded	35,927	10,735
Vested	(35,927)	(10,735)
Balance at end of financial year	–	–

The terms of the RSP are set out in the Directors’ Statement under the caption “SGX Restricted Share Plan”.

The RSP award relates to approximately one-quarter of the Group’s Chairman fees and approximately one-quarter of selected non-executive directors’ basic fees (collectively known as “Fees”) which were paid in shares in lieu of cash. The Group’s FY2023 Chairman fees were paid entirely in cash.

The number of shares to be awarded was estimated by Fees divided by volume weighted average share price of SGX share listed on the Singapore Exchange Securities Trading Limited over 14 trading days immediately following the date of the Annual General Meeting on 5 October 2023 (FY2023 award: 6 October 2022).

34 Other reserve

	Group	
	2024	2023
	\$’000	\$’000
Forward liability to acquire non-controlling interests	40,506	40,506

Refer to Note 2.2(3) on the accounting policy relating to the forward liability.

35 Dividends

	Group and Company	
	2024	2023
	\$'000	\$'000
Interim tax-exempt dividends of 25.5 cents (2023: 24.0 cents) per share	272,839	256,490
Proposed final tax-exempt dividends of 9.0 cents (2023: 8.5 cents) per share	96,178	90,779
	369,017	347,269

The directors have proposed a final tax-exempt dividend for the financial year ended 30 June 2024 of 9.0 cents (2023: 8.5 cents) per share amounting to a total of \$96,178,000 (2023: \$90,779,000). The proposed dividend has been transferred from retained profits to proposed dividends reserve.

36 Segment information

Management determines the operating segments based on the reports reviewed and used by the Executive Management Committee for performance assessment and resource allocation.

The Group operates primarily in Singapore and is organised into five segments as follows:

- (i) Fixed Income, Currencies and Commodities – Provision of fixed income issuer services, derivatives trading and clearing services and collateral management.
- (ii) Equities - Cash – Provision of issuer services, securities trading and clearing, securities settlement and depository management
- (iii) Equities - Derivatives – Provision of derivatives trading and clearing and collateral management.
- (iv) Platform and Others – Provision of various services associated with the platform businesses, including market data, connectivity, indices and membership subscription. Revenue earned is mainly non-transactional in nature.
- (v) Corporate – Non-operating segment comprising corporate activities which are not allocated to the four operating segments described above.

36 Segment information (continued)

	Fixed Income, Currencies and Commodities \$'000	Equities - Cash \$'000	Equities - Derivatives \$'000	Platform and Others \$'000	Corporate \$'000	Group \$'000
2024						
Operating Revenue	322,497	334,937	334,045	240,196	–	1,231,675
Earnings before interest, tax, depreciation and amortisation	147,984	204,469	218,398	131,384	–	702,235
Depreciation and amortisation	32,970	25,201	14,203	23,479	–	95,853
Operating profit	115,014	179,268	204,195	107,905	–	606,382
Non-operating items	–	–	–	–	117,101	117,101
Share of results of associated companies and joint ventures, net of tax	–	–	–	–	(14,466)	(14,466)
Tax	–	–	–	–	(111,439)	(111,439)
Net profit after tax						<u>597,578</u>
2023 (Restated)						
Operating Revenue	263,611	342,070	361,280	227,447	–	1,194,408
Earnings before interest, tax, depreciation and amortisation	114,268	208,932	235,325	129,340	–	687,865
Depreciation and amortisation	32,400	24,944	15,907	25,071	–	98,322
Operating profit	81,868	183,988	219,418	104,269	–	589,543
Non-operating items	–	–	–	–	99,836	99,836
Share of results of associated companies and joint ventures, net of tax	–	–	–	–	(15,557)	(15,557)
Tax	–	–	–	–	(103,257)	(103,257)
Net profit after tax						<u>570,565</u>

37 Securities Clearing Fund

The Securities Clearing Fund was established under the clearing rules of the securities clearing subsidiary, CDP. The clearing fund is to provide resources to enable CDP to discharge its obligations and the liabilities of defaulting clearing members arising from transactions in approved securities.

The Securities Clearing Fund uses a scalable structure that aligns members' contributions to their clearing risk exposure with CDP. Clearing members are required to post clearing fund contributions that is the higher of \$500,000 or the clearing member's proportionate share of the total clearing fund requirement, based on the exposure that the member brings to CDP.

37 Securities Clearing Fund (continued)

The Securities Clearing Fund comprised contributions from both CDP and its clearing members as follows:

(a) Contribution by CDP

	Group	
	2024	2023
	\$'000	\$'000
Cash at bank - contributed by CDP	40,000	40,000

Cash contributions by CDP are denominated in SGD and placed in interest bearing accounts with 4 banks (2023: 4 banks). The initial \$25,000,000 contribution by CDP into the Securities Clearing Fund is recorded in the securities clearing fund reserve.

(b) Contribution by Clearing Members

The cash contributions from CDP clearing members are not recorded in the statement of financial position of the Group as these contributions are held in trust by the Group.

	Group	
	2024	2023
	\$'000	\$'000
Contributions by CDP clearing members		
- cash at bank, held in trust	45,536	48,231

The Securities Clearing Fund is a trust asset held subject to the trust purposes set out in CDP Clearing Rule 7.1.2. CDP is obliged to contribute at least 25% of the Securities Clearing Fund size.

Payments out of the Securities Clearing Fund shall be made in the following order:

- (1) Contributions by defaulting clearing member(s);
- (2) CDP's contribution of an amount not less than 15% of the Clearing Fund size;
- (3) Collateralised contributions by all other non-defaulting clearing members on a pro-rata basis in the proportion of each clearing member's collateralised contribution relative to the aggregate collateralised contributions of all non-defaulting clearing members;
- (4) CDP's contribution of an amount not less than the difference between 25% of the Clearing Fund size, and layer (2) above. The second contribution of the Securities Clearing Fund contributed by CDP amounted to \$20,000,000 (2023: \$20,000,000); and
- (5) Contingent contributions by all non-defaulting clearing members on a pro-rata basis in the proportion of each clearing member's contingent contributions relative to the aggregate contingent contributions of all non-defaulting clearing members.

38 Singapore Exchange Derivatives Clearing Limited (“SGX-DC”) Clearing Fund

The SGX-DC Clearing Fund structure specifies the apportionment and sequence of use of resources in the event of single and multiple defaults. It provides a scalable structure that aligns clearing members’ contributions to their clearing risk exposure with SGX-DC.

The Group has committed cash, amounting to \$144,304,000 (2023: \$131,805,000) (Note 13) to support the SGX-DC Clearing Fund. The SGX-DC Clearing Fund is made up of the following:

	2024 \$’000	2023 \$’000
SGX-DC share capital earmarked for SGX-DC Clearing Fund	110,283	97,784
Derivatives clearing fund reserve (Note (a))	34,021	34,021
	144,304	131,805

Except for the \$144,304,000 (2023: \$131,805,000) mentioned above, other resources available for the SGX-DC Clearing Fund are not included in the statement of financial position of the Group. These are third party obligations towards the SGX-DC Clearing Fund and where they are held by SGX-DC, these resources are held in trust (Note 39(b)).

(a) Derivatives clearing fund reserve

Upon the dissolution of the SGX-DT Compensation Fund on 24 November 2006, the cash proceeds of \$34,021,000 were set aside as the Group’s derivatives clearing fund reserve to support the SGX-DC Clearing Fund.

(b) Utilisation of SGX-DC Clearing Fund

Under the SGX-DC Clearing Fund structure, the resources available would be utilised in the following priority in the event of default of a SGX-DC clearing member:

- (1) the defaulting derivatives clearing member’s collateral deposited with or provided to SGX-DC;
- (2) SGX-DC’s contributions of an amount not less than 15% of the SGX-DC Clearing Fund size;
- (3) clearing fund deposits of non-defaulting derivatives clearing members participating in the same contract class as the defaulted derivatives clearing member;
- (4) SGX-DC’s contributions of an amount not less than the difference of 25% of the SGX-DC Clearing Fund size and SGX-DC’s contribution to layer (2) above;
- (5) clearing fund deposits of other non-defaulting derivatives clearing members not participating in the same contract class as the defaulted derivatives clearing member;
- (6) further assessments on non-defaulting derivatives clearing members; and
- (7) any other contributions to the SGX-DC Clearing Fund.

38 Singapore Exchange Derivatives Clearing Limited (“SGX-DC”) Clearing Fund (continued)

(b) Utilisation of SGX-DC Clearing Fund (continued)

The rules of SGX-DC provide for SGX-DC to continually draw down resources in the above sequence in the event of multiple defaults occurring within a period of 90 days. Upon utilisation of the SGX-DC Clearing Fund, SGX-DC will be obliged to contribute at least 25% of the SGX-DC Clearing Fund size in relation to the paragraph above.

The rules of SGX-DC further provide for resources to be mobilised should the GIFT Connect counterparty, NSE IFSC Clearing Corporation Limited (“NICCL”), be unable to meet its obligations. The resources available (“GIFT Connect Layer”) would be utilised in the following priority in the event of default of the GIFT Connect counterparty:

- (1) The defaulting GIFT Connect counterparty collateral deposited with SGX-DC;
- (2) SGX-DC’s contributions of an amount not less than 15% of the GIFT Connect Layer size;
- (3) GIFT Connect Layer contribution by derivatives clearing members participating in GIFT Connect; and
- (4) SGX-DC’s contribution of an amount not less than the difference between 25% of the GIFT Connect Layer size, and SGX-DC’s contribution to layer (2) above.

In the event that the above GIFT Connect Layer is inadequate, the SGX-DC clearing fund resources starting from layer (2) of the SGX-DC clearing fund above, will be applied.

39 Clearing fund, margin and other deposits

The Group, in its normal course of business, through subsidiaries operating as clearing houses, holds assets in trust or contingent assets such as irrevocable letters of credit, government securities or on-demand guarantees. None of these assets or contingent assets, together with the corresponding liabilities, are included in the statement of financial position of the Group.

(a) The Central Depository (Pte) Limited (“CDP”)

(i) Margin and other deposits

As the clearing house for securities traded on Singapore Exchange Securities Trading Limited (“SGX-ST”), CDP becomes the novated counterparty for these trades.

The rules of CDP require its clearing members to provide collateral in the form acceptable to CDP as margin deposits to guarantee the performance of the obligations associated with securities traded on SGX-ST and cleared by CDP. The total collateral required by CDP as at 30 June 2024 were \$48,607,000 (2023: \$43,142,000).

In addition, the CDP Clearing Rules provide that CDP may request its clearing members to place additional collateral with CDP in respect of its securities clearing activities from time to time.

Forms of collateral acceptable by CDP as margins include cash, government securities, selected common stocks and other instruments as approved by CDP from time to time.

As at the reporting date, clearing members had lodged the following collateral with CDP:

	2024	2023
	\$’000	\$’000
Margin deposits		
Cash	145,620	168,082
Quoted government securities, at fair value	1,942	1,980
	<hr/>	<hr/>
Other collateral		
Irrevocable letters of credit	30,000	30,000
	<hr/>	<hr/>

All cash deposits in the financial year are placed with banks. Interest earned on the cash deposits is credited to the securities clearing members, with a portion paid to CDP as administrative fee.

39 Clearing fund, margin and other deposits (continued)**(b) Singapore Exchange Derivatives Clearing Limited (“SGX-DC”)****(i) Margin deposits**

As the clearing house for futures and options traded on Singapore Exchange Derivatives Trading Limited (“SGX-DT”) and Over-The-Counter (“OTC”) commodities contracts, SGX-DC becomes the novated counterparty for these derivative instruments.

The rules of SGX-DC require its derivatives clearing members to provide margin deposits to guarantee the performance of the obligations associated with derivative instruments positions. Forms of collateral acceptable by SGX-DC as margins include cash, government securities, and other instruments as approved by SGX-DC from time to time.

In addition, the SGX-DC Clearing Rules provide that SGX-DC may request its clearing members to place additional collateral with SGX-DC in respect of its derivatives clearing activities from time to time.

The total margins required by SGX-DC as at 30 June 2024 were \$10,115,738,000 (2023: \$11,355,208,000).

As at the reporting date, clearing members had lodged the following collateral with SGX-DC:

	2024	2023
	\$’000	\$’000
Margin deposits		
Cash	9,546,322	11,244,785
Quoted government securities, at fair value	2,747,623	2,665,911

All cash deposits are placed with banks and/or in reverse repurchase agreements. Interest earned on the cash deposits is credited to the derivatives clearing members, with a portion paid to SGX-DC as administrative fee.

(ii) Performance deposits and deposits received for contract value

For commodities contracts which are physically-settled, the rules of SGX-DC and its contract specifications require its clearing members to provide collateral in the form acceptable to SGX-DC as performance deposits to secure the performance of a delivery contract. In its capacity as escrow agent to the physical delivery of the contract, SGX-DC also collects the contract value of the commodities to be delivered through the exchange.

As at the reporting date, the following were lodged with SGX-DC for performance deposits purposes:

	2024	2023
	\$’000	\$’000
Performance deposits and deposits received for contract value		
Cash	12	278

39 Clearing fund, margin and other deposits (continued)

(b) Singapore Exchange Derivatives Clearing Limited (“SGX-DC”) (continued)

(iii) Clearing fund and other deposits

The rules of SGX-DC require its clearing members to deposit clearing fund contributions for their derivatives clearing obligations to SGX-DC.

Clearing members are required to post clearing fund deposit amount that is higher of \$1,000,000 or the clearing member’s proportionate share of the total clearing fund requirement, based on the exposure that the member brings to SGX-DC, taking into account its 3-month average risk margin. Such deposits can be in cash, government securities or any forms of collateral acceptable to SGX-DC.

As at the reporting date, the following clearing fund and other deposits were lodged with SGX-DC for clearing fund purpose:

	2024	2023
	\$’000	\$’000
Clearing fund and other deposits		
Cash	458,663	419,863
Quoted government securities, at fair value	24,653	25,923
	483,316	445,786

(iv) Collateral for Mutual Offset Settlement Agreement

As at 30 June 2024, irrevocable letters of credit amounting to \$386,603,000 (2023: \$386,687,000) were lodged by The Chicago Mercantile Exchange (“CME”) with SGX-DC. This is to fulfill collateral requirements under the Mutual Offset Settlement Agreement.

(v) Collateral for GIFT Connect

As at 30 June 2024, Bankers’ Guarantee amounting to \$67,825,000 (2023: \$67,840,000) was lodged by NICCL with SGX-DC. This is to fulfill collateral requirement under the GIFT Connect operating agreement.

40 Collaterals for Securities Borrowing and Lending

CDP operates a Securities Borrowing and Lending (“SBL”) programme for banks, its depositors, clearing members and depository agents. SBL involves a temporary transfer of securities from a lender to a borrower, via CDP, for a fee. The SBL programme requires the borrowers of securities to provide collateral in the form of cash and/or certain designated securities.

As at the reporting date, borrowers had lodged the following collateral with CDP for SBL purpose:

	2024	2023
	\$'000	\$'000
Cash	93,936	122,469
Securities, at fair value	49,905	48,399

None of these assets or contingent assets nor the corresponding liabilities are included in the statement of financial position of the Group.

41 Securities and Derivatives Fidelity Funds

The fidelity funds are administered by Singapore Exchange Securities Trading Limited (“SGX-ST”) and Singapore Exchange Derivatives Trading Limited (“SGX-DT”), as required by Section 176 of the Securities and Futures Act. The assets of the fidelity funds are kept separate from all other assets, and are held in trust for the purposes set out in the Securities and Futures Act. The balances of the fidelity funds are as follows:

	2024	2023
	\$’000	\$’000
Securities Exchange Fidelity Fund	39,672	38,525
Derivatives Exchange Fidelity Fund	26,934	26,158
	<u>66,606</u>	<u>64,683</u>

The purposes of the fidelity funds pursuant to Section 186 of the Securities and Futures Act are as follows:

- (a) to compensate any person (other than an accredited investor) who has suffered a pecuniary loss from any defalcation committed:
 - (i) in the course of, or in connection with, dealing in securities, or the trading of a futures contract;
 - (ii) by a member of a securities exchange or a futures exchange or by any agent of such member; and
 - (iii) in relation to any money or other property entrusted to or received:
 - by that member or any of its agents; or
 - by that member or any of its agents as trustee or on behalf of the trustees of that money or property.
- (b) to pay the Official Assignee or a trustee in bankruptcy within the meaning of the Bankruptcy Act (Cap. 20) if the available assets of a bankrupt, who is a member of SGX-ST or SGX-DT, are insufficient to satisfy any debts arising from dealings in securities or trading in futures contracts which have been proved in the bankruptcy by creditors of the bankrupt member.
- (c) to pay a liquidator of a member of SGX-ST or SGX-DT which is being wound up if the available assets of a member are insufficient to satisfy any debts arising from dealings in securities or trading in futures contracts which have been proved in the liquidation of the member.

Any reference to dealing in securities or trading of a futures contract refers to such dealing or trading through the exchange which establishes, keeps and administers the fidelity fund or through a trading linkage of the exchange with an overseas securities exchange or an overseas futures exchange.

41 Securities and Derivatives Fidelity Funds (continued)

No further provision has been made in the financial year ended 30 June 2024 for contribution to be paid to the securities and derivatives fidelity funds as the minimum sum of \$20,000,000 (2023: \$20,000,000) for each fidelity fund as currently required under the Securities and Futures Act has been met.

The assets and liabilities of the fidelity funds are as follows:

	2024	2023
	\$'000	\$'000
Assets		
Fixed deposits with banks	66,300	64,810
Bank balance	921	157
Interest receivable	53	7
	<u>67,274</u>	<u>64,974</u>
Liabilities		
Other payables and accruals	2	4
Taxation	657	286
Deferred tax liabilities	9	1
	<u>668</u>	<u>291</u>
Net assets	<u>66,606</u>	<u>64,683</u>

The assets and liabilities of the fidelity funds are not included in the statement of financial position of the Group as they are held in trust.

42 Contingent liabilities

At the balance sheet date, the Group and the Company's contingent liabilities are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Unsecured guarantees by SGX-DC to banks for standby letters of credit issued by the banks to CME for members' open positions on CME. These guarantees are supported by members' collateral balances.	<u>318,778</u>	<u>356,838</u>	<u>—</u>	<u>—</u>

43 Capital commitments

Capital commitments contracted for at year-end but not recognised in the financial statements are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	442	14,114	–	14,104
Software	5,594	2,895	–	616
	6,036	17,009	–	14,720

44 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Directors' fees and key management's remuneration

Key management's remuneration included fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Group and the Company, and where the Group or the Company did not incur any costs, the value of the benefit is included. The directors' fees and key management's remuneration are as follows:

	2024	2023
	\$'000	\$'000
Salaries and other short-term employee benefits	19,099	16,929
Employer's contribution to Central Provident Fund	144	125
Share-based payment to key management	9,496	6,710
	28,739	23,764

During the financial year, 422,500 shares (FY2023: 419,600 shares) under SGX performance share plan and 422,500 shares (FY2023: 419,600 shares) under SGX deferred long-term incentives scheme were granted to key management of the Group. The shares were granted under the same terms and conditions as those offered to other employees of the Company.

45 Financial risk management

Financial risk management objectives and policies

The Group is exposed to market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk arising from its business activities. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors has overall responsibility for the oversight of financial risk management for the Group. The Risk Management Committee ("RMC") assists the Board in discharging its oversight responsibility. The RMC's primary function is to review, recommend to the Board for approval, and where authority is delegated by the Board, approve:

- (1) The type and level of risks that the Group undertakes on an integrated basis to achieve its business strategy; and
- (2) Frameworks and policies for managing risks that are consistent with its risk appetite.

Management is responsible for identifying, monitoring and managing the Group's financial risk exposures.

The main financial risks that the Group is exposed to and how they are managed are set out below.

Market risk – Currency risk

The Group manages its main currency exposure as follows:

- (a) *Revenue from clearing of derivative products*
Interest receivables from placements of margin deposits

The Group's revenue from the clearing of derivative products is mainly in USD. Interest receivables from placements of margin deposits with banks are mainly denominated in USD. For these receivables denominated in USD, the Group manages the currency exposure through currency forward contracts which are designated as cash flow hedges. Upon settlement of the currency forward contracts and payment obligations denominated in foreign currency, any excess foreign currencies are converted back to the functional currency of the respective entity in a timely manner to minimise currency exposure. As at the reporting date, there is no significant currency risk exposure arising from these receivables.

- (b) *Net assets in foreign operations*

The Group is exposed to currency risk on the net assets in foreign operations mainly in GBP, EUR and USD.

For the Group's net assets in foreign operations denominated in GBP and USD, the management monitors the Group's currency exposure by tracking the GBP and USD currency movement on a regular basis. The Group does not hedge the currency risk of the net assets in foreign operations.

45 Financial risk management (continued)

Market risk – Currency risk (continued)

(b) *Net assets in foreign operations (continued)*

The Group's net investment in foreign operations denominated in EUR is held under a wholly-owned subsidiary that has a EUR functional currency.

Before the full redemption of EUR-denominated convertible bonds on 1 March 2024, currency exposure arising from the investment is hedged by EUR-denominated convertible bonds issued by the subsidiary. This provides an economic hedge without derivatives being entered. Subsequent to 1 March 2024, the Group's net assets in foreign operations denominated in EUR is not hedged.

For the financial year ended 30 June 2023, part of the currency exposure to the Group's net assets in foreign operations denominated in USD is hedged through borrowings denominated in USD using net investment hedge. To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate.

A 5% strengthening (weakening) of the USD, GBP and EUR against the SGD at the reporting date would affect other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024	2023
	Impact to other comprehensive income	Impact to other comprehensive income
	\$'000	\$'000
Group		
- USD (5% strengthening)	21,935	21,887
- GBP (5% strengthening)	5,721	5,840
- EUR (5% strengthening)	12,602	–
- USD (5% weakening)	(21,935)	(21,887)
- GBP (5% weakening)	(5,721)	(5,840)
- EUR (5% weakening)	(12,602)	–

45 Financial risk management (continued)

Market risk – Currency risk (continued)

(b) Net assets in foreign operations (continued)

Net investment hedge

The amounts relating to items designated as hedging instruments were as follows:

	Carrying amount – liabilities \$'000	Line item in the statement of financial position where the hedging instrument is included \$'000	Change in value used for calculating hedge ineffectiveness \$'000	Recognised in foreign currency translation reserve \$'000
2023				
Medium term notes (USD)	22,536	Loans and borrowings	2,174	2,174

The amounts relating to items designated as hedged items were as follows:

	Change in value used for calculating hedge ineffectiveness \$'000	Recognised in foreign currency translation reserve \$'000
2023		
USD net investment	(6,431)	(6,431)

45 Financial risk management (continued)

Market risk – Currency risk (continued)

(c) *Investments in financial assets, at FVPL*

Investment in financial assets, at FVPL relate to the Group's investments in quoted equity securities and unquoted debt securities denominated in USD. The currency exposure arising from these investments are partly hedged by USD-denominated medium term notes issued by the Group, which provides an economic hedge without derivatives being entered into. Management monitors the remaining currency exposure by tracking the currency movement on a regular basis.

A 5% strengthening (weakening) of the USD against the SGD at the reporting date would affect profit after tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024	2023
	Impact to profit after tax	Impact to profit after tax
	\$'000	\$'000
Group		
- 5% strengthening	5,248	1,860
- 5% weakening	(5,248)	(1,860)
	(5,248)	(1,860)

(d) *Investments in financial assets, at FVOCI*

Investment in financial assets, at FVOCI classified as current assets relate to the Group's investments during the year in equity securities and bonds denominated in SGD and USD.

Investment in financial assets, at FVOCI classified as non-current assets relate to Group's investments on a long term basis. The Group does not hedge the currency exposure of these investments. The Group has investments in unquoted equity securities denominated in USD. Management monitors the currency exposure by tracking the currency movement on a regular basis.

A 5% strengthening (weakening) of the USD against the SGD at the reporting date would affect other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024	2023
	Impact to other comprehensive income	Impact to other comprehensive income
	\$'000	\$'000
Group		
- 5% strengthening	7,519	6,520
- 5% weakening	(7,519)	(6,520)
	(7,519)	(6,520)

45 Financial risk management (continued)

Market risk – Currency risk (continued)

(e) Cash and cash equivalents

As at the reporting date, the cash balances of the Group and the Company are mainly denominated in SGD, USD, EUR and GBP. USD, EUR and GBP cash balances placed in banks to meet the short-term payment obligations were not hedged.

The Group and the Company's currency exposures are as follows:

	SGD ^(a) \$'000	USD \$'000	GBP \$'000	Group EUR \$'000	JPY \$'000	Others \$'000	Total \$'000
2024							
Financial assets							
Cash and cash equivalents	814,754	141,682	26,016	10,551	2,199	2,909	998,111
Trade and other receivables							
- Daily settlement of accounts for due contracts and rights	387,310	39,706	28	809	–	21	427,874
- Receivables under NEMS	276,789	–	–	–	–	–	276,789
- Others	193,069	172,284	1,010	4,428	1,048	3,519	375,358
Financial assets, at FVOCI	135,505	187,335	–	–	–	–	322,840
Financial assets, at FVPL	–	444,077	–	–	–	–	444,077
Financial liabilities							
Trade and other payables							
- Daily settlement of accounts for due contracts and rights	(387,310)	(39,706)	(28)	(809)	–	(21)	(427,874)
- Payables under NEMS	(294,876)	–	–	–	–	–	(294,876)
- Others	(228,418)	(99,562)	(22,724)	(6,860)	(247)	2,576	(355,235)
Loans and borrowings	(302,967)	(340,119)	–	–	–	–	(643,086)
Lease liabilities	(81,124)	–	(2,658)	–	–	(1,145)	(84,927)
Net financial assets	512,732	505,697	1,644	8,119	3,000	7,859	1,039,051
Currency exposure	<u>512,732</u>	<u>505,697</u>	<u>1,644</u>	<u>8,119</u>	<u>3,000</u>	<u>7,859</u>	<u>1,039,051</u>
Currency forward contracts	<u>–</u>	<u>(170,496)</u>	<u>–</u>	<u>–</u>	<u>(2,393)</u>	<u>(1,786)</u>	<u>(174,675)</u>

^(a) The SGD balances have been included for completeness.

45 Financial risk management (continued)

Market risk – Currency risk (continued)

	SGD ^(a) \$'000	USD \$'000	GBP \$'000	Group EUR \$'000	JPY \$'000	Others \$'000	Total \$'000
2023							
Financial assets							
Cash and cash equivalents	839,781	123,244	27,321	38,512	861	3,464	1,033,183
Trade and other receivables							
- Daily settlement of accounts for due contracts and rights	293,605	25,122	90	757	–	65	319,639
- Receivables under NEMS	371,410	–	–	–	–	–	371,410
- Others	212,355	156,343	2,499	5,627	2,137	4,938	383,899
Financial assets, at FVOCI	33,917	162,919	–	–	–	–	196,836
Financial assets, at FVPL	–	353,866	–	–	–	–	353,866
Financial liabilities							
Trade and other payables							
- Daily settlement of accounts for due contracts and rights	(293,605)	(25,122)	(90)	(757)	–	(65)	(319,639)
- Payables under NEMS	(455,484)	–	–	–	–	–	(455,484)
- Others	(260,898)	(74,878)	(14,568)	(10,456)	(576)	(72)	(361,448)
Loans and borrowings	–	(340,040)	–	(351,883)	–	–	(691,923)
Lease liabilities	(31,250)	–	(3,457)	–	–	(591)	(35,298)
Net financial assets/(liabilities)	709,831	381,454	11,795	(318,200)	2,422	7,739	795,041
Currency exposure	709,831	381,454	11,795	(318,200)	2,422	7,739	795,041
Currency forward contracts	–	(166,615)	–	–	(219)	(2,190)	(169,024)

(a) The SGD balances have been included for completeness.

	SGD ^(a) \$'000	USD \$'000	GBP \$'000	Company EUR \$'000	JPY \$'000	Others \$'000	Total \$'000
2024							
Financial assets							
Cash and cash equivalents	139,016	36,845	–	5,210	343	882	182,296
Trade and other receivables	185,152	778	–	–	–	62	185,992
Financial liabilities							
Trade and other payables	(141,147)	(16,382)	(606)	(67)	(6)	(187)	(158,395)
Loans and borrowings	(302,967)	(340,119)	–	–	–	–	(643,086)
Lease liabilities	(80,743)	–	–	–	–	(206)	(80,949)
Net financial (liabilities)/assets	(200,689)	(318,878)	(606)	5,143	337	551	(514,142)
Currency exposure	(200,689)	(318,878)	(606)	5,143	337	551	(514,142)

(a) The SGD balances have been included for completeness.

45 Financial risk management (continued)

Market risk – Currency risk (continued)

	SGD ^(a) \$'000	USD \$'000	GBP \$'000	Company EUR \$'000	JPY \$'000	Others \$'000	Total \$'000
2023							
Financial assets							
Cash and cash equivalents	89,071	12,461	–	27,395	7	1,164	130,098
Trade and other receivables	157,019	484	106	16	–	66	157,691
Financial liabilities							
Trade and other payables	(232,561)	(4,662)	(83)	(93)	(17)	(256)	(237,672)
Loans and borrowings	–	(340,040)	–	(1,093)	–	–	(341,133)
Lease liabilities	(29,548)	–	–	–	–	(364)	(29,912)
Net financial (liabilities)/assets	(16,019)	(331,757)	23	26,225	(10)	610	(320,928)
Currency exposure	(16,019)	(331,757)	23	26,225	(10)	610	(320,928)

^(a) The SGD balances have been included for completeness.

A 5% strengthening (weakening) of the USD against the SGD at the reporting date would affect profit after tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024 Impact to profit after tax \$'000	2023 Impact to profit after tax \$'000
Group ^(a)		
- 5% strengthening	7,393	3,294
- 5% weakening	(7,393)	(3,294)
Company		
- 5% strengthening	(15,944)	(16,588)
- 5% weakening	15,944	16,588

^(a) Excluding Financial assets, at FVOCI

Currency risk sensitivity analysis is not provided for the remaining currencies as the Group and the Company do not have significant foreign currency exposures to these currencies.

45 Financial risk management (continued)

Market risk - Price risk

The Group and the Company are exposed to price risk arising from investments in financial assets, at FVOCI and FVPL. To manage the price risk arising from these investments, the Group and the Company diversify their multi-asset portfolio comprising of equities and bonds across developed markets and sectors, in accordance with limits set in the investment mandate. During the financial year ended 30 June 2024, the Group made further investments in equities and bonds as part of its review during the financial year. For financial assets, at FVOCI and FVPL classified as non-current assets, these investments are held as strategic investments. Performance of these investments are regularly monitored by management.

A change of 5% (2023: 5%) in prices for investments at the reporting date would affect net profit after tax and other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024		2023	
	Impact to profit after tax \$'000	Impact to other comprehensive income \$'000	Impact to profit after tax \$'000	Impact to other comprehensive income \$'000
Group				
- Price increase	22,204	14,264	17,693	8,219
- Price decrease	(22,204)	(14,264)	(17,693)	(8,219)

Market risk - Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group and the Company's fixed deposit placements are mainly short-term in nature and placed with banks that offer the most competitive interest rates. The Group and the Company manages its interest rate risks arising from investments in bonds by placing such balances on varying maturities and interest rate terms. The Group and the Company's borrowings are fixed rate instruments held at amortised cost. The borrowings are not subjected to interest rate risk due to the variability of market interest rates.

The tables set out in the following pages illustrate the Group and the Company's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

45 Financial risk management (continued)

Market risk – Interest rate risk (continued)

Group	Variable rates		Fixed rates		Non-interest bearing \$'000	Total \$'000
	Less than 6 months \$'000	Less than 6 months \$'000	6 to 12 months \$'000	Over 1 year \$'000		
2024						
Financial assets						
Cash and cash equivalents	314,003	326,137	303,819	–	54,152	998,111
Trade and other receivables	–	7,161	–	–	1,072,860	1,080,021
Financial assets, at FVOCI	–	40,807	72,670	22,028	187,335	322,840
Financial assets, at FVPL	–	–	–	–	444,077	444,077
Financial liabilities						
Trade and other payables	–	–	–	–	(1,077,985)	(1,077,985)
Loans and borrowings	–	–	–	(643,086)	–	(643,086)
Lease liabilities	–	(9,907)	(10,190)	(64,830)	–	(84,927)
Net financial assets/(liabilities)	314,003	364,198	366,299	(685,888)	680,439	1,039,051
2023						
Financial assets						
Cash and cash equivalents	336,360	456,155	157,048	–	83,620	1,033,183
Trade and other receivables	–	5,294	–	–	1,069,654	1,074,948
Financial assets, at FVOCI	–	14,293	–	19,624	162,919	196,836
Financial asset, at FVPL	–	–	–	–	353,866	353,866
Financial liabilities						
Trade and other payables	–	–	–	–	(1,136,571)	(1,136,571)
Loans and borrowings	–	–	(351,883)	(340,040)	–	(691,923)
Lease liabilities	–	(11,542)	(8,928)	(14,828)	–	(35,298)
Net financial assets/(liabilities)	336,360	464,200	(203,763)	(335,244)	533,488	795,041

45 Financial risk management (continued)

Market risk – Interest rate risk (continued)

Company	Variable rates	Fixed rates			Non-interest bearing \$'000	Total \$'000
	Less than 6 months \$'000	Less than 6 months \$'000	6 to 12 months \$'000	Over 1 year \$'000		
2024						
Financial assets						
Cash and cash equivalents	103,160	47,800	30,500	–	836	182,296
Trade and other receivables	–	–	–	–	185,992	185,992
Financial liabilities						
Trade and other payables	–	–	–	–	(158,395)	(158,395)
Loans and borrowings	–	–	–	(643,086)	–	(643,086)
Lease liabilities	–	(9,021)	(9,802)	(62,126)	–	(80,949)
Net financial assets/(liabilities)	103,160	38,779	20,698	(705,212)	28,433	(514,142)
2023						
Financial assets						
Cash and cash equivalents	61,795	40,500	–	–	27,803	130,098
Trade and other receivables	–	–	–	–	157,691	157,691
Financial liabilities						
Trade and other payables	–	–	–	–	(237,672)	(237,672)
Loans and borrowings	–	–	(1,093)	(340,040)	–	(341,133)
Lease liabilities	–	(10,332)	(7,958)	(11,622)	–	(29,912)
Net financial assets/(liabilities)	61,795	30,168	(9,051)	(351,662)	(52,178)	(320,928)

45 Financial risk management (continued)

Market risk – Interest rate risk (continued)

A change by 0.5% (2023: 0.5%) in interest rate for the Group's investment in bonds at the reporting date would affect other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024	2023
	Impact to other comprehensive income	Impact to other comprehensive income
	\$'000	\$'000
Group		
- Interest rate increase	(674)	(169)
- Interest rate decrease	681	170
	681	170

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The major classes of financial assets of the Group with credit exposures are: receivables from clearing and settlement, receivables under NEMS, trade and interest receivables, cash deposits and investments in debt instruments.

The Group manages its credit exposures as follows:

(a) **Clearing and settlement**

In the normal course of business as clearing houses, SGX-DC and CDP act as central counterparties ("CCP") for every transaction received by or matched through the Group's facilities. As CCP, each clearing house substitutes itself as the buyer to the selling clearing member, and seller to the buying clearing member, and assumes all rights and obligations to the counterparty. As a result, each clearing house faces considerable credit risk exposure should any of its clearing members be unable to meet its settlement obligations to the clearing house, resulting in a default. The Group has in place a sound and transparent risk management and regulatory framework governing the operations of securities and derivatives markets. On an on-going basis, the Group mitigates its counterparty risk through active monitoring and management of its exposures to clearing members by having in place a system of financial safeguards.

Credit risk management practices

The Group mitigates its exposures to risk by admitting clearing members which meet prescribed capital and financial requirements and have risk management systems to monitor their exposures. On an on-going basis, a clearing member must continue to comply with the financial requirements, and also set aside capital commensurate with its risk exposures. In addition, the clearing member must ensure that it has the necessary systems and procedures to preserve sound liquidity and financial position at all times.

45 Financial risk management (continued)

Credit risk (continued)

(a) Clearing and settlement (continued)

Credit risk management practices (continued)

Both SGX-DC and CDP have well-established risk management systems to monitor and measure the risk exposures of its members. In addition, SGX-DC and CDP require all cleared positions and contracts to be sufficiently collateralised at all times to protect SGX-DC and CDP against potential losses. SGX-DC also revalues and settles the daily mark-to-market variations with clearing members to prevent losses from accumulating. For CDP, it also requires clearing members to monitor compliance with risk management measures such as monitoring for large exposures and risk concentration.

Refer to Note 39 on margin and other deposits held in trust by SGX-DC and CDP.

Financial safeguards

A clearing fund has been established for each of the securities and derivatives markets to be used in support of the clearing houses' roles as CCP. The Group and the relevant clearing members are required to contribute to the respective clearing funds.

Refer to Notes 37 and 38 on Securities Clearing Fund and Singapore Exchange Derivatives Clearing Limited Clearing Fund.

Trade receivables arising from settlement of securities trades

Settlement for all securities transactions of securities clearing members are effected through the Group's subsidiary, CDP, and through MAS MEPS+ for SGD and designated settlement banks for foreign currencies.

The "Receivables from clearing members and settlement banks" included in trade receivables represent the aggregate of net settlement obligations of each of the clearing members and settlement banks to CDP for the last two trading days of the financial years ended 30 June 2024 and 30 June 2023. As at 30 June 2024, there were 25 (2023: 26) securities clearing members and 8 (2023: 8) designated settlement banks. The Group may have concentration risk exposure to these securities clearing members with regards to their net settlement obligations to CDP. The settlement exposure of CDP to each securities clearing member fluctuates daily according to the net position (net buy or net sell) of each securities clearing member and the extent to which these settlement obligations are effected through MAS MEPS+ and the settlement banks.

(b) Receivables under NEMS

In relation to NEMS receivables in Note 15, EMC is required to ensure that market participants maintain certain levels of prudential security in discharging its obligations under the NEMS Market Rules ("Market Rules"). EMC is entitled to recover any default receivables from all market participants under the Market Rules and credit risk exposure to NEMS receivables is minimised.

45 Financial risk management (continued)

Credit risk (continued)

(b) Receivables under NEMS (continued)

Under the Market Rules, each market participant has to provide credit support which is not less than 38 times of individual estimated average daily exposure. The Market Rules specify the type of credit support to be provided and assigned to EMC. These include bankers' guarantees or irrevocable commercial letter of credit from reputable financial institutions, cash deposits and Singapore Government Treasury bills. The credit support received as at 30 June 2024 were in the form of bankers' guarantees and cash deposits and have an aggregate value of \$994,447,000 (2023: \$1,392,228,000). There is no significant concentration of credit risk for receivables under NEMS.

(c) Trade receivables (excluding balances arising from clearing and settlement of securities trades and NEMS)

Trade receivables (excluding balances arising from clearing and settlement of securities trades and NEMS) of the Group and the Company comprise receivables from trading and clearing members, listed companies and other entities.

(d) Cash deposits, interest receivables and escrow receivables

Cash balances of the Group and the Company are mainly placed in fixed deposits with financial institutions of high credit quality. The Board has approved policies that limit the maximum credit exposure to each financial institution. Exposure and compliance with counterparty limits set by the RMC are monitored by the relevant business units and reported by the Risk Management unit to the RMC.

(e) Financial assets, at FVOCI

The bond instruments invested by the Group and the Company are restricted to fixed income securities with minimum credit rating of BBB+ or Baa1 by international credit rating agencies or by internal equivalent rating of investment manager where applicable. These are considered "low credit risk" as they are of investment grade credit rating with at least one major rating agency.

(f) Credit loss allowance

For receivables from clearing and settlement, the expected credit loss is minimal as these receivables were due from clearing members and settlement banks. The admission of these clearing members and settlement banks are subject to the Group's admission criteria, compliance monitoring and risk management measures. These receivables had no recent history of default and there were no unfavourable current conditions at the reporting date.

For receivables under NEMS, there is no expected credit loss. Under the NEMS Market Rules, EMC is entitled to recover any default receivables from all market participants.

45 Financial risk management (continued)

Credit risk (continued)

(f) Credit loss allowance (continued)

For trade receivables excluding balances arising from clearing and settlement of securities trades and NEMS, the Group applied the simplified approach permitted by SFRS(I) 9 which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomics factors affecting the ability of the customers to settle the receivables.

On this basis, the loss allowance for trade receivables as at 30 June 2024 and 30 June 2023 was determined as not material. The gross carrying amount of trade receivables subject to expected credit loss allowance that are more than 360 days past due as at 30 June 2024 and 30 June 2023 is \$1,822,000 and \$3,077,000 respectively.

Trade receivables excluding balances arising from clearing and settlement of securities trades and NEMS are considered in default if the counterparty fails to make contractual payments within 360 days when they fall due, and are written off when there is no reasonable expectation of recovery. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Loss allowance recognised on financial assets, at FVOCI, is measured at the 12-month expected credit losses. These financial assets had no recent history of default and none had been below the minimum credit rating of BBB+ or Baa1.

Cash deposits, staff advances and other receivables are subject to immaterial credit loss.

45 Financial risk management (continued)

Credit risk (continued)

(f) Credit loss allowance (continued)

The movements in credit loss allowance are as follows:

	Trade receivables	
	Group	
	2024	2023
	\$'000	\$'000
Balance at beginning of financial year	6,183	5,175
Allowance made	2,010	1,979
Allowance utilised	(4,381)	(547)
Allowance written back	(152)	(424)
Balance at end of financial year	3,660	6,183

Exposures from receivables from clearing and settlement and receivables under NEMS are managed by risk management systems and collateralised as described above.

The maximum exposure to credit risk to trade receivables, cash deposits and investment in debt instruments is the carrying amount presented on the statement of financial position of the Group and the Company. The Group and the Company do not hold any collateral against these financial instruments. In addition, clearing houses, SGX-DC and CDP, also have general lien on all monies and other properties deposited by clearing members. The clearing house may combine any account of the clearing member with its liabilities to the clearing house. Such funds may be applied towards satisfaction of liabilities of the clearing member to the clearing house.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

(a) Liabilities related risk

The Group and the Company has minimal liquidity risk as it maintains sufficient cash for daily operations through prudent liquidity risk management.

45 Financial risk management (continued)

Liquidity risk (continued)

(a) Liabilities related risk (continued)

The financial liabilities of the Group and the Company are analysed into the relevant maturity buckets based on the remaining period from the balance sheet date to the contractual maturity dates. The amounts disclosed in the table below are contractual undiscounted cash flows.

Group	Up to 3 months \$'000	> 3 months to 1 year \$'000	Above 1 year \$'000	Total \$'000
2024				
Financial liabilities				
Trade and other payables ^(a)	1,070,824	–	–	1,070,824
Lease liabilities	5,377	16,982	69,393	91,752
Loans and borrowings	–	–	643,086	643,086
2023				
Financial liabilities				
Trade and other payables ^(a)	1,128,307	2,970	–	1,131,277
Lease liabilities	5,968	15,242	15,523	36,733
Loans and borrowings	–	351,883	340,040	691,923

^(a) Included the following:

- \$427,874,000 (2023: \$319,639,000) payables to clearing members and settlement banks for daily settlement of accounts for due contracts and rights with a corresponding amount in trade receivables; and
- \$294,876,000 (2023: \$455,484,000) payables under NEMS with corresponding amounts in cash and cash equivalents and trade receivables.

Excluded the following:

- \$7,161,000 (2023: \$5,294,000) escrow payables as the escrow funds are placed by the Group in term deposits where the funds cannot be withdrawn at any time from the banks without penalty.

45 Financial risk management (continued)Liquidity risk (continued)

(a) Liabilities related risk (continued)

Company	Up to 3 months \$'000	> 3 months to 1 year \$'000	Above 1 year \$'000	Total \$'000
2024				
Financial liabilities				
Trade and other payables	158,395	–	–	158,395
Lease liabilities	4,948	15,875	66,348	87,171
Loans and borrowings	–	–	643,086	643,086
2023				
Financial liabilities				
Trade and other payables	173,364	64,308	–	237,672
Lease liabilities	5,245	13,614	11,976	30,835
Loans and borrowings	–	1,093	340,040	341,133

As at 30 June 2024, the gross notional value of outstanding currency forward contracts held by the Group was \$174,675,000 (2023: \$169,024,000). The Group's outstanding currency forward contracts that would be settled on a gross basis are analysed into relevant maturity buckets based on the remaining contractual maturity dates as follows:

Group	Up to 3 months \$'000	> 3 months to 1 year \$'000	Total \$'000
2024			
Currency forward contracts			
- gross outflows	87,862	85,890	173,752
- gross inflows	87,331	85,317	172,648
2023			
Currency forward contracts			
- gross outflows	73,629	93,985	167,614
- gross inflows	73,978	92,045	166,023

45 Financial risk management (continued)

Liquidity risk (continued)

(b) Contingent liabilities related risk

At the balance sheet date, the following guarantees may impact the liquidity positions in the earliest period in which the guarantees are called upon:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Unsecured guarantees by SGX-DC to banks for standby letters of credit issued by the banks to CME (Note 42)	318,778	356,838	–	–

The settlement obligation of the above contingent liabilities is not determinable as the obligation arises from the occurrence of future events that are not within the control of the Group and the Company.

(c) Clearing and settlement-related risk

The clearing houses of the Group, CDP and SGX-DC, act as the novated counterparty for transactions of approved securities and derivatives. The Group is exposed to liquidity risk should any clearing member or settlement bank default. The Group has put in place sufficient committed bank credit facilities of \$732,489,000 (2023: \$699,879,000), comprising committed unsecured credit lines for prudent risk management and to maintain adequate liquid resources.

Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

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

45 Financial risk management (continued)Fair value measurements (continued)

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Group				
2024				
Assets				
Derivative financial instruments	–	197	–	197
Financial assets, at FVOCI	135,505	11,344	175,991	322,840
Financial assets, at FVPL	15,335	–	428,742	444,077
Liabilities				
Derivative financial instruments	–	1,301	–	1,301
Financial liability	–	–	9,146	9,146
2023				
Assets				
Derivative financial instruments	–	1,008	–	1,008
Financial assets, at FVOCI	33,917	8,082	154,837	196,836
Financial asset, at FVPL	22,169	–	331,697	353,866
Liabilities				
Derivative financial instruments	–	2,599	–	2,599
Financial liability	–	–	14,774	14,774

No transfers were made between Level 1, 2 and 3 for the Group and the Company during the financial years ended 30 June 2024 and 30 June 2023.

45 Financial risk management (continued)

Fair value measurements (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group and the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group and the Company use a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for debt instruments. The fair value of currency forward contracts is determined using quoted forward currency rates at the balance sheet date. Unquoted equity securities classified as financial assets, at FVOCI, are valued using latest transacted price. These instruments are classified as Level 2 and comprise debt instruments, derivatives financial instruments and unquoted equity securities.

Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3. The following table presents the valuation techniques and key inputs that were used to determine the fair value of financial instruments categorised under Level 3.

Description	Fair value \$'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs
Financial asset, at FVPL	428,742 (2023: 331,697)	Net Asset Value	Net Asset Value	Not applicable
Financial assets, at FVOCI (unquoted equity securities)	175,991 (2023: 154,837)	Implied market multiple of public comparables on revenue forecast	Forecast of revenue	Not applicable
Forward liability to acquire non-controlling interests	9,146 (2023: 14,774)	Multiples of forecast on Earnings before interest, tax and amortisation ("EBITA")	Forecast of EBITA	Not applicable

45 Financial risk management (continued)

Fair value measurements (continued)

For financial assets, at FVOCI and at FVPL, increases (decreases) in the above unobservable inputs, in isolation, would result in a higher (lower) fair value measurement. In respect of the other financial instruments, management considers that any reasonably possible changes to the unobservable inputs will not result in a significant financial impact.

The following table presents the reconciliation of financial instruments measured at fair value based on significant unobservable inputs (Level 3).

Group	Financial liability \$'000	Contingent consideration \$'000	Financial asset, at FVPL \$'000	Financial assets, at FVOCI \$'000
At 1 July 2023	(14,774)	–	331,697	154,837
Additions	–	–	4,676	–
Fair value gains recognised in profit or loss	5,674	–	91,343	–
Fair value gains recognised in other comprehensive income	–	–	–	21,188
Effects of changes in foreign exchange rates	(46)	–	1,026	(34)
As at 30 June 2024	<u>(9,146)</u>	<u>–</u>	<u>428,742</u>	<u>175,991</u>
At 1 July 2022	(37,583)	(36,284)	293,545	230,782
Additions	–	–	4,729	–
Disposals	–	20,588	–	–
Fair value gains recognised in profit or loss	23,306	14,880	40,021	–
Fair value losses recognised in other comprehensive income	–	–	–	(69,555)
Effects of changes in foreign exchange rates	(497)	816	(6,598)	(6,390)
As at 30 June 2023	<u>(14,774)</u>	<u>–</u>	<u>331,697</u>	<u>154,837</u>

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

45 Financial risk management (continued)Offsetting financial assets and financial liabilities

The Group reports financial assets and financial liabilities on a net basis on the statement of financial position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liabilities simultaneously.

The following table shows the effect of netting arrangements on financial assets and liabilities that are reported net on the statement of financial position.

(a) Financial assets subject to offsetting arrangements

	Gross amounts of recognised financial assets \$'000	Less: Gross amounts of recognised financial liabilities set off in the statement of financial position \$'000	Net amounts of financial assets presented in the statement of financial position ⁽¹⁾ \$'000
2024			
Receivables from clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	2,862,343	(2,434,469)	427,874
2023			
Receivables from clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	2,853,824	(2,534,185)	319,639

45 Financial risk management (continued)

Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities subject to offsetting arrangements

	Gross amounts of recognised financial liabilities \$'000	Less: Gross amounts of recognised financial assets set off in the statement of financial position \$'000	Net amounts of financial liabilities presented in the statement of financial position ⁽¹⁾ \$'000
2024			
Payables to clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	2,862,343	(2,434,469)	427,874
2023			
Payables to clearing members and settlement banks - Daily settlement of accounts for due contracts and rights	2,853,824	(2,534,185)	319,639

⁽¹⁾ The collateral deposited by clearing members and settlement banks cannot be attributed directly to the individual transactions. For information on the collaterals, please refer to Note 39(a).

46 Capital requirement and management

The Group's capital management objectives are to optimise returns to shareholders whilst supporting the growth requirements of the business and fulfilling its obligations to the relevant regulatory authorities and other stakeholders.

Given the dynamic nature of the Group's business and the framework, the Group regularly reviews and monitors its capital and cash positions to ensure that the business activities and growth are prudently funded. In addition, the Group will seek opportunities to optimise shareholders' returns by creating a more efficient capital structure to reduce the overall cost of capital. SGX aims to pay a sustainable and growing dividend over time, consistent with the Company's long-term growth prospects.

The six MAS regulated subsidiaries within the Group, are Singapore Exchange Securities Trading Limited, The Central Depository (Pte) Limited., Singapore Exchange Derivatives Trading Limited, Singapore Exchange Derivatives Clearing Limited, SGX Bond Trading Pte. Ltd., and SGX FX Markets Pte. Ltd.. These subsidiaries are required to comply with Regulatory Capital Framework ("Framework") issued by the Monetary Authority of Singapore to meet prudential requirements that commensurate with the operational risk, investment risk and the counterparty default risk arising from its central counterparty clearing and settlement activities. These subsidiaries are in compliance with the Framework.

SGX India Connect IFSC Private Limited also complies with the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, and is required to maintain minimum net worth requirements at all times for its activities in India.

47 Restatement to presentation of statement of comprehensive income and segment information

Effective from 1 October 2023, SGX Group implemented changes to the organisation structure to capitalise on its strength as an international multi-asset exchange to pursue growth opportunities and build scale in multiple asset classes.

The new organisation structure comprises four operating segments – Fixed Income, Currencies and Commodities; Equities - Cash; Equities - Derivatives; and Platform and Others. The statement of comprehensive income for the financial year ended 30 June 2024 has been presented based on the new organisation structure. As a result of the new presentation, certain revenue streams previously classified under Fixed Income, Currencies and Commodities; Equities - Cash and Equities - Derivatives operating segments are now classified under the Platform and Others operating segment.

Segment reporting has also been revised to reflect the Executive Management Committee's review of segment performance and resources allocation. Assets and liabilities of SGX Group are managed as a whole. All segment information for the comparative period was restated to reflect the new presentation format.

The tables below illustrate the restatements for the financial year ended 30 June 2023.

47 Restatement to presentation of statement of comprehensive income and segment information (continued)

a) Statement of comprehensive income - Group

New classification	FY2023 (Restated) \$'000	Previous classification	FY2023 \$'000
Fixed Income, Currencies and Commodities		Fixed Income, Currencies and Commodities	
<i>Fixed Income</i>		<i>Fixed Income</i>	
Listing	5,126	Listing	5,126
Corporate actions and other	<u>3,178</u>	Corporate actions and other	<u>3,178</u>
	8,304		8,304
<i>Currencies and Commodities</i>		<i>Currencies and Commodities</i>	
Trading and clearing	185,437	Trading and clearing	227,106
Treasury and other	<u>69,870</u>	Treasury and other	<u>102,756</u>
	255,307		329,862
	<u>263,611</u>		<u>338,166</u>
<i>Equities - Cash</i>		<i>Equities</i>	
Listing	30,912	<i>- Equities - Cash</i>	
Trading and clearing	175,416	Listing	30,912
Securities settlement and depository management	96,925	Corporate actions and other	35,394
Corporate actions and other	<u>38,817</u>	Trading and clearing	175,416
	342,070	Securities settlement and depository management	96,925
		Treasury and other	<u>7,480</u>
			346,127
<i>Equities - Derivatives</i>		<i>- Equities - Derivatives</i>	
Trading and clearing	281,577	Trading and clearing	281,578
Treasury and other	<u>79,703</u>	Treasury and other	<u>81,478</u>
	361,280		363,056
Platform and Others		Data, Connectivity and Indices	
Market data	43,988	Market data and Indices	78,034
Connectivity	70,820	Connectivity	<u>69,025</u>
Indices and other	<u>112,639</u>		<u>147,059</u>
	227,447		
Operating revenue	<u>1,194,408</u>	Operating revenue	<u>1,194,408</u>

The revised presentation does not result in a change in the Group's and Company's total operating revenue, total operating expenses including depreciation and amortisation, net profit before and after tax.

47 Restatement to presentation of statement of comprehensive income and segment information (continued)

b) Segment information - Group

New classification	Fixed Income, Currencies and Commodities \$'000	Equities - Cash \$'000	Equities - Derivatives \$'000	Platform and Others \$'000	Corporate \$'000	The Group \$'000
2023 (Restated)						
Operating Revenue	263,611	342,070	361,280	227,447	–	1,194,408
Earnings before interest, tax, depreciation and amortisation	114,268	208,932	235,325	129,340	–	687,865
Depreciation and amortisation	32,400	24,944	15,907	25,071	–	98,322
Operating profit	81,868	183,988	219,418	104,269	–	589,543
Non-operating items	–	–	–	–	99,836	99,836
Share of results of associated companies and joint venture, net of tax	–	–	–	–	(15,557)	(15,557)
Tax	–	–	–	–	(103,257)	(103,257)
Net profit after tax						<u>570,565</u>

Previous classification	Fixed Income, Currencies and Commodities \$'000	Equities \$'000	Data, Connectivity and Indices \$'000	Corporate \$'000	The Group \$'000
2023					
Operating Revenue	338,166	709,183	147,059	–	1,194,408
Earnings before interest, tax, depreciation and amortisation	143,992	450,091	93,782	–	687,865
Depreciation and amortisation	41,974	40,851	15,497	–	98,322
Operating profit	102,018	409,240	78,285	–	589,543
Non-operating items	–	–	–	99,836	99,836
Share of results of associated companies and joint ventures, net of tax	–	–	–	(15,557)	(15,557)
Tax	–	–	–	(103,257)	(103,257)
Net profit after tax					<u>570,565</u>

48 New accounting standards and SFRS(I) interpretations

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

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

- Amendments to SFRS(I) 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements
- Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback
- Amendments to SFRS(I) 1-21: Lack of Exchangeability