

**Surbana Jurong Private Limited
and its Subsidiaries**

Registration Number: 201428879H

Annual Report
Year ended 31 December 2024

Directors' statement

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

In our opinion:

- (a) the financial statements set out on pages FS1 to FS94 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the 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.

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

Directors

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

Chaly Mah Chee Kheong

Chiao Chuan-Sheng

Eric Ang Teik Lim

Cheong Koon Hean Nee Chua (Appointed on 1 January 2025)

Desmond Choo Pey Ching

Fong Heng Boo

Gan Chee Yen

Hodkinson Gregory Scott

Yaacob bin Ibrahim

Dinesh Khanna (Appointed on 2 April 2025)

Ku Xian Hong

Yeo Siew Eng (Appointed on 1 September 2024)

Directors' interests

The member of the Company had consented to the directors' statement to not contain the information set out in item 9 of the Twelfth Schedule to the Companies Act 1967.

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

Share options

During the financial year, there were:

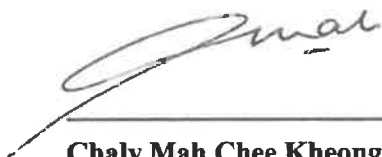
- (a) no options granted by the Company and its subsidiaries to any person to take up unissued ordinary shares of the Company and its subsidiaries; and
- (b) no shares issued by virtue of any exercise of option to take up unissued shares of the Company and its subsidiaries.

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

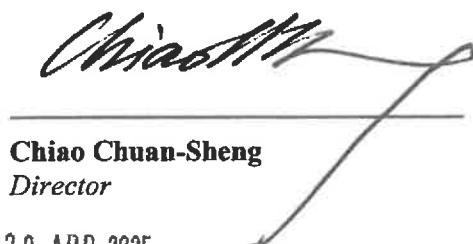
Auditors

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

On behalf of the Board of Directors



Chaly Mah Chee Kheong
Director



Chiao Chuan-Sheng
Director

28 APR 2025



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Independent auditors' report

Member of the Company
Surbana Jurong Private Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Surbana Jurong Private 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 31 December 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS94.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position 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 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

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

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 assessment of goodwill (\$279.4 million) (Refer to Note 5 to the financial statements)</p>	
<p><i>The key audit matter</i></p>	<p><i>How the matter was addressed in our audit</i></p>
<p>The assessment of the recoverability of goodwill requires significant judgement in determining the forecast future performance of the cash generating units (“CGUs”) to which goodwill is allocated.</p> <p>Management’s impairment assessment involves making estimates of the key assumptions to be applied in the forecast cash flows of the CGUs, principally those relating to average annual revenue growth rate, terminal growth rate and discount rate. The recoverable amounts of the CGUs are sensitive to the key assumptions applied and a change in the assumptions may have an impact on the recoverable amounts.</p>	<p>We assessed the appropriateness of management’s determination of CGUs.</p> <p>Our work focused on the Group’s value-in-use (“VIU”) calculations and we challenged the assumptions the Group applied in those calculations. Our procedures included:</p> <ul style="list-style-type: none"> ▪ challenging key assumptions for revenue growth rates with reference to past track record, current work-on-hand, management’s plans, economic and industry forecasts; ▪ developing independent expectations for the key assumptions driving the cash flow projections, in particular discount rates and terminal growth rates, and comparing our independent expectations to those used by the Group; ▪ assessing the historical accuracy of the Group’s estimates in the previous periods; and ▪ performing sensitivity analysis around the key assumptions. <p>We also assessed whether the Group’s disclosures about the key assumptions used and the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill.</p>

Expected credit loss on trade receivables (\$60.0 million) and contract assets (\$17.5 million)
 (Refer to Notes 11 and 21 to the financial statements)

The key audit matter

How the matter was addressed in our audit

The Group applies the expected credit loss (“ECL”) model for impairment allowances of trade receivables and contract assets under SFRS(I) 9 *Financial Instruments*.

Trade receivables and contract assets are significant to the Group’s consolidated financial statements both in amount and nature, and estimation of expected credit loss entails a significant degree of judgement of the ability of the customers to make the required payments.

We assessed the appropriateness of the ECL model by reviewing the assumptions used in the model and evaluated whether the historical loss rates have been appropriately considered in the ECL model.

We also selected samples of trade receivables and contracts assets and enquired with management to identify potential disputes on the amounts, as well as checked to subsequent collections of these amounts.

Revenue recognition (\$2,279.8 million)
 (Refer to Note 21 to the financial statements)

The key audit matter

How the matter was addressed in our audit

The Group’s revenue from design, architectural and engineering consultancy services is recognised in profit or loss over time, measured by reference to the percentage of contract costs incurred to date to the estimated total cost i.e., stage of completion, for each contract. Significant judgement is applied in assessing the total costs to be incurred and the effect on revenue to be recognised for the current financial year for each of the contracts. The amount of revenue and profit recognised on each project is dependent on management’s assessment on the stage of completion and forecast cost profile of each contract. As contracts can extend over long periods, changes in conditions and circumstances over time may result in changes in cost estimates and variations to the original contract scope with corresponding changes in revenue, estimates of cost and margins.

Significant estimates are applied in forecasting the costs to be incurred, overall margins of contracts and assessment of the stage of completion. Such estimates are inherently subjective and judgemental.

We tested the controls over the Group’s processes for budgeting contract costs and determining the amount of revenue to be recognised over time.

For sample contracts undertaken during the current financial year, we assessed the reasonableness of the revenue and estimated profit margin recognised on these projects by:

- making inquiries with personnel responsible for the projects to understand the current progress of the contract work. This included an assessment of historical accuracy of margins recognised in prior years, an analysis of changes in assumptions from prior periods and understanding of on-going negotiation with customers that may impact the remaining estimated costs to complete the project and the profitability of the contracts; and
- comparing the actual costs incurred to-date to the total budgeted costs and assessing the reasonableness of the remaining budgeted costs to be incurred.

Other information

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

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

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

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

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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 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 subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Lo Mun Wai.

KPMG LLP

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

28 April 2025

Statements of financial position
As at 31 December 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets					
Property, plant and equipment	4	120,040	109,955	185	188
Right-of-use assets	27	691,107	727,690	–	–
Intangible assets and goodwill	5	401,374	437,295	7,292	10,329
Subsidiaries	6	–	–	840,996	876,618
Associates and joint ventures	7	111,433	101,637	–	–
Other investments	8	1	92	–	–
Deferred tax assets	9	52,781	56,736	444	289
Derivative financial assets	18	–	172	–	–
Trade and other receivables	11	50	454	46,321	33,298
Loans to subsidiaries	12	–	–	365,316	371,781
Non-current assets		1,376,786	1,434,031	1,260,554	1,292,503
Derivative financial assets	18	1,134	4,008	–	466
Inventories	10	1,564	1,622	–	–
Contract assets	21	425,003	417,164	–	–
Trade and other receivables	11	566,466	540,320	44,454	29,230
Cash and cash equivalents	13	440,881	507,782	10,626	14,463
Current assets		1,435,048	1,470,896	55,080	44,159
Total assets		2,811,834	2,904,927	1,315,634	1,336,662
Equity					
Share capital	14	634,813	634,813	634,813	634,813
Reserves	14	(34,573)	71,848	(22,734)	28,724
Equity attributable to owner of the Company		600,240	706,661	612,079	663,537
Non-controlling interests		930	106	–	–
Total equity		601,170	706,767	612,079	663,537
Liabilities					
Loans and borrowings	15	924,511	1,290,416	249,630	599,214
Trade and other payables	16	9,708	8,948	–	–
Derivative financial liabilities	18	–	243	–	–
Provisions	19	1,998	30,551	–	–
Deferred tax liabilities	9	7,074	3,627	–	–
Non-current liabilities		943,291	1,333,785	249,630	599,214
Loans and borrowings	15	382,129	102,677	349,849	33,593
Trade and other payables	16	486,381	486,097	102,813	40,194
Contract liabilities	21	282,734	189,888	–	–
Derivative financial liabilities	18	2,975	4,462	291	124
Provisions	19	82,643	43,004	–	–
Current tax liabilities		30,511	38,247	972	–
Current liabilities		1,267,373	864,375	453,925	73,911
Total liabilities		2,210,664	2,198,160	703,555	673,125
Total equity and liabilities		2,811,834	2,904,927	1,315,634	1,336,662

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

Consolidated statement of profit or loss
Year ended 31 December 2024

	Note	Group	
		2024	2023
		\$'000	\$'000
			Restated*
Revenue	21	2,279,832	2,154,617
Cost of sales		(1,841,476)	(1,686,057)
Gross profit		<u>438,356</u>	<u>468,560</u>
Other income	22	11,371	11,686
Administrative expenses		(383,879)	(355,389)
Impairment loss on trade receivables and contract assets		(18,950)	(10,406)
Other expenses	23	(27,099)	(21,497)
Results from operating activities		<u>19,799</u>	<u>92,954</u>
Finance income		7,314	15,976
Finance costs		(62,887)	(57,177)
Net finance costs	24	<u>(55,573)</u>	<u>(41,201)</u>
Share of (loss)/profit of associates (net of tax)	7	(664)	526
Share of profit of joint ventures (net of tax)	7	5,415	398
(Loss)/Profit before tax		<u>(31,023)</u>	<u>52,677</u>
Tax expense	25	(53,360)	(29,328)
(Loss)/Profit for the year	26	<u>(84,383)</u>	<u>23,349</u>
(Loss)/Profit attributable to:			
Owner of the Company		(85,759)	22,037
Non-controlling interests		1,376	1,312
(Loss)/Profit for the year		<u>(84,383)</u>	<u>23,349</u>

* See note 33. The comparative information has been re-presented to reclassify certain costs relating to professional staff from “administrative expenses” to “cost of sales”.

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

Consolidated statement of comprehensive income
Year ended 31 December 2024

	Group	
	2024	2023
	\$'000	\$'000
(Loss)/Profit for the year	(84,383)	23,349
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income (“FVOCI”) – net change in fair value	–	130
Remeasurement of defined benefit plan liability	(372)	(621)
Tax on other comprehensive income	93	177
	<u>(279)</u>	<u>(314)</u>
Items that are or may be reclassified subsequently to profit or loss:		
Effective portion of changes in fair value of cash flow hedges	(1,096)	(2,635)
Foreign currency translation differences - foreign operations	(17,386)	(5,456)
Share of foreign currency translation differences - joint ventures	564	(1,804)
Share of foreign currency translation differences - associates	45	(40)
Tax on other comprehensive income	165	448
	<u>(17,708)</u>	<u>(9,487)</u>
Other comprehensive income for the year, net of tax	<u>(17,987)</u>	<u>(9,801)</u>
Total comprehensive income for the year	<u>(102,370)</u>	<u>13,548</u>
Total comprehensive income attributable to:		
Owner of the Company	(104,181)	12,523
Non-controlling interests	1,811	1,025
Total comprehensive income for the year	<u>(102,370)</u>	<u>13,548</u>

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

Consolidated statement of changes in equity
Year ended 31 December 2024

Group	Note	Share capital \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Statutory reserve \$'000	Accumulated profits \$'000	Total attributable to owners of the Company \$'000	Non- controlling interests \$'000	Total equity \$'000
At 1 January 2024		634,813	(64,158)	807	(558)	575	135,182	706,661	106	706,767
Total comprehensive income for the year										
Loss for the year		-	-	-	-	-	(85,759)	(85,759)	1,376	(84,383)
Other comprehensive income										
Effective portion of changes in fair value of cash flow hedges		-	-	(1,096)	-	-	-	(1,096)	-	(1,096)
Foreign currency translation differences		-	(17,821)	-	-	-	-	(17,821)	435	(17,386)
Share of foreign currency translation differences – joint ventures		-	564	-	-	-	-	564	-	564
Share of foreign currency translation differences – associates		-	45	-	-	-	-	45	-	45
Remeasurement of defined benefit plan liability		-	-	-	-	-	(372)	(372)	-	(372)
Tax on other comprehensive income		-	-	165	-	-	93	258	-	258
Total other comprehensive income		-	(17,212)	(931)	-	-	(279)	(18,422)	435	(17,987)
Total comprehensive income for the year		-	(17,212)	(931)	-	-	(86,038)	(104,181)	1,811	(102,370)
Transactions with owners, recognised directly in equity										
Distributions to owners										
Dividends declared by a subsidiary to non-controlling interests		-	-	-	-	-	-	-	(556)	(556)
Total distributions to owners		-	-	-	-	-	-	-	(556)	(556)
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests without change in control	6	-	-	-	-	-	(2,240)	(2,240)	(431)	(2,671)
Total changes in ownership interests in subsidiaries		-	-	-	-	-	(2,240)	(2,240)	(431)	(2,671)
Total transactions with owners		-	-	-	-	-	(2,240)	(2,240)	(987)	(3,227)
At 31 December 2024		634,813	(81,370)	(124)	(558)	575	46,904	600,240	930	601,170

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

Consolidated statement of changes in equity (cont'd)
Year ended 31 December 2024

Group	Note	Share capital \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Statutory reserve \$'000	Accumulated profits \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2023		634,813	(57,145)	2,994	(13,424)	575	150,804	718,617	26,963	745,580
Total comprehensive income for the year										
Profit for the year							22,037	22,037	1,312	23,349
Other comprehensive income										
Net change in fair value of equity investments at FVOCI					130			130		130
Effective portion of changes in fair value of cash flow hedges				(2,635)				(2,635)		(2,635)
Foreign currency translation differences			(5,169)					(5,169)		(5,456)
Share of foreign currency translation differences -- joint ventures			(1,804)					(1,804)		(1,804)
Share of foreign currency translation differences -- associates			(40)					(40)		(40)
Disposal of equity investments at FVOCI					12,736		(12,736)			
Remeasurement of defined benefit plan liability							(621)	(621)		(621)
Tax on other comprehensive income				448			177	625		625
Total other comprehensive income			(7,013)	(2,187)	12,866		(13,180)	(9,514)	(287)	(9,801)
Total comprehensive income for the year			(7,013)	(2,187)	12,866		8,857	12,523	1,025	13,548
Transactions with owners, recognised directly in equity										
Distributions to owners										
Dividends declared by a subsidiary to non-controlling interests									(1,156)	(1,156)
Total distributions to owners									(1,156)	(1,156)
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests without change in control	6						(24,479)	(24,479)	(26,726)	(51,205)
Total changes in ownership interests in subsidiaries							(24,479)	(24,479)	(26,726)	(51,205)
Total transactions with owners							(24,479)	(24,479)	(27,882)	(52,361)
At 31 December 2023		634,813	(64,158)	807	(558)	575	135,182	706,661	106	706,767

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

Consolidated statement of cash flows
Year ended 31 December 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Cash flows from operating activities			
(Loss)/Profit for the year		(84,383)	23,349
Adjustments for:			
Depreciation of property, plant and equipment	4	18,120	11,700
Depreciation of right-of-use assets	27	52,494	50,095
Amortisation of intangible assets	5	8,564	9,118
Impairment loss on goodwill	5	5,855	12,238
Impairment loss on intangible assets	5	4,294	–
Intangible assets written off	5	–	1,538
Share of loss/(profit) of associates, net of tax	7	664	(526)
Share of profit of joint ventures, net of tax	7	(5,415)	(398)
Impairment loss on investment in an associate	7	23	–
Impairment loss on trade receivables and contract assets		18,950	10,406
(Gain)/Loss on disposal of property, plant and equipment		(114)	120
Gain on lease modification or early lease termination		(631)	–
Loss on divestment of joint venture		–	60
Dividend income	22	(556)	(347)
Finance income	24	(7,314)	(15,976)
Finance costs	24	62,887	57,177
Tax expense	25	53,360	29,328
		126,798	187,882
Changes in:			
- Inventories		57	(253)
- Contract assets		(15,874)	(49,490)
- Trade and other receivables		(28,991)	(87,416)
- Trade and other payables		10,531	39,658
- Contract liabilities		92,444	(3,431)
- Provisions		11,078	13,286
- Derivative financial instruments		221	4,157
Cash generated from operations		196,264	104,393
Tax paid		(57,403)	(50,719)
Net cash from operating activities		138,861	53,674

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

Consolidated statement of cash flows (cont'd)
Year ended 31 December 2024

	Note	Group	
		2024 \$'000	2023 \$'000
Cash flows from investing activities			
Interest received		7,314	9,672
Acquisition of subsidiaries	(ii)	(66)	(1,163)
Investment in an associate		(5,000)	–
Investment in joint ventures		–	(17,070)
Purchase of property, plant and equipment	4	(31,374)	(51,569)
Purchase of intangible assets	5	(1,156)	(11,326)
Proceeds from sale of equity investments at fair value through other comprehensive income		89	130
Proceeds from disposal of property, plant and equipment		2,606	875
Proceeds from disposal of intangible assets		6	440
Dividends received		556	347
Dividends from associates		543	466
Net cash used in investing activities		(26,482)	(69,198)
Cash flows from financing activities			
Acquisition of non-controlling interests	6	(23,076)	(14,586)
Repayment of loans and borrowings	15	(70,120)	(34,902)
Payment of lease liabilities	15	(29,842)	(32,322)
Interest paid		(54,699)	(49,293)
Dividends paid to non-controlling interests		(556)	(1,156)
Net cash used in financing activities		(178,293)	(132,259)
Net decrease in cash and cash equivalents		(65,914)	(147,783)
Cash and cash equivalents at 1 January		503,811	651,412
Effect of exchange rate fluctuations on cash held		(574)	182
Cash and cash equivalents at 31 December	(i)	437,323	503,811

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

Consolidated statement of cash flows (cont'd)
Year ended 31 December 2024

(i) Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

		Group	
	Note	2024	2023
		\$'000	\$'000
Cash and cash equivalents in the consolidated statement of financial position		440,881	507,782
Less: bank overdrafts	15	(3,558)	(3,971)
Cash and cash equivalents in the consolidated statement of cash flows		437,323	503,811

(ii) Acquisition of subsidiaries

		Group	
	Note	2024	2023
		\$'000	\$'000
Deferred consideration paid for: Acquisitions in prior years	16	(66)	(1,163)

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 28 April 2025.

1 Domicile and activities

Surbana Jurong Private Limited (“the Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 38 Cleantech Loop, #01-31, Singapore 636741.

The ultimate holding company and the immediate holding company during the financial year are Temasek Holdings (Private) Limited and Glenville Investments Pte Ltd, respectively. Both holding companies are incorporated in the Republic of Singapore.

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

The principal activities of the Company are those relating to provision of management services and investment holding. The principal activities of the subsidiaries are those relating to provision of feasibility studies, urban planning, architectural and engineering consultancy services, contract administration services, property consultancy services, land survey, project management, site supervision services, blast consultancy services, environmental design consultancy services, facility management services, quality, environmental, health and safety (“QEHS”) services, integrated estate management services, management advisory services, armed and unarmed guard services, training and consultancy and provision of security services and products.

2 Basis of preparation

2.1 Going concern basis of accounting

As at 31 December 2024, the Company had deficiency in net current assets of \$398,845,000, mainly due to the \$350 million medium term notes due to mature in 2025. Notwithstanding the above, the financial statements of the Group and the Company have been prepared on a going concern basis, having considered the credit facilities that are available to the Company.

The Group has committed and uncommitted undrawn banking facilities totalling \$980 million as at 31 December 2024. The Company will be able to draw down on these banking facilities to continue its operations and meet its obligations as and when they fall due. The Company also expects to repay a portion of the \$350 million medium term note due to mature in 2025 and refinance the remaining through its US\$1 billion Euro Medium Term Note (“EMTN”) facility.

Having regard to the committed and uncommitted undrawn banking facilities as well as the EMTN facility, the directors of the Company believe that the Company will be able to meet its financial obligations as and when they fall due within the next 12 months, and accordingly, it is appropriate for the Company and the Group to prepare the financial statements on a going concern basis.

2.2 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”). The changes to material accounting policies are described in Note 2.6.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.4 Functional and presentation currency

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

2.5 Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Notes 3.10 (ii) and 21 – revenue recognition on consultancy contracts;
- Note 5 – impairment test on goodwill: key assumptions underlying recoverable amounts;
- Note 19 – recognition and measurement of provisions; and
- Note 20 – measurement of expected credit loss (“ECL”) allowances for trade receivables and contract assets.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets, and financial and non-financial liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 20 – Financial instruments.

2.6 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024:

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

The application of these amendments to standards did not have a material effect on the financial statements.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.6, which addresses changes in material accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations under 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 in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see Note 5). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

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

Any contingent consideration payable is recognised at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then 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.

Non-controlling interests (“NCI”) are measured at the NCI’s proportionate share of the recognised amounts of the acquiree’s identifiable net assets, at the date of acquisition.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Investment in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income (“OCI”) of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

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

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transactions gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

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

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss and presented within finance costs/income. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. 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 NCI. 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.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis) are measured at FVTPL.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

The business models of the Group are as follows:

Held to collect

There are two main portfolios of financial assets that have a held-to-collect business model. The Group holds financial assets which arise from its principal activities. The objective of the business model for these financial instruments is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI")

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant on initial recognition. The Group had no financial assets held outside trading business models that failed the SPPI assessment.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

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

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred;
 - or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) Derivative financial instruments, including hedge accounting

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships.

Cash flow hedges

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

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (“forward points”) is separately accounted for as a cost of hedging and recognised in other comprehensive income and accumulated in a separate component of equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. Costs of hedging related to sales transactions are presented as other revenue.

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

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

(vii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Preference share capital

Preference share capital is classified as equity if it bears discretionary dividends, do not contain any obligations to deliver cash or other financial assets and do not require settlement in a variable number of Group's equity instruments. Discretionary dividends thereon are recognised as equity distributions on approval by the Company's shareholders.

Preference share capital is classified as a financial liability if it bears non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Freehold land is not depreciated. No depreciation is provided on asset under construction until construction is completed.

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

Building and properties	28 to 50 years
Furniture and fittings	2 to 10 years
Office equipment and machinery	1 to 20 years
Plant and equipment	5 to 20 years
Computer equipment	1 to 6 years
Motor vehicles	2 to 8 years
Office renovation	1 to 15 years

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

3.5 Intangible assets and goodwill

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associate and joint ventures.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iv) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(v) Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit and loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill and emission certificates, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Brands	8 years to Indefinite
Order backlogs	3 to 19 years
Customer relationships	5 to 10 years
Exclusive licence	Indefinite
Software	1 to 9 years
Intellectual property	5 years

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

3.6 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.

As a lessee

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

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

The right-of-use asset is subsequently depreciated under 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 right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

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

The Group determines the lessee's 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 the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

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

The Group presents lease liabilities in loans and borrowings in the statement of financial position.

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. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.7 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognises loss allowances for expected credit loss ("ECL") on:

- financial assets measured at amortised cost; and
- contract assets.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of 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 Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

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

Presentation of allowance for ECLs in the statement of financial position

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

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group’s non-financial assets, other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (“CGU”) exceeds its estimated recoverable amount.

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

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

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

3.8 Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA from rating agencies S&P, Fitch and Moody's that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group in connection with the settlement.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(iv) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.9 Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Onerous contracts

The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(ii) Liquidated damages

A provision for liquidated damages is recognised when the customer has the right to claim for damages when the delivered services do not meet the expected quality. The Group considers liquidated damages as a variable consideration which impacts the amount of consideration under the service contracts. The provision is measured based on management's best estimates and the probability of settlement of the liquidated damages.

(iii) Restoration costs

The Group is required to restore certain offices to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to restore these offices. These costs have been capitalised as part of right-of-use assets to which they are attributable and are amortised over the term of the lease.

(iv) Legal claims

Provision for legal claims relate to provision made in relation to disputes with or claim made by customers. A corresponding reimbursement asset is recognised to the extent that costs related to such claims are recoverable from reinsurers. The expense relating to the provision is presented in the statement of profit or loss net of any reimbursement.

3.10 Revenue

(i) Revenue from provision of services

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those POs.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

(ii) Consultancy contracts

Contract revenue from consultancy contracts, which relate to the provision of architectural services, engineering consultancy, quantity surveying and project management, includes the initial amount agreed in the contract plus any variations in the contract work and claims, to the extent that it is probable that they will result in revenue and can be measured reliably. When the outcome of a contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the percentage of completion of the contract. Contract costs are recognised as incurred in profit or loss unless they create an asset related to future contract activity.

The percentage of completion is determined by:

- (a) reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs; or
- (b) completion of a physical proportion of the contract work.

When the outcome of a consultancy contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

3.11 Government grants

Other government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the same periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.12 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL;
- net foreign currency gain or loss;
- the fair value gain/(loss) on contingent consideration classified as a financial liability;
- the fair value gain/(loss) on share-based payment liability;
- unwinding of discount on deferred consideration classified as a financial liability and provisions; and
- amortisation of capitalised borrowing transaction costs.

Interest income or expense is recognised under the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

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

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

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.13 Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that
 - is not a business combination and
 - at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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.

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.

3.14 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Management, comprising the Group Chief Executive Officer (GCEO), Chief Executives (CEs) of the operating units, Chief Operating Officer and Chief Transformation Officer (COO & CTO) and Chief People & Culture Officer (CPCO) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to Management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate and support costs, finance income, finance costs and non-operating income and expenses such as government grants and impairment loss on goodwill.

3.15 New standards and interpretations not adopted

Various new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Group has not early adopted the new or amended accounting standards in preparing these financial statements. The Group is in the process of assessing the impact of the new standards and amendments to standards on its financial statements.

4 Property, plant and equipment

Group	Freehold land \$'000	Building and properties \$'000	Furniture and fittings \$'000	Office equipment and machinery \$'000	Plant and equipment \$'000	Computer equipment \$'000	Motor vehicles \$'000	Office renovation \$'000	Asset under construction \$'000	Total \$'000
Cost										
At 1 January 2023	1,795	30,988	20,846	3,179	17,582	35,151	9,717	20,717	13,401	153,376
Reclassification	–	412	(13,885)	–	11,759	1,838	(124)	–	–	–
Additions	–	100	10,976	922	2,371	5,399	456	14,491	16,854	51,569
Disposals	–	(294)	(3,961)	(96)	(1,555)	(7,156)	(128)	(1,168)	(162)	(14,520)
Transfer from/(to) intangible assets	–	–	–	–	1,748	–	–	–	(3,142)	(1,394)
Effect of movements in exchange rates	(11)	(86)	(681)	(13)	117	(668)	(182)	(41)	–	(1,565)
At 31 December 2023	1,784	31,120	13,295	3,992	32,022	34,564	9,739	33,999	26,951	187,466
Reclassification	–	(1,161)	(1,893)	–	33,867	(1,340)	–	9	(29,482)	–
Additions	–	–	2,992	751	2,725	3,427	439	2,098	18,942	31,374
Disposals	–	–	(388)	(44)	(2,163)	(1,020)	(831)	(187)	(227)	(4,860)
Transfer from/(to) intangible assets	–	–	–	–	350	(24)	–	–	(143)	183
Effect of movements in exchange rates	(112)	(6)	(128)	11	(668)	(353)	(132)	(77)	–	(1,465)
At 31 December 2024	1,672	29,953	13,878	4,710	66,133	35,254	9,215	35,842	16,041	212,698
Accumulated depreciation										
At 1 January 2023	–	5,813	12,339	2,733	11,482	28,892	8,428	10,318	–	80,005
Reclassification	–	–	(4,702)	–	3,203	1,599	(100)	–	–	–
Depreciation for the year	–	1,292	2,277	185	2,740	3,153	499	1,554	–	11,700
Disposals	–	(294)	(3,864)	(93)	(1,071)	(6,936)	(106)	(1,161)	–	(13,525)
Transfer from intangible assets	–	–	–	–	–	476	–	–	–	476
Effect of movements in exchange rates	–	34	(510)	(10)	68	(569)	(136)	(22)	–	(1,145)
At 31 December 2023	–	6,845	5,540	2,815	16,422	26,615	8,585	10,689	–	77,511
Reclassification	–	(699)	(1,561)	(26)	3,419	(853)	–	(280)	–	–
Depreciation for the year	–	1,216	2,105	395	8,939	2,683	478	2,304	–	18,120
Disposals	–	–	(369)	(17)	(154)	(967)	(677)	(184)	–	(2,368)
Transfer to intangible assets	–	–	–	–	–	(23)	–	–	–	(23)
Effect of movements in exchange rates	–	6	(60)	(4)	(239)	(229)	(108)	52	–	(582)
At 31 December 2024	–	7,368	5,655	3,163	28,387	27,226	8,278	12,581	–	92,658
Carrying amounts										
At 1 January 2023	1,795	25,175	8,507	446	6,100	6,259	1,289	10,399	13,401	73,371
At 31 December 2023	1,784	24,275	7,755	1,177	15,600	7,949	1,154	23,310	26,951	109,955
At 31 December 2024	1,672	22,585	8,223	1,547	37,746	8,028	937	23,261	16,041	120,040

Company	Furniture and fittings \$'000	Office equipment and machinery \$'000	Computer equipment \$'000	Office Renovation \$'000	Asset under construction \$'000	Total \$'000
Cost						
At 1 January 2023	3	52	265	8	48	376
Additions	–	12	42	–	88	142
Disposals	–	–	(12)	–	–	(12)
At 31 December 2023	3	64	295	8	136	506
Additions	–	11	7	–	–	18
Disposals	–	–	(54)	–	–	(54)
At 31 December 2024	3	75	248	8	136	470
Accumulated depreciation						
At 1 January 2023	1	50	256	8	–	315
Depreciation for the year	1	2	11	–	–	14
Disposals	–	–	(11)	–	–	(11)
At 31 December 2023	2	52	256	8	–	318
Depreciation for the year	1	2	18	–	–	21
Disposals	–	–	(54)	–	–	(54)
At 31 December 2024	3	54	220	8	–	285
Carrying amounts						
At 1 January 2023	2	2	9	–	48	61
At 31 December 2023	1	12	39	–	136	188
At 31 December 2024	–	21	28	–	136	185

5 Intangible assets and goodwill

Group	Goodwill \$'000	Brands \$'000	Order backlogs \$'000	Customer relationships \$'000	Exclusive licence \$'000	Software \$'000	Intellectual property \$'000	Total \$'000
Cost								
At 1 January 2023	440,943	48,361	72,912	14,681	58,779	17,452	17,113	670,241
Additions	-	-	-	-	-	10,487	839	11,326
Transfer from property, plant and equipment	-	-	-	-	-	1,394	-	1,394
Disposals	-	-	-	-	-	(1,797)	-	(1,797)
Write-off	-	-	-	-	-	-	(1,605)	(1,605)
Effect of movements in exchange rates	(1,455)	(149)	(92)	9	-	(39)	-	(1,726)
At 31 December 2023	439,488	48,212	72,820	14,690	58,779	27,497	16,347	677,833
Additions	-	-	-	-	-	1,041	115	1,156
Transfer to property, plant and equipment	-	-	-	-	-	(183)	-	(183)
Disposals	-	-	-	-	-	(289)	-	(289)
Write-off	-	-	-	-	-	-	(1,468)	(1,468)
Effect of movements in exchange rates	(17,799)	(1,996)	(1,181)	(112)	-	(205)	-	(21,293)
At 31 December 2024	421,689	46,216	71,639	14,578	58,779	27,861	14,994	655,756
Accumulated amortisation and impairment losses								
At 1 January 2023	127,226	10,809	54,566	12,891	-	10,875	4,881	221,248
Amortisation for the year	-	1,656	3,980	701	-	1,577	1,204	9,118
Transfer to property, plant and equipment	-	-	-	-	-	(476)	-	(476)
Disposals	-	-	-	-	-	(1,357)	-	(1,357)
Write-off	-	-	-	-	-	-	(67)	(67)
Impairment loss	12,238	-	-	-	-	-	(67)	12,238
Effect of movements in exchange rates	(63)	-	(92)	9	-	(20)	-	(166)
At 31 December 2023	139,401	12,465	58,454	13,601	-	10,599	6,018	240,538
Amortisation for the year	-	1,656	2,172	701	-	2,351	1,684	8,564
Transfer from property, plant and equipment	-	-	-	-	-	23	-	23
Disposals	-	-	-	-	-	(283)	-	(283)
Impairment loss	5,855	4,294	-	-	-	-	-	10,149
Effect of movements in exchange rates	(2,992)	(146)	(1,181)	(112)	-	(178)	-	(4,609)
At 31 December 2024	142,264	18,269	59,445	14,190	-	12,512	7,702	254,382
Carrying amounts								
At 1 January 2023	313,717	37,552	18,346	1,790	58,779	6,577	12,232	448,993
At 31 December 2023	300,087	35,747	14,366	1,089	58,779	16,898	10,329	437,295
At 31 December 2024	279,425	27,947	12,194	388	58,779	15,349	7,292	401,374

At 31 December 2024, the carrying amount of intangible assets with indefinite useful lives is \$84,749,000 (2023: \$90,894,000). The useful lives of the exclusive licence and the brand of a subgroup are estimated to be indefinite because management believes there is no foreseeable limit to the period over which the exclusive licence and the brand are expected to generate net cash inflows for the Group.

	Intellectual property \$'000
Company	
Cost	
At 1 January 2023	17,113
Additions	839
Write-off	(1,605)
At 31 December 2023	16,347
Additions	115
Write-off	(1,468)
At 31 December 2024	14,994
Accumulated amortisation	
At 1 January 2023	4,881
Amortisation for the year	1,204
Write-off	(67)
At 31 December 2023	6,018
Amortisation for the year	1,684
At 31 December 2024	7,702
Carrying amounts	
At 1 January 2023	12,232
At 31 December 2023	10,329
At 31 December 2024	7,292

In 2017, the Group commenced a development project called Smart City in a Box (“Project” or “SC in a Box”). The Project is a digital application programme that allows monitoring of residential/office buildings, collating and analysing data and deploying solutions to specific problems in a timely manner. The costs incurred on the Project, mainly manpower costs, have been capitalised as intangible asset – intellectual property. As at 31 December 2024, the carrying value of the Project is \$258,000 (2023: \$1,138,000).

In 2018, the Group set up a corporate laboratory with Nanyang Technological University, Singapore (“NTU”), supported by the National Research Foundation (“NRF”). Surbana Jurong-NTU Corporate Lab (“SJ-NTU”) is a five-year research collaboration to develop next-generation sustainable solutions, leveraging NTU’s strengths in engineering and sustainability research and the Group’s track record in providing urban, infrastructure and industrial solutions to its global customers. Outputs from the collaboration are expected to be commercialised. As such, costs incurred on SJ-NTU have been capitalised as intangible asset – intellectual property. As at 31 December 2024, the carrying value of these projects is \$7,034,000 (2023: \$9,191,000).

Impairment loss on goodwill and intangible assets

Following the Group's impairment testing, impairment losses were recognised in relation to the goodwill and intangible assets in B+H Architects Corp. and B+H International Corp. subgroup ("B+H CGU") and the goodwill in Atelier Ten Ltd. subgroup ("A10 CGU") as follows:

	2024	2023
	\$'000	\$'000
B+H CGU	10,149	7,838
A10 CGU	–	4,400
	<u>10,149</u>	<u>12,238</u>

Based on management's assessment, the recoverable amount of the B+H CGU as at 31 December 2024 was \$19,341,000 (2023: \$60,246,000), giving rise to the impairment loss of \$10,149,000 (2023: \$7,838,000). The impairment loss of \$5,855,000 (2023: \$7,838,000) and \$4,294,000 (2023: \$nil) were allocated to goodwill and brand respectively. The impairment loss relating to the B+H CGU was attributable to Buildings + Cities segment.

As at 31 December 2023, the recoverable amount of the A10 CGU was \$46,930,000, giving rise to the impairment loss of \$4,400,000. The impairment loss of \$4,400,000 was fully allocated to goodwill. The impairment loss relating to the A10 CGU was attributable to Buildings + Cities segment.

The impairment loss arose as a result of the decline in financial performance of both B+H CGU and A10 CGU. The impairment loss on goodwill and intangible assets were included in "other expenses" (see Note 23).

Impairment testing for cash-generating units containing goodwill

The recoverable amounts of all CGUs were determined based on their value in use determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGUs.

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs as follows:

	2024	2023
	\$'000	\$'000
KTP Consultants Pte. Ltd. subgroup ("Singapore CGU")	16,245	16,245
SMEC Holdings Pty Ltd and PDR Engineers Pty Ltd subgroup ("SMEC CGU") ⁽ⁱ⁾	195,277	208,421
AETOS Holdings Pte. Ltd. subgroup ("AETOS CGU")	93	93
Robert Bird Group Pty Ltd subgroup ("RBG CGU") ⁽ⁱ⁾	22,637	24,160
B+H CGU ⁽ⁱ⁾	–	5,995
SAA Architects Pte. Ltd. ("SAA CGU")	25,694	25,694
Prostruct Consulting Pte. Ltd. ("Prostruct CGU")	60	60
Atelier Ten Ltd. subgroup ("A10 CGU")	19,419	19,419
Carrying amount	<u>279,425</u>	<u>300,087</u>

⁽ⁱ⁾ Including foreign exchange losses arising from movements in exchange rates during the year totalling \$14,807,000 (2023: \$1,392,000).

Key assumptions used in discounted cash flow projection calculations

The key assumptions used in estimating the recoverable amounts of the CGUs are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Group	Singapore CGU		SMEC CGU		AETOS CGU		RBG CGU		B+H CGU		SAA CGU		A10 CGU	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Forecast years	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Discount rate	8.9%	11.1%	10.4%	12.7%	17.6%	13.8%	11.5%	12.9%	15.7%	13.4%	11.8%	9.6%	12.6%	14.6%
Terminal growth rate	2.0%	1.0%	3.0%	3.0%	0.0%	0.0%	3.0%	3.0%	2.1%	2.5%	2.0%	2.5%	2.0%	2.0%
Average annual revenue growth rate	6.3%	3.0%	4.3%	4.1%	5.0%	5.0%	5.3%	5.6%	4.9%	6.8%	17.4%	9.2%	6.7%	3.9%

Discount rate

The discount rate is a pre-tax measure estimated based on industry weighted average cost of capital.

Terminal growth rate

A long-term growth rate into perpetuity had been determined based on management's estimate of the long-term compound annual growth rate in EBITDA which management believe is consistent with the assumptions that a market participant would make.

Average annual revenue growth rate

Average annual revenue growth is expressed as the average annual revenue growth rates in the cash flow forecasts used for impairment testing and is based on past experience.

Sensitivity analysis

Following the impairment loss recognised in relation to the B+H CGU, goodwill allocated to B+H CGU was fully impaired. For the remaining CGUs, management is of the view that reasonably possible changes in the key assumptions, such as an increase in the average annual revenue growth rate, terminal growth rate and discount rate by 1%, would not cause the respective recoverable amounts for the Group to fall below the carrying amounts as at the reporting date.

6 Subsidiaries

	Company	
	2024 \$'000	2023 \$'000
Equity investments at cost	965,214	965,214
Impairment loss	(124,218)	(88,596)
	<u>840,996</u>	<u>876,618</u>

Movement in the allowance for impairment loss on investment in subsidiaries during the year is as follows:

	Company	
	2024	2023
	\$'000	\$'000
At 1 January	(88,596)	(88,596)
Impairment loss recognised	(35,622)	–
At 31 December	(124,218)	(88,596)

At 31 December 2024, the Company assessed the recoverable amount of its investment in subsidiaries and recognised impairment loss of \$35,622,000 relating to a subsidiary that holds investment in B+H CGU. See Note 5 for more details on the assessment of recoverable amount.

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024	2023
		%	%
Surbana International Consultants Holdings Pte. Ltd.	Singapore	100	100
Surbana Consultants Pte. Ltd.	Singapore	100	100
Surbana Technologies Pte. Ltd.	Singapore	100	100
Surbana Site Supervisors Pte. Ltd.	Singapore	100	100
Threesixty Cost Management Pte. Ltd.	Singapore	100	100
Surbana Jurong Consultants Pte. Ltd.	Singapore	100	100
SIPM Consultants Pte. Ltd.	Singapore	100	100
CESMA International Private Limited	Singapore	100	100
Threesixty Contract Advisory Pte. Ltd.	Singapore	100	100
Surbana International Consultants (India) Private Limited	India	100	100
Surbana (Shanghai) Planning & Design Consultants Ltd.	People's Republic of China ("PRC")	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
Shanghai Surbana Jurong Entity Management Co., Ltd.	PRC	100	100
Surbana Jurong (China) Entity Management Co., Ltd.	PRC	100	100
Surbana Jurong Investment Holding Co., Ltd.	PRC	100	100
Surbana Jurong Malaysia Sdn. Bhd.	Malaysia	100	100
Surbana Jurong Consultants Sdn. Bhd.	Malaysia	100	100
Surbana International Consultants (Vietnam) Company Limited	Vietnam	100	100
Surbana International Consultants (Myanmar) Company Limited	Myanmar	100	100
PT Surbana Jurong Indonesia	Indonesia	100	100
Surbana Jurong International Holdings Pte. Ltd.	Singapore	100	100
Surbana Jurong Infrastructure Pte. Ltd.	Singapore	100	100
Jurong Overseas Pte. Ltd.	Singapore	100	100
Jurong Aextra Investments Pte. Ltd.	Singapore	100	100
Surbana Jurong Services Pte. Ltd.	Singapore	100	100
Jurong International Constructors (Suzhou) Co., Ltd.	PRC	100	100
Jurong Consultants (India) Private Limited	India	100	100
Surbana Jurong India Private Limited	India	100	100
Surbana Jurong Campus Pte. Ltd.	Singapore	100	100
SMM Pte. Ltd.	Singapore	100	100
Jurong Integrated Solutions Pte. Ltd.	Singapore	100	100
MMR Services Pte. Ltd.	Singapore	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
SJ Defence Services Pte. Ltd.	Singapore	100	100
SJD Consultants Pte. Ltd.	Singapore	100	100
Surbana Jurong Capital (Holdings) Pte. Ltd..	Singapore	100	100
Surbana Jurong Capital (JID) Pte. Ltd.	Singapore	100	100
Surbana Jurong Capital (Aviation) Pte. Ltd.	Singapore	100	100
Surbana Jurong Capital (Enso Q) Pte. Ltd.	Singapore	100	100
SJ Capital (Funds) Pte. Ltd.	Singapore	100	100
SJ i3 Pte. Ltd.	Singapore	100	60
Surbana Jurong Bangladesh Ltd.	Bangladesh	100	100
Surbana Jurong Lanka (Pvt) Ltd.	Sri Lanka	100	100
Surbana Jurong Holdings (Australia) Pty Ltd	Australia	100	100
SMEC Holdings Pty Ltd	Australia	100	100
Global Maintenance Consulting Pty Ltd	Australia	100	100
PDR Engineers Pty Ltd ⁽ⁱ⁾	Australia	–	100
Robert Bird Group Pty Ltd	Australia	100	100
SMEC Australia Pty Ltd	Australia	100	100
SMEC International Pty Ltd	Australia	100	100
SMEC Services Pty Ltd	Australia	100	100
ACE Consultants Limited	Bangladesh	100	100
SMEC Bangladesh Ltd	Bangladesh	100	100
Engineering Consultants Underwriters Ltd	Bermuda	100	100
VKE Botswana Pty Ltd	Botswana	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
SMEC Chile Limitada	Chile	100	100
SMEC Georgia LLC	Georgia	100	100
Robert Bird Group Hong Kong Ltd	Hong Kong	100	100
SMEC Asia Ltd	Hong Kong	100	100
SMEC Rail India Private Limited	India	100	100
SMEC India (Pvt) Ltd	India	100	100
PT SMEC Denka Indonesia	Indonesia	100	100
SMEC Central Asia LLP	Kazakhstan	100	100
SMEC Kenya Limited	Kenya	100	100
SMEC Macau Engineering Consulting Limited	Macau	100	100
Robert Bird Group (Malaysia) Sdn. Bhd.	Malaysia	100	100
SMEC (Malaysia) Sdn. Bhd.	Malaysia	100	100
SMEC International (Malaysia) Sdn. Bhd.	Malaysia	100	100
SMEC Servicios De Ingenieria De Mexico	Mexico	100	100
SMEC Myanmar Company Limited	Myanmar	100	100
Vincpro Properties (Proprietary) Ltd	Namibia	100	100
VKE Infrastructure Services (Pty) Ltd ⁽ⁱⁱ⁾	Namibia	49	49
SMEC Namibia Consulting Engineers (Proprietary) Limited	Namibia	100	100
SMEC New Zealand Ltd	New Zealand	100	100
Robert Bird Group (New Zealand) Limited	New Zealand	100	100
SMEC Nigeria Limited	Nigeria	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
South Asia Middle East Management Company LLC ⁽ⁱⁱⁱ⁾	Oman	–	100
Engineering General Consultants (Pvt) Ltd	Pakistan	100	100
SMEC Oil and Gas (Private) Limited	Pakistan	100	100
SMEC Pakistan (Pvt) Ltd	Pakistan	100	100
SMEC PNG Ltd	Papua New Guinea	100	100
SMEC Philippines Inc	Philippines	100	100
ECCL Singapore Pte. Ltd.	Singapore	100	100
Global Maintenance Consulting Singapore Pte. Ltd.	Singapore	100	100
SMEC South Africa Pty Ltd	South Africa	75	75
SMEC International (Africa) (Pty) Ltd	South Africa	100	100
Soillab Pty Ltd	South Africa	75	75
Ocyana Consultants Pvt Ltd	Sri Lanka	100	100
SMEC (Tanzania) Limited	Tanzania	100	100
SMEC Uganda Limited	Uganda	100	100
Robert Bird & Partners Ltd	United Kingdom	100	100
Robert Bird Group (USA), Inc.	United States of America	100	100
Robert Bird Group Engineers P.C.	United States of America	100	100
SMEC Vietnam Joint Stock Company	Vietnam	100	100
SMEC TASHKENT Limited Liability Company	Uzbekistan	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
AETOS Holdings Pte. Ltd.	Singapore	100	100
AETOS Security Management Pte. Ltd.	Singapore	100	100
AETOS Guard Services Pte. Ltd.	Singapore	100	100
AETOS Training Academy Pte. Ltd.	Singapore	100	100
AETOS Integrated Solutions Pte. Ltd.	Singapore	100	100
AETOS Assets Management Pte Ltd	Singapore	100	100
AETOS VP-International Pte. Ltd.	Singapore	100	100
KTP Consultants Pte. Ltd. (“KTPC”)	Singapore	100	100
KTP (Tianjin) Architectural Design Co. Ltd	PRC	100	100
KTP (Beijing) Consultants Co. Pte. Ltd.	PRC	100	100
KTP International Pte. Ltd.	Singapore	100	100
KTP Civil & Structural Sdn. Bhd.	Malaysia	100	100
Surbana Jurong Holdings (Canada) Ltd.	Canada	100	100
B+H Architects Corp. ⁽ⁱⁱ⁾	Canada	49	49
B+H Architects Inc.	Canada	100	100
B+H Consulting Holdings Inc.	Canada	100	100
B+H International Corp.	Canada	100	100
B+H Consulting International Inc.	PRC	100	100
B+H Shenzhen Consulting International Inc.	PRC	100	100
BH Consulting Hong Kong Limited (formerly known as B+H Architects (Hong Kong) Limited)	Hong Kong	100	100

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
B+H Architects (Singapore) Pte. Ltd.	Singapore	100	100
B+H Architects Inc.	United States of America	100	100
B+H Architects (Washington) LLC	United States of America	100	100
B+H Architects Vietnam Company Limited	Vietnam	100	100
SAA Architects Pte. Ltd.	Singapore	100	100
Prostruct Consulting Pte. Ltd. (“Prostruct”)	Singapore	70	70
Atelier Ten Ltd.	United Kingdom	100	100
Atelier Ten International Limited	United Kingdom	100	100
Atelier Ten (Scotland) Limited	United Kingdom	100	100
Atelier Ten London Ltd.	United Kingdom	100	100
Atelier Ten (Asia) Pte. Ltd.	Singapore	100	100
Atelier Ten Australia Pty Ltd.	Australia	100	100
Atelier Ten USA LLC	United States of America	100	100

(i) Deregistered on 10 January 2024.

(ii) The entity is considered a subsidiary of the Group as the Group is exposed to variable returns from the entity and has the ability to affect those returns through the management’s control over the relevant activities of the entity.

(iii) Deregistered on 11 August 2024.

Non-controlling interests

2024

Acquisition of additional interest in SJ i3 Pte. Ltd. ("SJI3")

On 29 November 2024, the Group acquired the remaining 40% interest in SJI3, increasing its ownership from 60% to 100%. The carrying amount of SJI3's net assets in the Group's consolidated financial statements on the date of acquisition was \$1,078,000.

Acquisition of additional interest in A10 subgroup

In 2024, the Group finalised the purchase of the remaining 30% equity interest in A10 subgroup with an additional purchase consideration of \$1,871,000.

	SJI3 \$'000	A10 \$'000	Total \$'000
Carrying amount of NCI acquired	431	–	431
Consideration paid/payable to NCI	(800)	(1,871)	(2,671)
Decrease in accumulated profits	(369)	(1,871)	(2,240)

2023

Acquisition of additional interest in B+H subgroup

The Group acquired an additional 11.28% interest in B+H subgroup on 27 April 2023 and acquired the remaining 18.25% interest on 24 July 2023, increasing its ownership from 70.47% to 100%. The carrying amount of B+H subgroup's net assets in the Group's consolidated financial statements on 27 April 2023 and 24 July 2023 were \$60,204,000 and \$57,422,000 respectively.

Acquisition of additional interest in A10 subgroup

The Group exercised call options to purchase the remaining 30% equity interest in A10 subgroup on 5 December 2023. The carrying amount of A10 subgroup's net assets in the Group's consolidated financial statements on the date of acquisition was \$30,634,000.

Acquisition of additional interest in Prostruct

On 25 Aug 2023, the Group acquired an additional 15% interest in Prostruct, increasing its ownership from 55% to 70%. The carrying amount of Prostruct's net assets in the Group's consolidated financial statements on the date of acquisition was \$1,784,000.

	B+H \$'000	A10 \$'000	Prostruct \$'000	Total \$'000
Carrying amount of NCI acquired	17,268	9,190	268	26,726
Derecognition of put-and-call options	(12,052)	(4,162)	–	(16,214)
Consideration paid/payable to NCI	(14,324)	(20,405)	(262)	(34,991)
(Decrease)/Increase in accumulated profits	(9,108)	(15,377)	6	(24,479)

Following the acquisitions of the NCI in the B+H sub-group and A10 sub-group, the Group does not have NCI that are material as at 31 December 2023 and 31 December 2024.

7 Associates and joint ventures

	Group	
	2024	2023
	\$'000	\$'000
Interests in associates	6,419	2,602
Interests in joint ventures	105,014	99,035
	111,433	101,637

Associates

The Group has interests in associates that are individually immaterial. The following table summarises, in aggregate, the carrying amount and share of profit/(loss) and other comprehensive income of these associates that are accounted for using the equity method.

	2024	2023
	\$'000	\$'000
Carrying amount of interest in immaterial associates	6,419	2,602
Group's interest in net assets of associates at beginning of the year	2,602	2,600
Effect of movement in exchange rates	2	(18)
Investment during the year	5,000	–
Group's share of:		
- (Loss)/profit from continuing operations	(664)	526
- Other comprehensive income	45	(40)
- Total comprehensive income	(619)	486
Impairment loss	(23)	–
Dividends received during the year	(543)	(466)
Carrying amount of interest in associates at end of the year	6,419	2,602

Joint ventures

Details of the joint ventures are as follows:

Name of joint venture	Country of incorporation	Effective equity interest held by the Group	
		2024 %	2023 %
China Highway-Surbana Jurong Transportation Design and Research Co. Ltd. (“China Highway”)	PRC	49	49
Enso Capital Sdn Bhd (“Enso Capital”)	Malaysia	48	48
CCCC-SJ Pte Ltd	Singapore	50	50
Areplus SJ Digital Ltd	PRC	49	49
Mitbana Pte Ltd	Singapore	50	50
MITBANA Urban Development Fund I Pte. Ltd. (“MUDF I”)	Singapore	50	50
Great Mekong Consultancy Pte Ltd	Singapore	55	55

Enso Capital Sdn Bhd is an unlisted joint venture in which the Group’s wholly owned subsidiary, Surbana Jurong Capital Holdings Pte Ltd (“SJCHPL”), obtained joint control in April 2019. The principal activities of Enso Capital are those relating to investment holding. SJCHPL entered into the joint venture agreement to jointly undertake the acquisition and development of a mixed residential and commercial development in Malaysia through Enso Capital.

MITBANA Urban Development Fund I (“MUDF I”) is an unlisted joint venture in which SJCHPL obtained joint control in September 2020. The principal activities of MUDF I are those relating to investment holding.

The Group’s interests in Enso Capital and MUDF I are structured as separate vehicles and the Group has a residual interest in their net assets respectively. Accordingly, the Group classified its interest in Enso Capital and MUDF I as joint ventures, which are equity-accounted.

The following table summarises the financial information of each of the Group’s material joint ventures, based on its financial statements prepared in accordance with SFRS(1), modified for fair value adjustments on acquisition and differences in the Group’s accounting policies. The table also analyses, in aggregate, the carrying amount and share of profit and other comprehensive income of the remaining individually immaterial joint ventures.

	Enso Capital \$'000	MUDF I \$'000	Immaterial joint ventures \$'000	Total \$'000
2024				
Revenue	76,186	–		
Profit/(loss) for the year ⁽ⁱ⁾	13,022	(9,356)		
Other comprehensive income	2,837	(1,637)		
Total comprehensive income	15,859	(10,993)		
Non-current assets	–	118,313		
Current assets ⁽ⁱⁱ⁾	89,489	5,177		
Non-current liabilities	(31)	–		
Current liabilities ⁽ⁱⁱⁱ⁾	(36,460)	(79)		
Net assets	52,998	123,411		
Group's interest in net assets of joint ventures at beginning of the year	17,827	67,203	14,005	99,035
Group's share of:				
- profit/(loss) for the year	6,250	(4,678)	3,843	5,415
- other comprehensive income	1,362	(818)	20	564
- total comprehensive income	7,612	(5,496)	3,863	5,979
Carrying amount of interest in joint ventures at end of the year	25,439	61,707	17,868	105,014

	Enso Capital \$'000	MUDF I \$'000	Immaterial joint ventures \$'000	Total \$'000
2023				
Revenue	43,766	–		
Profit/(loss) for the year ⁽ⁱ⁾	7,997	(13,557)		
Other comprehensive income	(2,210)	(650)		
Total comprehensive income	5,787	(14,207)		
Non-current assets	771	91,419		
Current assets ⁽ⁱⁱ⁾	74,120	43,097		
Non-current liabilities	–	–		
Current liabilities ⁽ⁱⁱⁱ⁾	(37,752)	(113)		
Net assets	37,139	134,403		

	Enso Capital \$'000	MUDF I \$'000	Immaterial joint ventures \$'000	Total \$'000
2024				
Group's interest in net assets of joint ventures at beginning of the year	15,049	57,236	11,086	83,371
Investment during the year	–	17,070	–	17,070
Group's share of:				
- profit/(loss) for the year	3,839	(6,778)	3,337	398
- other comprehensive income	(1,061)	(325)	(418)	(1,804)
- total comprehensive income	2,778	(7,103)	2,919	(1,406)
Carrying amount of interest in joint ventures at end of the year	17,827	67,203	14,005	99,035
(i) Includes:				
- depreciation and amortisation of \$16,000 (2023: \$80,000)				
- income tax expense of \$5,508,000 (2023: \$1,179,000).				
(ii) Includes cash and cash equivalents of \$26,190,000 (2023: \$72,720,000).				
(iii) Includes current financial liabilities (excluding trade and other payables and provisions) of \$27,104,000 (2023: \$30,408,000).				

8 Other investments

	2024 \$'000	Group 2023 \$'000
Equity investments – at FVOCI	1	92
Investment in unquoted warrants – at FVTPL	–	–
	1	92

Investment in unquoted warrants – at FVTPL

In 2019, the Group, through a wholly owned subsidiary, entered into a subscription agreement to subscribe for up to S\$500,000,000 in aggregate principal amount of fixed rate bonds due 2029 (the “Bonds”) and 300,000,000 detachable warrants (the “Warrants”) issued by Changi Airports International Pte. Ltd. (the “Issuer”).

The Bonds were accounted for as debt investments designated at FVTPL. The Bonds were fully redeemed by the Issuer during the financial year ended 31 December 2021.

The Warrants are issued subject to and with the benefit of a deed poll executed by the Issuer, and are exercisable by the Group to be converted into equity shares in the capital of certain subsidiaries of the Issuer that is worth up to \$400 million. Valuation will be performed and agreed between the Issuer and the Group at each time of conversion to determine the number of shares to be issued or transferred to the Group at the time of exercise. The fair value of the Warrants was derived using the fair values of the equity stakes of the airport assets held by Changi Airport Group. As at 31 December 2024, the Group has estimated the fair value of the Warrants to be nil (2023: nil).

Refer to Note 20 for information about fair value measurement of the investments.

9 Deferred tax

Movements in deferred tax assets and liabilities during the year are as follows:

Group	At 1 January 2023 \$'000	Recognised in profit or loss \$'000 (Note 25)	Transfer to tax recoverable \$'000	Recognised directly in equity \$'000	Exchange differences \$'000	At 31 December 2023 \$'000
Deferred tax assets						
Trade and other payables	18,142	7,015	–	–	(275)	24,882
Lease liabilities	21,492	106,331	–	–	(396)	127,427
Receivables and contract assets	5,649	(334)	–	–	(103)	5,212
Employee benefits	12,696	1,528	–	181	(103)	14,302
Tax loss carry-forwards	5,643	11,570	(3,387)	–	64	13,890
Other items	4,672	2,220	(2)	448	(81)	7,257
	68,294	128,330	(3,389)	629	(894)	192,970
Deferred tax liabilities						
Property, plant and equipment	(1,073)	(2,102)	–	–	24	(3,151)
Right-of-use assets	(13,528)	(115,005)	–	–	176	(128,357)
Intangible assets	(3,394)	2,426	–	–	133	(835)
Trade and other payables	(2,641)	271	–	–	191	(2,179)
Taxable temporary difference arising from amount due from overseas subsidiary	(1,800)	–	–	–	–	(1,800)
Other items	(8,257)	4,682	–	(4)	40	(3,539)
	(30,693)	(109,728)	–	(4)	564	(139,861)
Total	37,601	18,602	(3,389)	625	(330)	53,109

Group	At 1 January 2024 \$'000	Recognised in profit or loss \$'000 (Note 25)	Transfer to tax recoverable \$'000	Recognised directly in equity \$'000	Exchange differences \$'000	At 31 December 2024 \$'000
Deferred tax assets						
Trade and other payables	24,882	1,328	-	-	(924)	25,286
Lease liabilities	127,427	(573)	-	-	(1,259)	125,595
Receivables and contract assets	5,212	(1,860)	-	-	(104)	3,248
Employee benefits	14,302	1,016	-	89	(882)	14,525
Tax loss carry-forwards	13,890	4,461	(9,494)	-	(121)	8,736
Other items	7,257	165	-	165	(316)	7,271
	192,970	4,537	(9,494)	254	(3,606)	184,661
Deferred tax liabilities						
Property, plant and equipment	(3,151)	(2,063)	-	-	(14)	(5,228)
Right-of-use assets	(128,357)	6,652	-	-	1,033	(120,672)
Intangible assets	(835)	(2,154)	-	-	23	(2,966)
Trade and other payables	(2,179)	(355)	-	-	(23)	(2,557)
Taxable temporary difference arising from amount due from overseas subsidiary	(1,800)	-	-	-	-	(1,800)
Other items	(3,539)	(2,292)	-	4	96	(5,731)
	(139,861)	(212)	-	4	1,115	(138,954)
Total	53,109	4,325	(9,494)	258	(2,491)	45,707

Company	At 1 January 2023 \$'000	Recognised in profit or loss \$'000	Recognised directly in equity \$'000	Group relief transfer \$'000	At 31 December 2023 \$'000	Recognised in profit or loss \$'000	Recognised directly in equity \$'000	At 31 December 2024 \$'000
Deferred tax assets								
Trade and other payables	594	(206)	-	-	388	56	-	444
Tax loss carry-forwards	864	(37)	-	(827)	-	-	-	-
	1,458	(243)	-	(827)	388	56	-	444
Deferred tax liabilities								
Property, plant and equipment	(7)	(13)	-	-	(20)	20	-	-
Derivative financial liabilities/assets	(328)	-	249	-	(79)	-	79	-
	(335)	(13)	249	-	(99)	20	79	-
Total	1,123	(256)	249	(827)	289	76	79	444

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

The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Assets		Liabilities	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Group				
Deferred tax assets/(liabilities)	184,661	192,970	(138,954)	(139,861)
Set off of tax	(131,880)	(136,234)	131,880	136,234
Net deferred tax assets/(liabilities)	<u>52,781</u>	<u>56,736</u>	<u>(7,074)</u>	<u>(3,627)</u>
Company				
Deferred tax assets/(liabilities)	444	388	–	(99)
Set off of tax	–	(99)	–	99
Net deferred tax assets	<u>444</u>	<u>289</u>	<u>–</u>	<u>–</u>

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Deductible temporary differences	880	561	–	–
Tax losses	52,063	32,967	–	–
Tax incentives	7,483	28,988	7,483	28,988
	<u>60,426</u>	<u>62,516</u>	<u>7,483</u>	<u>28,988</u>

Tax losses of \$29,411,000 (2023: \$15,776,000) expire between 2025 and 2035. The remaining tax losses, tax incentives and deductible temporary differences do not expire under current tax legislation. Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the Group entities operate. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits therefrom.

10 Inventories

	Group	
	2024	2023
	\$'000	\$'000
Consumables	1,564	1,395
Trading goods	–	227
	<u>1,564</u>	<u>1,622</u>

In 2024, inventories of \$1,239,000 (2023: \$2,106,000) were recognised as expense during the year and included in “cost of sales”.

11 Trade and other receivables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables	496,417	472,648	–	–
Impairment losses	(60,011)	(52,284)	–	–
Net trade receivables	436,406	420,364	–	–
Trade amounts due from:				
- related corporations	14,303	15,861	–	–
- related parties	94	921	–	–
Non-trade amounts due from:				
- related corporations	2	7	–	–
- joint ventures	477	653	–	–
- subsidiaries	–	–	89,912	61,724
Reimbursement assets	21,261	29,084	–	–
Other receivables	16,054	14,344	8	5
Deposits	6,260	5,875	289	192
	494,857	487,109	90,209	61,921
Prepayments	41,876	30,629	566	607
Tax recoverables	29,783	23,036	–	–
	566,516	540,774	90,775	62,528
Non-current	50	454	46,321	33,298
Current	566,466	540,320	44,454	29,230
	566,516	540,774	90,775	62,528

Current outstanding balances with subsidiaries, related corporations, joint ventures and related parties are unsecured, interest free and repayable on demand. The Company's amounts due from subsidiaries relate to the management services rendered by the Company to the subsidiaries and advances to subsidiaries amounting to \$89,912,000 (2023: \$61,724,000).

Reimbursement assets relate to receivables from third party reinsurers for costs relating to claims from customers to the extent that such costs are receivable from reinsurers. Further information is set out in Note 19.

The Group and the Company's exposure to credit and currency risks and impairment losses for trade and other receivables, are disclosed in Note 20.

12 Loans to subsidiaries

Loans to subsidiaries are unsecured, bear interest ranging from 0% to 4% per annum (2023: 0% to 4% per annum) and are repayable between 1 to 15 years (2023: 2 to 16 years). These loans are classified as non-current as the Company does not expect to receive payment within the next 12 months.

13 Cash and cash equivalents

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and in hand		432,377	452,933	10,626	14,463
Fixed deposits		8,504	54,849	–	–
Cash and cash equivalents in the statement of financial position		440,881	507,782	10,626	14,463
Bank overdrafts	15	(3,558)	(3,971)		
Cash and cash equivalents in the statement of cash flows		437,323	503,811		

Fixed deposits with financial institutions mature with varying dates between 7 days and 81 days (2023: 15 days and 74 days) from the financial year end.

14 Capital and reserves

Share capital	Ordinary shares		Redeemable convertible preference shares	
	2024	2023	2024	2023
Fully paid, with no par value	No of shares '000	No of shares '000	No of shares '000	No of shares '000
Company				
In issue at 1 January and 31 December	124,700	124,700	510,633	510,633

	Group and Company	
	2024 \$'000	2023 \$'000
Ordinary shares	124,700	124,700
Redeemable convertible preference shares	510,633	510,633
Transaction costs	(520)	(520)
Carrying amount of redeemable convertible preference shares as at 31 December	510,113	510,113
Total share capital as at 31 December	634,813	634,813

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Redeemable convertible preference shares

The redeemable convertible preference shares may be redeemed from time to time at the sole option of the Company at a conversion rate of 1 redeemable convertible preference share to 2 ordinary shares, subject to the written consent of each redeemable convertible preference share holder.

The holders of the redeemable convertible preference shares are entitled to receive, in preference to the holders of ordinary shares, a cumulative dividend to be determined by the Board of Directors from time to time (“Preference Dividend”). So long as any redeemable convertible preference shares are in issue, no dividends shall be declared and/or paid on the ordinary shares except with prior written consent of the holders of redeemable convertible preference shares. The holders of the redeemable convertible preference shares are not entitled to vote at any general meeting of the Company.

Reserves

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Foreign currency translation reserve	(81,370)	(64,158)	–	–
Hedging reserve	(124)	807	(124)	387
Fair value reserve	(558)	(558)	–	–
Statutory reserve	575	575	–	–
Accumulated profits/(losses)	46,904	135,182	(22,610)	28,337
	<u>(34,573)</u>	<u>71,848</u>	<u>(22,734)</u>	<u>28,724</u>

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as the effective portion of any foreign currency differences arising from hedges of net investment in foreign operations.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at fair value through other comprehensive income until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

Statutory reserve

In accordance with the relevant PRC regulations, certain subsidiaries and a joint venture in the PRC are required to appropriate at least 10% of their profit after tax in their annual statutory financial statements, as determined in accordance with the PRC accounting standards and regulations applicable to the subsidiaries, to the statutory reserve until such reserve reaches 50% of the registered capital. Subject to approval from the relevant PRC authorities, the statutory reserve may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The statutory reserve is not available for dividend distribution to shareholders.

15 Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-current				
Unsecured mid-term notes	250,000	600,000	250,000	600,000
Transaction costs	(370)	(786)	(370)	(786)
Carrying amount of notes	249,630	599,214	249,630	599,214
Lease liabilities	674,881	691,202	–	–
	<u>924,511</u>	<u>1,290,416</u>	<u>249,630</u>	<u>599,214</u>
Current				
Unsecured mid-term notes	350,000	–	350,000	–
Transaction costs	(151)	–	(151)	–
Carrying amount of notes	349,849	–	349,849	–
Bank overdrafts	3,558	3,971	–	–
Unsecured bank loans	–	69,986	–	33,593
Unsecured loan from NCI in a subsidiary	–	120	–	–
Lease liabilities	28,722	28,600	–	–
	<u>382,129</u>	<u>102,677</u>	<u>349,849</u>	<u>33,593</u>
	<u>1,306,640</u>	<u>1,393,093</u>	<u>599,479</u>	<u>632,807</u>

The effective interest rates of bank overdrafts at the end of the reporting period were as follows:

	Group	
	2024	2023
Bank overdrafts	<u>8.00-9.00%</u>	<u>8.05-10.50%</u>

The unsecured loan from NCI in a subsidiary bore interest at 4.2% per annum in 2023 and was repaid in 2024.

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate %	Year of maturity \$'000	2024		2023	
				Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Group							
Mid-term notes	SGD	2.48% - 4.11%	2025 - 2031	600,000	599,479	600,000	599,214
Unsecured bank loans	SGD	SORA + 0.06%	2024	—	—	70,000	69,986
Unsecured loan from NCI in a subsidiary	SGD	4.2%	2024	—	—	120	120
Lease liabilities	SGD	1.99% - 5.28%	2025-2049	996,177	604,060	1,024,467	607,628
Lease liabilities	AUD	2.25% - 6.42%	2025-2036	68,022	56,869	81,066	66,836
Lease liabilities	CAD	3.30% - 5.63%	2025-2031	7,509	6,704	9,465	8,482
Lease liabilities	USD	4.26% - 6.50%	2025-2029	12,904	11,283	14,439	12,267
Lease liabilities	GBP	4.58% - 5.92%	2025-2027	3,752	3,580	5,631	5,351
Lease liabilities	ZAR	7.89% - 11.12%	2025-2029	10,316	8,746	12,398	10,079
Lease liabilities	Others	2.14% - 25.03%	2025-2031	13,585	12,361	10,266	9,159
Bank overdrafts	INR	8.00% - 9.00%	2024-2025	3,558	3,558	3,971	3,971
Total interest-bearing liabilities				1,715,823	1,306,640	1,831,823	1,393,093
Company							
Mid-term notes	SGD	2.48% - 4.11%	2025 - 2031	600,000	599,479	600,000	599,214
Unsecured bank loans	SGD	SORA + 0.06%	2024	—	—	33,600	33,593
Total interest-bearing liabilities				600,000	599,479	633,600	632,807

Information about the Group's and the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 20.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Derivative (assets)/ liabilities held to hedge long-term borrowings		Total
	Loans and borrowings ⁽ⁱ⁾	Lease liabilities	Interest rate swaps, currency swaps and forward contracts used for hedging - assets	Interest rate swaps, currency swaps and forward contracts used for hedging - liabilities	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2023	705,280	228,777	(5,290)	—	928,767
Changes from financing cash flows					
Repayment of borrowings	(34,902)	—	—	—	(34,902)
Payment of lease liabilities	—	(32,322)	—	—	(32,322)
Payment of interest on lease liabilities	—	(24,321)	—	—	(24,321)
Other changes					
Effect of movement in exchange rates	(1,364)	(2,770)	(48)	—	(4,182)
New leases	—	529,462	—	—	529,462
Disposal/termination of lease liabilities	—	(3,345)	—	—	(3,345)
Capitalised borrowing costs	306	—	—	—	306
Interest expense on lease liabilities	—	24,321	—	—	24,321
Change in fair value	—	—	1,330	4,462	5,792
Balance at 31 December 2023	669,320	719,802	(4,008)	4,462	1,389,576

⁽ⁱ⁾ Loans and borrowings exclude bank overdrafts of \$3,971,000.

	Liabilities		Derivative (assets)/ liabilities held to hedge long-term borrowings					Total \$'000
	Loans and borrowings ⁽ⁱ⁾ \$'000	Lease liabilities \$'000	Total loans and borrowings \$'000	Interest rate swaps, currency swaps and forward contracts used for hedging – assets \$'000	Interest rate swaps, currency swaps and forward contracts used for hedging – liabilities \$'000	Total \$'000		
Balance at 1 January 2024	669,320	719,802	1,389,122	(4,008)	4,462	1,389,576		
Changes from financing cash flows								
Repayment of borrowings	(70,120)	–	(70,120)	–	–	(70,120)		
Payment of lease liabilities	–	(29,842)	(29,842)	–	–	(29,842)		
Payment of interest on lease liabilities	–	(30,844)	(30,844)	–	–	(30,844)		
Other changes								
Effect of movement in exchange rates	–	(4,420)	(4,420)	62	(87)	(4,445)		
New leases	–	19,522	19,522	–	–	19,522		
Disposal/termination of lease liabilities	–	(1,459)	(1,459)	–	–	(1,459)		
Capitalised borrowing costs	279	–	279	–	–	279		
Interest expense on lease liabilities	–	30,844	30,844	–	–	30,844		
Change in fair value	–	–	–	2,984	(1,643)	1,341		
Balance at 31 December 2024	599,479	703,603	1,303,082	(962)	2,732	1,304,852		

⁽ⁱ⁾ Loans and borrowings exclude bank overdrafts of \$3,558,000.

Cashflows from financing activities presented in the consolidated statement of cash flows include interest expense paid of \$23,855,000 (2023: \$24,972,000) which are included under other payables in Note 16. There are no material non-cash changes associated with interest payable.

16 Trade and other payables

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current liabilities					
Share-based payment liability		1,726	1,275	—	—
Accrued expenses		5,433	5,856	—	—
Defined benefit liability	17	2,549	1,817	—	—
		<u>9,708</u>	<u>8,948</u>	<u>—</u>	<u>—</u>
Current liabilities					
Trade payables		49,065	33,133	—	—
Trade amounts due to:					
- related corporations		1,951	140	—	—
- a related party		—	1	—	—
Other payables		41,762	37,560	6,716	6,724
Other payables (indirect tax related)		41,281	29,505	—	—
Non-trade amounts due to:					
- subsidiaries		—	—	89,562	23,613
- related corporation		—	6	—	—
Advance payments received		33,030	25,940	—	—
Accrued project costs and expenses		319,198	339,330	6,535	9,857
Defined benefit liability	17	94	12	—	—
Amount payable to former non-controlling interests		—	20,405	—	—
Deferred consideration for acquisition of subsidiaries		—	65	—	—
		<u>486,381</u>	<u>486,097</u>	<u>102,813</u>	<u>40,194</u>
		<u>496,089</u>	<u>495,045</u>	<u>102,813</u>	<u>40,194</u>

Other payables include interest payable on loans and borrowings and Central Provident Fund (“CPF”) payable.

Amount payable to former non-controlling interests as at 31 December 2023 was related to the purchase price of the remaining equity interest in A10 subgroup after the Group exercised the call options in December 2023. The purchase consideration was paid in 2024.

Outstanding balances with subsidiaries, related corporations and a related party are unsecured, interest-free and repayable on demand.

The Group’s and Company’s exposure to currency and liquidity risks relating to trade and other payables is disclosed in Note 20.

Deferred consideration for the acquisition of a subsidiary

The Group has agreed to pay the selling shareholders deferred consideration of \$8.7 million for the acquisition of a subsidiary in 2020. Deferred consideration of \$0.1 million was paid in 2024 (2023: \$1.2 million).

Share-based payment liability

Share-based payment liability pertains to a cash-settled share-based payment transaction that originated in 2017. It is measured at fair value at inception and at the end of the reporting period. Refer to Note 31 for details of the cash-settled share-based payment transaction.

17 Employee benefits

	Group	
	2024	2023
	\$'000	\$'000
Retirement benefits	2,643	1,829
Net defined benefit liability	2,643	1,829
Non-current	2,549	1,817
Current	94	12
	2,643	1,829

The Group provides retirement benefit plans for its qualifying employees in accordance with the Group's policy. The estimated retirement benefit liabilities have been recorded based on actuarial valuations for the year ended 31 December 2024 and 31 December 2023.

The retirement plans are partially funded as at 31 December 2024. The Group expects to pay \$1,705,000 (2023: \$810,000) in contributions to its defined benefit plans in 2024.

Movement in net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/(asset) and its components.

	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Group						
Balance as at 1 January	4,633	3,789	(2,804)	(2,447)	1,829	1,342
Included in profit or loss						
Current service cost	940	681	–	–	940	681
Past service credit	256	–	–	–	256	–
Interest cost/(income)	382	290	(206)	(304)	176	(14)
	1,578	971	(206)	(304)	1,372	667
Included in other comprehensive income						
Remeasurement loss/(gain):						
Actual loss/(gain) arising from:						
- Demographic assumptions	5	28	–	–	5	28
- Financial assumptions	(95)	239	–	–	(95)	239
- Experience adjustment	386	116	88	125	474	241
- Return on plan assets excluding interest income	–	–	(12)	113	(12)	113
Effect of movements in exchange rates	(349)	(14)	191	14	(158)	–
	(53)	369	267	252	214	621
Other						
Contributions paid by employer	–	–	(697)	(706)	(697)	(706)
Benefits paid	(703)	(331)	495	283	(208)	(48)
Effect of movements in exchange rates	162	(165)	(29)	118	133	(47)
Balance as at 31 December	5,617	4,633	(2,974)	(2,804)	2,643	1,829

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Group	
	2024 \$'000	2023 \$'000
Discount rate	8.2%	8.6%
Future salary growth	7.7%	7.9%

At 31 December 2024, the weighted average duration of the defined benefit obligation was 12.1 years (2023: 9.7 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Change in assumption	Increase/(decrease) in defined benefit obligation	
		Increase in assumption \$'000	Decrease in assumption \$'000
Group			
31 December 2023			
Discount rate	1%	(338)	395
Future salary growth	1%	393	(341)
31 December 2024			
Discount rate	1%	(430)	509
Future salary growth	1%	511	(439)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

18 Derivative financial instruments

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets				
Non-current				
Call options	–	172	–	–
	–	172	–	–
Current				
Forward exchange contracts used for hedging	962	3,037	–	–
Interest rate swaps used for hedging	–	971	–	466
Call options	172	–	–	–
	1,134	4,008	–	466
Liabilities				
Non-current				
Put options	–	(243)	–	–
	–	(243)	–	–
Current				
Forward exchange contracts used for hedging	(2,732)	(4,462)	(291)	(124)
Put options	(243)	–	–	–
	(2,975)	(4,462)	(291)	(124)
Total	(1,841)	(525)	(291)	342

As at the end of the financial year, the Group has outstanding forward exchange contracts with notional amounts totalling \$208,170,000 (2023: \$244,920,000). The net fair value of forward exchange contracts is \$1,770,000 (liability) (2023: \$1,425,000 (liability)) comprising assets of \$962,000 (2023: \$3,037,000) and liabilities of \$2,732,000 (2023: \$4,462,000).

In the prior year, the Group and Company had outstanding interest rate swaps with notional amounts amounting to \$70,000,000 and \$33,600,000 respectively. The fair value of the interest rate swaps were \$971,000 and \$466,000 for the Group and Company respectively. The interest rate swaps matured in 2024.

Derivative financial instruments, measured at fair value, include:

- (1) interest rate swaps entered into by the Group to manage the interest rate risk on the SGD-denominated floating rate bank loans;
- (2) forward exchange contracts;
- (3) put-and-call options to purchase the remaining equity interest in Prostruct.

Fair values of (1) to (2) are based on broker's quote. Fair values of (3) are based on independent valuations. The fair value measurement is disclosed in Note 20.

19 Provisions

	Onerous contracts \$'000	Liquidated damages \$'000	Restoration costs \$'000	Legal claims and arbitration award \$'000	Total \$'000
Group					
At 1 January 2024	21,422	17,844	7,034	27,255	73,555
Provisions made/(reversed) during the year	5,810	(5,432)	8	18,510	18,896
Provisions used during the year	(2,844)	–	(1,132)	–	(3,976)
Unwinding of discount	–	–	235	–	235
Effect of movement in exchange rates	(162)	–	(239)	(3,668)	(4,069)
At 31 December 2024	<u>24,226</u>	<u>12,412</u>	<u>5,906</u>	<u>42,097</u>	<u>84,641</u>

Onerous contracts

Provision for onerous contracts on long-term consultancy contracts are made when cost estimates to complete such contracts exceed revenue derived from these contracts.

Liquidated damages

Provision for liquidated damages is in respect of accrual for contractual obligations, and is expected to be utilised in the following financial year.

Restoration costs

The Group is required to restore certain offices to their original condition at the end of the respective lease terms.

Legal claims

Provision for legal claims relate to provision made in relation to disputes with or claims by customers. A corresponding reimbursement asset is recognised to the extent that costs related to such claims are recoverable from reinsurers (see Note 11).

20 Financial instruments

Overview

The Group has exposure to the following risks from financial instruments:

- credit risk
- liquidity risk
- market risk

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

Risk management framework

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 Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit and Risk Committee is responsible for setting the objectives, policies and procedures of financial risk management for the Group. The Audit and Risk Committee and management establish the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Audit and Risk Committee.

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and the Company's receivables from customers and the Company's non-trade amounts due from subsidiaries.

Management establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed before entering into agreements with new customers. The reimbursement assets of \$21,261,000 (2023: \$29,084,000) is with leading global reinsurers and is considered not to include any amounts owing with significant credit risk.

The carrying amounts of financial assets and contract assets represent the Group's and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Exposure to credit risk

The maximum exposure to credit risk for the Group's trade receivables at the reporting date by geographical region was as follows:

	2024	2023
	\$'000	\$'000
Group		
Singapore	206,142	188,036
Australia and New Zealand	47,011	60,385
South Asia and Middle East	112,885	91,650
Africa	21,379	21,356
Americas	23,962	25,399
Others	39,424	50,320
	<u>450,803</u>	<u>437,146</u>

The Company is not exposed to credit risk for trade receivables.

Impairment

The ageing of Group's trade receivables at the reporting date was:

	Impairment		Impairment	
	Gross	losses	Gross	losses
	2024	2024	2023	2023
	\$'000	\$'000	\$'000	\$'000
Group				
Not past due	278,876	(5,294)	251,799	(3,380)
Past due < 3 months	84,954	(844)	117,714	(5,432)
Past due 3 to 6 months	40,253	(3,980)	31,587	(1,067)
Past due 6 to 12 months	16,321	(1,879)	16,311	(637)
Past due 1 to 2 years	33,930	(6,046)	14,774	(2,588)
Past due 2 to 3 years	13,772	(4,754)	15,174	(3,531)
Past due more than 3 years	42,708	(37,214)	42,071	(35,649)
	<u>510,814</u>	<u>(60,011)</u>	<u>489,430</u>	<u>(52,284)</u>

Impairment losses in respect of the trade receivables of the Group relate to customers where there is an indication that the customers may not be able to pay their outstanding balances, mainly due to economic circumstances.

Based on historic default rates, the Group believes that, apart from the above, no further impairment allowance is necessary in respect of trade receivables, as those amounts mainly relate to customers that have good payment record with the Group.

No ageing analysis of contract assets is presented as the balances as at 31 December 2024 and 31 December 2023 are not past due.

The credit quality of trade receivables is assessed based on the credit policy established by the management. The Group monitors customer credit risk by grouping trade receivables based on their characteristics.

Expected credit loss assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets, which comprise a very large number of balances.

The allowance matrix is based on actual credit loss experience over the past three to four years. The ECL computed is mainly derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2024:

	Weighted average loss rate	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
Group				
2024				
Not past due (including contract assets)	3.2%	721,377	(22,792)	No
Past due < 3 months	1.0%	84,954	(844)	Yes
Past due 3 to 6 months	9.9%	40,253	(3,980)	Yes
Past due 6 to 12 months	11.5%	16,321	(1,879)	Yes
Past due 1 to 2 years	17.8%	33,930	(6,046)	Yes
Past due 2 to 3 years	34.5%	13,772	(4,754)	Yes
Past due more than 3 years	87.1%	42,708	(37,214)	Yes
		953,315	(77,509)	
2023				
Not past due (including contract assets)	2.1%	679,536	(13,953)	No
Past due < 3 months	4.6%	117,714	(5,432)	Yes
Past due 3 to 6 months	3.4%	31,587	(1,067)	Yes
Past due 6 to 12 months	3.9%	16,311	(637)	Yes
Past due 1 to 2 years	17.5%	14,774	(2,588)	Yes
Past due 2 to 3 years	23.3%	15,174	(3,531)	Yes
Past due more than 3 years	84.7%	42,071	(35,649)	Yes
		917,167	(62,857)	

Movements in allowance for impairment in respect of trade receivables and contract assets during the year were as follows:

	Group	
	2024	2023
	\$'000	\$'000
Trade receivables		
At 1 January	52,284	45,769
Impairment loss recognised	11,520	7,870
Amounts written off	(2,316)	(493)
Effect of movement in exchange rates	(1,477)	(862)
At 31 December	60,011	52,284
Contract assets		
At 1 January	10,573	8,199
Impairment loss recognised	7,430	2,536
Effect of movement in exchange rates	(505)	(162)
At 31 December	17,498	10,573

Non-trade amounts due from subsidiaries

The Company held loans to subsidiaries of \$365,316,000 (2023: \$371,781,000) and non-trade amounts due from its subsidiaries of \$89,912,000 (2023: \$61,724,000). These balances comprise mainly loans to subsidiaries for investments as well as amounts loaned to subsidiaries to satisfy their working capital requirements. The Company applies the general approach for assessment of ECLs on these receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Derivatives

The derivatives are entered into with bank and financial institution counterparties, which are Baa1 to Aa1, based on Moody's ratings.

Cash and cash equivalents

The Group and Company held cash and cash equivalents of \$440,881,000 and \$10,626,000 (2023: \$507,782,000 and \$14,463,000) as at 31 December 2024, respectively. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Baa1 to Aa1, based on Moody's ratings. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures.

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

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. The Group's objective when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days; this excludes the potential impact in extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities. The amounts are gross and undiscounted, include contractual interest payments and exclude the impact of netting arrangements:

	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	1 to 3 years \$'000	More than 3 years \$'000
Group					
31 December 2024					
<i>Non-derivative financial instruments</i>					
Loans and borrowings	1,306,640	1,764,558	428,585	119,949	1,216,024
Trade and other payables ⁽ⁱ⁾	458,690	458,690	453,257	2,377	3,056
	<u>1,765,330</u>	<u>2,223,248</u>	<u>881,842</u>	<u>122,326</u>	<u>1,219,080</u>
<i>Derivative financial instruments</i>					
Forward exchange contracts used for hedging (net-settled)					
- Asset	(962)	(962)	(962)	-	-
- Liability	2,732	2,732	2,732	-	-
Put options	243	243	243	-	-
	<u>2,013</u>	<u>2,013</u>	<u>2,013</u>	<u>-</u>	<u>-</u>
31 December 2023					
<i>Non-derivative financial instruments</i>					
Loans and borrowings	1,393,093	1,902,194	154,413	480,416	1,267,365
Trade and other payables ⁽ⁱ⁾	466,001	466,001	460,145	1,416	4,440
	<u>1,859,094</u>	<u>2,368,195</u>	<u>614,558</u>	<u>481,832</u>	<u>1,271,805</u>
<i>Derivative financial instruments</i>					
Interest rate swaps used for hedging (net-settled) - Asset					
	(971)	(807)	(807)	-	-
Forward exchange contracts used for hedging (net-settled)					
- Asset	(3,037)	(3,037)	(3,037)	-	-
- Liability	4,462	4,462	4,462	-	-
Put options	243	533	267	266	-
	<u>697</u>	<u>1,151</u>	<u>885</u>	<u>266</u>	<u>-</u>

⁽ⁱ⁾ Excluding advance payments received, defined benefit liability and share-based payment liability

	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	1 to 3 years \$'000	More than 3 years \$'000
Company					
31 December 2024					
<i>Non-derivative financial instruments</i>					
Loans and borrowings	599,479	648,734	367,038	12,400	269,296
Trade and other payables ⁽ⁱ⁾	102,813	102,813	102,813	–	–
	<u>702,292</u>	<u>751,547</u>	<u>469,851</u>	<u>12,400</u>	<u>269,296</u>
<i>Derivative financial instruments</i>					
Forward exchange contracts used for hedging (net-settled) - Liability	291	291	291	–	–
	<u>291</u>	<u>291</u>	<u>291</u>	<u>–</u>	<u>–</u>
Company					
31 December 2023					
<i>Non-derivative financial instruments</i>					
Loans and borrowings	632,807	703,511	54,777	373,238	275,496
Trade and other payables ⁽ⁱ⁾	40,194	40,194	40,194	–	–
	<u>673,001</u>	<u>743,705</u>	<u>94,971</u>	<u>373,238</u>	<u>275,496</u>
<i>Derivative financial instruments</i>					
Interest rate swaps used for hedging (net-settled) - Asset	(466)	(387)	(387)	–	–
Forward exchange contracts used for hedging (net-settled) - Liability	124	124	124	–	–
	<u>(342)</u>	<u>(263)</u>	<u>(263)</u>	<u>–</u>	<u>–</u>

⁽ⁱ⁾ Excluding advance payments received, defined benefit liability and share-based payment liability

The maturity analyses show the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturity. It is not expected that the cash flows included in the maturity analyses above could occur significantly earlier, or at significantly different amounts.

Market risk

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

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings, including inter-company sales, purchases and inter-company balances that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies in which these transactions primarily are denominated are the Singapore dollar (SGD), US dollar (USD), Indian Rupee (INR) and Renminbi (RMB).

The Group's centralised treasury unit manages intra-group foreign exchange transactions by netting off the foreign exchange exposures within the Group.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

To hedge against the volatility of future cash flows caused by changes in foreign currency rates, the Group utilises forward exchange contracts and to hedge the Group's exposure to specific currency risks relating to investments, receivables, payables and other commitments.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk is as follows:

Group	SGD \$'000	USD \$'000	INR \$'000	RMB \$'000
2024				
Financial assets				
Trade and other receivables ⁽ⁱ⁾	8,722	55,371	11,820	18,319
Cash and cash equivalents	104	16,441	956	501
	8,826	71,812	12,776	18,820
Financial liabilities				
Trade and other payables ⁽ⁱⁱ⁾	(12,467)	(24,027)	(9,081)	(1,804)
Forward exchange contracts	–	(61,146)	(11,296)	(13,405)
Net exposure	(3,641)	(13,361)	(7,601)	3,611
2023				
Financial assets				
Trade and other receivables ⁽ⁱ⁾	4,874	68,959	12,282	13,881
Cash and cash equivalents	446	26,092	630	1,662
	5,320	95,051	12,912	15,543
Financial liabilities				
Trade and other payables ⁽ⁱⁱ⁾	(15,321)	(16,135)	(10,333)	(1,324)
Forward exchange contracts	–	(93,368)	(13,541)	(4,649)
Net exposure	(10,001)	(14,452)	(10,962)	9,570

⁽ⁱ⁾ *Excluding prepayments*

⁽ⁱⁱ⁾ *Excluding advanced payments received, share-based payment liability and defined benefit liability*

The Company is not exposed to significant foreign currency exposure.

Sensitivity analysis

A 10% weakening of the following currencies against the functional currency of each of the Group entities at the reporting date would increase/(decrease) profit or loss (before any tax effects) by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 31 December 2023, as indicated below:

Group	Profit or loss	
	2024	2023
	\$'000	\$'000
SGD	364	1,000
USD	1,336	1,445
INR	760	1,096
RMB	(361)	(957)
	(361)	(957)

A 10% strengthening of the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group's interest rate risk arises primarily from the interest-bearing financial instruments. Interest rate risk is managed by management on an ongoing basis with the primary objective of limiting the extent to which interest income/expenses could be affected by movements in interest rates. The Group uses interest rate swaps as hedges for the variability in cash flows attributable to interest rate risk.

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

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

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

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	Group		Company	
	Nominal amount		Nominal amount	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Financial assets	8,504	54,849	–	–
Financial liabilities	(1,712,265)	(1,757,852)	(600,000)	(600,000)
Effect of interest rate swaps	–	(70,000)	–	(33,600)
	<u>(1,703,761)</u>	<u>(1,773,003)</u>	<u>(600,000)</u>	<u>(633,600)</u>
Variable rate instruments				
Financial assets	371,878	364,596	7,527	4,016
Financial liabilities	(3,558)	(73,971)	–	(33,600)
Effect of interest rate swaps	–	70,000	–	33,600
	<u>368,320</u>	<u>360,625</u>	<u>7,527</u>	<u>4,016</u>

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instrument a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity	
	100 bp	100 bp	100 bp	100 bp
	increase	decrease	increase	decrease
	\$'000	\$'000	\$'000	\$'000
Group				
31 December 2024				
Variable rate instruments	3,683	(3,683)	–	–
Cash flow sensitivity (net)	<u>3,683</u>	<u>(3,683)</u>	<u>–</u>	<u>–</u>
31 December 2023				
Variable rate instruments	2,906	(2,906)	–	–
Interest rate swap	–	–	700	(700)
Cash flow sensitivity (net)	<u>2,906</u>	<u>(2,906)</u>	<u>700</u>	<u>(700)</u>

	Profit or loss		Equity	
	100 bp increase \$'000	100 bp decrease \$'000	100 bp increase \$'000	100 bp decrease \$'000
Company				
31 December 2024				
Variable rate instruments	75	(75)	–	–
Cash flow sensitivity (net)	75	(75)	–	–
31 December 2023				
Variable rate instruments	(296)	296	–	–
Interest rate swap	–	–	336	(336)
Cash flow sensitivity (net)	(296)	296	336	(336)

Derivative assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss and the fair value of the related hedging instruments.

	Carrying amount \$'000	Expected cash flows \$'000	Within 1 year \$'000	1-3 years \$'000	More than 3 years \$'000
2023					
Group					
Interest rate swaps					
Assets	(971)	(807)	(807)	–	–
Company					
Interest rate swaps					
Assets	(466)	(387)	(387)	–	–

Capital management

The Group defines “Capital” as including all components of equity. The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders or issue new shares.

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

The Group is required to maintain minimum consolidated net worth ranging between \$250 million to \$500 million at all times, as a condition for bank facilities offered by several banks to the Group.

Apart from maintaining minimum net worth as mentioned above, several Group entities have a requirement to maintain certain ratios such as interest coverage ratio of at least 2 times and debt not exceeding consolidated net worth by more 3 times.

The Group complied with the above capital requirement conditions throughout the year.

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value			
	FVOCI – equity instruments \$'000	Mandatorily at FVTPL \$'000	Fair value – hedging instrument \$'000	Other financial liabilities \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group								
31 December 2024								
Financial assets measured at fair value								
Equity investments – at FVOCI	–	1	–	–	–	–	1	1
Forward exchange contracts used for hedging	–	–	962	–	–	962	–	962
Call options	–	172	–	–	–	–	172	172
	–	1	962	–	–	–	172	1,135
Financial assets not measured at fair value								
Cash and cash equivalents	440,881	–	–	–	–	–	–	440,881
Trade and other receivables ⁽ⁱ⁾	494,857	–	–	–	–	–	–	494,857
	935,738	–	–	–	–	–	–	935,738
Financial liabilities measured at fair value								
Forward exchange contracts used for hedging	–	–	–	–	–	(2,732)	–	(2,732)
Put options	–	(243)	–	–	–	–	(243)	(243)
	–	(243)	–	–	–	–	(243)	(243)
Financial liabilities not measured at fair value								
Loans and borrowings ⁽ⁱⁱ⁾	–	–	–	(603,037)	–	(599,790)	–	(599,790)
Trade and other payables ⁽ⁱⁱⁱ⁾	–	–	–	(458,690)	–	–	–	(458,690)
	–	–	–	(1,061,727)	–	–	–	(1,061,727)

⁽ⁱ⁾ Excluding prepayments and tax recoverables

⁽ⁱⁱ⁾ Excluding lease liabilities

⁽ⁱⁱⁱ⁾ Excluding advance payments received, defined benefit liability and share-based payment liability.

	Carrying amount				Fair value			
	FVOCI – equity instruments \$'000	Mandatorily at FVTPL \$'000	Fair value – hedging instrument \$'000	Other financial liabilities \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group								
31 December 2023								
Financial assets measured at fair value								
Equity investments – at FVOCI	92	–	–	–	–	–	92	92
Forward exchange contracts used for hedging	–	–	3,037	–	–	3,037	–	3,037
Interest rate swaps used for hedging	–	–	971	–	–	971	–	971
Call options	–	172	–	–	–	–	172	172
	92	172	4,008	–	–	–	–	4,272
Financial assets not measured at fair value								
Cash and cash equivalents	507,782	–	–	–	–	–	–	507,782
Trade and other receivables ⁽ⁱ⁾	487,109	–	–	–	–	–	–	487,109
	994,891	–	–	–	–	–	–	994,891
Financial liabilities measured at fair value								
Forward exchange contracts used for hedging	–	–	–	–	–	(4,462)	–	(4,462)
Put options	–	(243)	–	–	–	–	(243)	(243)
	–	(243)	(4,462)	–	–	–	–	(4,705)
Financial liabilities not measured at fair value								
Loans and borrowings ⁽ⁱⁱ⁾	–	–	–	(673,291)	–	(657,073)	–	(657,073)
Trade and other payables ⁽ⁱⁱⁱ⁾	–	–	–	(466,001)	–	–	–	(466,001)
	–	–	–	(1,139,292)	–	–	–	(1,139,292)

⁽ⁱ⁾ Excluding prepayments and tax recoverables

⁽ⁱⁱ⁾ Excluding lease liabilities

⁽ⁱⁱⁱ⁾ Excluding advance payments received, defined benefit liability and share-based payment liability.

	----- Carrying amount -----			Fair value Level 2 \$'000
	Amortised cost \$'000	Fair value – hedging instruments \$'000	Other financial liabilities \$'000	
Company				
31 December 2024				
Financial assets not measured at fair value				
Cash and cash equivalents	10,626	–	–	10,626
Trade and other receivables ⁽ⁱ⁾	90,209	–	–	90,209
Loans to subsidiaries	365,316	–	–	365,316
	<u>466,151</u>	<u>–</u>	<u>–</u>	<u>466,151</u>
Financial liabilities measured at fair value				
Forward exchange contracts used for hedging	–	(291)	–	(291)
Financial liabilities not measured at fair value				
Loans and borrowings	–	–	(599,479)	(599,479)
Trade and other payables ⁽ⁱⁱ⁾	–	–	(102,813)	(102,813)
	<u>–</u>	<u>–</u>	<u>(702,292)</u>	<u>(702,292)</u>
31 December 2023				
Financial liabilities measured at fair value				
Interest rate swaps used for hedging	–	466	–	466
Financial assets not measured at fair value				
Cash and cash equivalents	14,463	–	–	14,463
Trade and other receivables ⁽ⁱ⁾	61,921	–	–	61,921
Loans to subsidiaries	371,781	–	–	371,781
	<u>448,165</u>	<u>–</u>	<u>–</u>	<u>448,165</u>
Financial liabilities measured at fair value				
Forward exchange contracts used for hedging	–	(124)	–	(124)
Financial liabilities not measured at fair value				
Loans and borrowings ⁽ⁱⁱ⁾	–	–	(632,807)	(632,807)
Trade and other payables ⁽ⁱⁱⁱ⁾	–	–	(40,194)	(40,194)
	<u>–</u>	<u>–</u>	<u>(673,001)</u>	<u>(673,001)</u>

⁽ⁱ⁾ Excluding prepayments

⁽ⁱⁱ⁾ Excluding lease liabilities

⁽ⁱⁱⁱ⁾ Excluding advance payment received

Measurement of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

Investment in unquoted warrants – FVTPL

The fair value is determined based on fair value of equity stakes in airport assets held by the Issuer, factoring probabilities of the Group exercising the detachable warrants.

Derivatives

In respect of interest rate swaps and foreign exchange contracts, the fair values are determined by reference to brokers' quote at the end of the reporting period.

In respect of put-and-call options relating to purchase of the remaining equity interest in a subsidiary, the fair value is determined using a binomial option pricing model.

Financial instruments not measured at fair value

Other financial assets and liabilities not measured at fair value include loans to subsidiaries and loans and borrowings. For disclosure purpose, the fair values of these financial assets and liabilities are estimated by discounting future contractual cash flows based on the borrowing rates at the reporting date.

Level 3 fair values

Level 3 fair values relate to equity investments designated at fair value through other comprehensive income and put-and-call options which have no observable market prices.

During the financial years presented, there have been no transfers between level 1, 2 and 3.

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of fair value hierarchy:

	Equity investment - FVOCI \$'000	Contingent consideration \$'000	Put-and call- options \$'000
At 1 January 2023	93	(5,252)	16,154
Effect of movement in exchange rates	(1)	(8)	(11)
Investment during the year	31	–	–
Divestment during the year	(161)	–	–
Unwinding of discount	–	(6)	–
Change in fair value	130	5,266	–
Derecognition	–	–	(16,214)
At 31 December 2023	<u>92</u>	<u>–</u>	<u>(71)</u>

	Equity investment - FVOCI	Put-and call- options
	\$'000	\$'000
At 1 January 2024	92	(71)
Effect of movement in exchange rates	(2)	–
Divestment during the year	(89)	–
At 31 December 2024	1	(71)

The following table shows the valuation technique used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Interest rate swaps used for hedging	<i>Swap models:</i> The fair value is calculated as the present value of the estimated future cashflows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable.	Not applicable.
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable.	Not applicable.
Investment in unquoted warrants	The fair value is determined based on fair value of equity stakes in airport assets held by Issuer.	Equity value of airport assets held by Issuer.	The estimated fair value would increase/decrease if there is an increase/decrease in the equity value of airport assets.

21 Revenue

	Group	
	2024	2023
	\$'000	\$'000
Consultancy fees income	1,477,043	1,464,179
Revenue from other services rendered	802,789	690,438
	<u>2,279,832</u>	<u>2,154,617</u>

The Group provides feasibility studies, urban planning, architectural and engineering consultancy services, contract administration services, property consultancy services, land survey, project management, site supervision services, blast consultancy services, environmental design consultancy services, facility management services, quality, environmental, health and safety (“QEHS”) services, integrated estate management services, management advisory services, armed and unarmed guard services, training and consultancy and provision of security services and products.

The Group has assessed that the consultancy contracts qualify for over time revenue recognition as there is no alternative use for the consultancy services provided to the customer, and the Group generally has enforceable rights to payment for performance completed to-date. The stage of completion is assessed by reference to the contract costs incurred till date in proportion to the total estimated contract costs of each contract. Revenue from rendering other services, which includes land survey services, site supervision service, facility management services, integrated estate management services, armed and unarmed guard services is recognised over time when the service is rendered and all criteria for acceptance have been satisfied.

Progress billings to the customer for consultancy contracts are based on a payment schedule in the contract that is dependent on the achievement of specified milestones. If the value of the consultancy services rendered exceeds payments received from the customer, a contract asset is recognised. Invoices for rendering of other services are issued upon completion of services and payable within the agreed credit term days given to the customer. The period between satisfaction of performance obligation and payment by customer is not expected to exceed a year. Hence, the Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component.

No adjustment is made to the transaction price for time value of money as the contracts do not include significant financing component.

The estimation of the allowance for expected losses on long-term consultancy contracts requires management to prepare cost estimates to complete such contracts, and in making such estimates, judgments are required to evaluate contingencies such as potential variance in scheduling, staff costs, and the impact of change orders or liability claims. All known or anticipated losses based on these estimates are provided for in their entirety without regard to the stage of completion. These estimates are based on management’s business practices as well as historical experience and contractual arrangements with suppliers. The estimated total costs for each contract are reviewed on a regular basis by management in order to determine the cost to be recognised in profit or loss at each reporting date and to assess whether allowance for expected losses is required to be set up. Actual costs could differ from the estimates.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Group	
	2024	2023
	\$'000	\$'000
Trade receivables	450,803	437,146
Contract assets	442,501	427,737
Allowance for impairment losses	(17,498)	(10,573)
Net contract assets	425,003	417,164
Contract liabilities	(282,734)	(189,888)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on consultancy contracts and services rendered. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for consultancy contracts.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows.

	Contract assets		Contract liabilities	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	–	–	58,663	116,170
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	(163,049)	(114,779)
Recognition of receivables from prior year balance	(220,466)	(248,627)	–	–
Contract assets recognised, net of reclassification to trade receivables	243,704	262,133	–	–
Impairment loss on contract assets	(7,430)	(2,536)	–	–
Cumulative catch-up as a result of:				
- Changes in measurement of progress	7,931	(189)	(1,864)	(542)
- Changes in transaction price	4,182	3,450	(1,120)	67
- Contract modifications	(14,609)	22,949	6,971	311

As at 31 December 2024, amounts of \$3,800,000,000 (2023: \$3,100,000,000) were allocated to the performance obligations that are unsatisfied, or partially unsatisfied.

Variable consideration that is constrained and therefore not included in the transaction price is excluded from the amount presented above.

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

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

22 Other income

	Group	
	2024	2023
	\$'000	\$'000
Government grants	4,323	6,589
Dividend income	556	347
Management fee income	161	55
Gain on disposal of property, plant and equipment	114	–
Gain on lease modification or early termination of lease	631	–
Income from range and equipment rental	–	471
Recovery of expenses from customers	997	667
Others	4,589	3,557
	11,371	11,686

Government grants

In 2024, the Group received various government grants, such as support under the Progressive Wage Credit Scheme (“PWCS”), Senior Employment Credit (“SEC”) and CPF Transition Offset (“CTO”) in Singapore. The PWCS was introduced to provide transitional wage support for employers to adjust to mandatory wage increases for lower wage workers covered by the Progressive Wage and Local Qualifying Salary requirements as well as for employers to voluntarily raise wages of lower wage workers. SEC provides wage offsets to help employers that employ Singaporean workers adjust to the higher retirement age and re-employment age whilst the CTO alleviates the rise in business costs due to the increase in CPF contribution rates for senior workers.

23 Other expenses

		Group	
		2024	2023
		\$'000	\$'000
Amortisation of intangible assets (excluding computer software)		6,213	7,541
Impairment loss on goodwill	5	5,855	12,238
Impairment loss on intangible assets	5	4,294	–
Intangible assets written off		–	1,538
Impairment of investment in associate		23	–
Loss on disposal of property, plant and equipment		–	120
Loss on divestment of joint venture		–	60
Provision for arbitration award and related costs		3,251	–
Tax related fines and penalties		7,463	–
		<u>27,099</u>	<u>21,497</u>

24 Finance income and finance costs

		Group	
Note		2024	2023
		\$'000	\$'000
Interest income from banks		7,314	9,672
Gain on derivative financial instruments		–	1,038
Change in fair value of contingent consideration payable		–	5,266
Finance income		<u>7,314</u>	<u>15,976</u>
Interest and finance charges paid or payable for financial liabilities		(22,745)	(24,685)
Interest on lease liabilities		(30,844)	(24,321)
Unwinding of discount of contingent consideration payable		–	(6)
Unwinding of discount of provisions	19	(235)	(482)
Amortisation of capitalised borrowing transaction costs		(279)	(286)
Change in fair value of share-based payment liability	31	(555)	(301)
Loss on derivative financial instruments		(5,445)	–
Net foreign exchange loss		(2,784)	(7,096)
Finance costs		<u>(62,887)</u>	<u>(57,177)</u>
Net finance costs recognised in profit or loss		<u>(55,573)</u>	<u>(41,201)</u>

25 Tax expense

	Group	
	2024	2023
	\$'000	\$'000
Current tax expense		
Current year	44,064	43,573
Under/(Over) provision in respect of prior years	7,376	(1,626)
	<u>51,440</u>	<u>41,947</u>
 Withholding tax	 6,245	 5,983
Deferred tax credit		
Origination and reversal of temporary differences	(15,022)	(22,105)
Under provision in respect of prior years	10,697	3,503
	<u>(4,325)</u>	<u>(18,602)</u>
 Total tax expense	 <u>53,360</u>	 <u>29,328</u>
 Reconciliation of effective tax rate		
(Loss)/Profit before tax	<u>(31,023)</u>	<u>52,677</u>
 Tax using Singapore tax rate of 17% (2023: 17%)	 (5,274)	 8,955
Effect of tax rates in foreign jurisdictions	14,982	9,054
Income not subject to tax	(734)	(4,724)
Non-deductible expenses	18,241	9,714
Withholding tax	6,245	5,983
Utilisation of previously unrecognised tax losses and temporary differences	(164)	(1,186)
Deferred tax assets not recognised	6,517	1,806
Tax effect on share of loss/(profit) of associates	128	(86)
Tax effect on share of profit of joint ventures	(921)	(57)
Tax incentives	(3,733)	(2,008)
Under provision in respect of prior years	18,073	1,877
	<u>53,360</u>	<u>29,328</u>

In the current financial year, the Group benefitted from various tax incentives such as the Mergers and Acquisitions Allowance (“M&A”) scheme and tax deductions on qualifying R&D expenditure.

Under the M&A scheme, an allowance will be granted to a company that acquires the ordinary shares of another company during the period 1 April 2010 to 31 December 2030. The M&A allowance rate is 25% of the value of acquisition and the maximum allowance is capped at \$10 million for all qualifying share acquisitions in the basis period for each year of assessment.

Global minimum tax under Pillar Two

The Base Erosion and Profit Shifting (“BEPS”) Pillar Two model rules are applicable to the Group as the Group’s consolidated revenue is in excess of EUR 750 million. Singapore, where the Company is incorporated, will implement the Domestic Top-up Tax and Income Inclusion Rule under Pillar Two model rules for in-scope businesses from financial year beginning on or after 1 January 2025.

Under the Pillar Two model rules, the Pillar Two Effective Tax Rate (“ETR”) is assessed on a jurisdictional basis and top-up tax is payable if the jurisdictional ETR is below 15%. Transitional Country-by-Country Safe Harbour rules (“TCSH”) have also been developed to provide temporary relief from compliance obligations during the initial implementation period. Under the TCSH, the top-up tax for such jurisdiction is deemed to be zero if certain tests can be met for the selected jurisdiction.

Certain jurisdictions where the Group operates have implemented the Pillar Two legislation with effect from 1 January 2024. As of 31 December 2024, the Group has assessed on a high-level basis that these jurisdictions have either met the tests under TCSH or no material top-up tax was required. Accordingly, no material tax provision has been recognised for the financial year ended 31 December 2024.

The Group continues to monitor and evaluate the domestic implementation of the Pillar Two rules in the jurisdictions in which it operates. The implementation of legislation that is enacted or substantively enacted but not yet in effect is not expected to have a material impact on the Group’s global effective tax rate for FY2024.

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.

26 (Loss)/Profit for the year

The following items have been included in arriving at (loss)/profit for the year:

	Note	Group 2024 \$’000	Group 2023 \$’000
Audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited		(1,859)	(1,867)
- other auditors		(600)	(661)
Non-audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited		(438)	(323)
- other auditors		(89)	(43)
Amortisation of intangible assets, included in other expenses		(6,213)	(7,541)

		Group	
	Note	2024	2023
		\$'000	\$'000
Amortisation of intangible assets, included in administrative expenses		(2,351)	(1,577)
Depreciation of property, plant and equipment and right-of-use assets	4, 27	(70,614)	(61,795)
Impairment loss on intangible assets and goodwill	5	(10,149)	(12,238)
		<hr/>	<hr/>
Employee benefits expense			
Salaries, bonuses and other costs		(1,300,303)	(1,212,793)
Contributions to defined contribution plans		(56,231)	(54,973)
Termination benefits		(6,509)	(4,630)
Expenses related to defined benefits plan	17	(1,372)	(667)
		<hr/>	<hr/>
		(1,364,415)	(1,273,063)

Non-audit fees paid to auditors of the Company and other firms affiliated with KPMG International Limited include audit-related services of \$9,000 (2023: \$9,000).

27

Leases

Leases as lessee

The Group leases a number of offices in the countries it operates in. These leases run for a period between 1 and 28 years, with an option to renew the lease after that date. The Group also has lease contracts for various items of plant and equipment, furniture and fittings, office equipment and machinery, computer equipment and motor vehicles used in its operations. These leases generally have lease terms between 2 and 6 years.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Group	Land \$'000	Building and property \$'000	Plant and equipment \$'000	Furniture and fittings \$'000	Office equipment and machinery \$'000	Computer equipment \$'000	Motor vehicles \$'000	Total \$'000
At 1 January 2023	2,087	208,940	15	435	310	1,893	2,688	216,368
Additions to right-of-use assets	–	559,460	–	154	–	1,440	4,637	565,691
Derecognition of right-of-use assets	–	(3,349)	–	–	–	–	(21)	(3,370)
Depreciation charge for the year	(90)	(45,224)	(8)	(281)	(106)	(1,575)	(2,811)	(50,095)
Effect of movement in exchange rates	–	(882)	–	–	–	(7)	(15)	(904)
At 31 December 2023	1,997	718,945	7	308	204	1,751	4,478	727,690
At 1 January 2024	1,997	718,945	7	308	204	1,751	4,478	727,690
Additions to right-of-use assets	–	14,594	1,280	–	–	689	3,667	20,230
Derecognition of right-of-use assets	–	(1,323)	(4)	–	–	(10)	(1)	(1,338)
Depreciation charge for the year	(90)	(47,340)	(76)	(383)	(103)	(1,365)	(3,137)	(52,494)
Effect of movement in exchange rates	–	(2,886)	–	123	(2)	(74)	(142)	(2,981)
At 31 December 2024	1,907	681,990	1,207	48	99	991	4,865	691,107

Company	Office equipment and machinery \$'000
At 1 January 2023	1
Depreciation charge for the year	(1)
At 31 December 2023	—

Amounts recognised in profit or loss

	Group	
	2024 \$'000	2023 \$'000
Depreciation charge of right-of-use assets	52,494	50,095
Interest expense on lease liabilities	30,844	24,321
Expenses relating to short-term leases	13,941	10,133
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	777	1,075

Amounts recognised in statement of cash flows

	2024 \$'000	2023 \$'000
Total cash outflow for leases	75,404	67,851

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

In respect of those whose extension options were not included in the initial recognition of lease liabilities up to 31 December 2024, the Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of \$42,950,000 (2023: \$32,197,000).

28 Commitments

A subsidiary has commitments to incur capital expenditure of \$5,782,000 (2023: \$5,782,000) for the development of computer software.

29 Contingencies

Australian Federal Police (“AFP”) Investigation and Australian Securities and Investments Commission (“ASIC”) Investigations

Since April 2015, the Group has become aware that the AFP had commenced investigations regarding a small number of institutionally funded projects in which SMEC subgroup was involved, in relation to suspected misconduct. Since April 2015, the Group also became aware that ASIC is investigating suspected breaches of certain sections of the Corporations Act and the ASIC Act 2001.

The AFP and ASIC investigations are ongoing, however matters of this nature may take some time to resolve. SMEC subgroup retained an external law firm to conduct an independent investigation into the project activities in question, and also to provide legal advice. The Group continues to cooperate with the AFP and ASIC in their investigations.

Based on its ongoing review of the matter, management has concluded that there is no obligation to recognise a provision in the statement of financial position as at 31 December 2024.

Costs totalling \$200,000 (2023: \$280,000) in relation to the above independent investigation are included in administrative expenses in the consolidated statement of profit or loss for the year ended 31 December 2024.

Other contingent liabilities

The Group has claims arising in the ordinary course of business which are being contested, the outcome of which are not presently determinable. At the reporting date, the Group has considered the probability of outflows of economic benefits pertaining to these claims to be remote. The Group continues to monitor the status of the claims.

30 Related parties

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

Transactions with key management personnel

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors of the Company and senior executive officers of the Group. Key management personnel compensation comprised:

	Group	
	2024	2023
	\$'000	\$'000
Short-term employee benefits	40,930	32,749
Post-employment benefits (including CPF)	1,302	1,713
Other long-term benefits	—	762
	42,232	35,224

Other related party transactions

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out by the Group with its related parties at terms agreed between the parties:

	Group	
	2024	2023
	\$'000	\$'000
Related corporations		
Purchases	(778)	(1,542)
Sales	42,190	39,739
	42,190	39,739

31 Cash-settled share-based payment transaction

In February 2017, a subsidiary of the Group issued shares to a third party entity that resulted in the dilution of the Group's interest in the Group subsidiary without loss of control. The immediate holding company of the Group subsidiary also entered into put-and-call options to acquire equity of the third party in 7 years or in the event of certain triggering events.

This transaction was accounted for as a cash-settled share-based payment transaction. A share-based payment liability associated with the put-and-call options was initially recognised at fair value of \$2,488,000 and share-based payment expense of \$800,000 was recognised in profit or loss at the transaction date. The share-based payment liability was remeasured at fair value of \$1,726,000 (2023: \$1,275,000) as at 31 December 2024. The fair value loss of \$555,000 (2023: \$301,000) was recognised in profit or loss.

The fair value of the share-based payment liability is measured using the Black-Scholes formula.

The inputs used in the measurement of the fair values at transaction date and measurement date are as follows:

	Transaction date	Measurement date	Measurement date	Measurement date
	23 February 2017	31 December 2022	31 December 2023	31 December 2024
Fair value	2,488	975	1,275	1,726
Spot price	10,335	5,417	6,005	6,390
Strike price	4,274	6,430	5,674	4,743
Time to maturity (in years)	10	4	3	2
Volatility	15%	36%	32%	29%
Risk-free rate	7.73%	8.40%	8.00%	7.60%
Dividend yield (ave)	8.46%	7.00%	7.00%	7.00%

32 Operating segments

Prior to 2024, the Group's performance was measured by geographical segments. During the current year, arising from an organisation structure change, the Group changed its performance measure to be based on business lines to better reflect the underlying business operation. The comparative information for reportable segments has been re-presented accordingly.

The Group has the following strategic business lines, which are its reportable segments. These business lines are managed separately as they offer services across different sectors. Management, comprising Group Chief Executive Officer (GCEO), Chief Executives (CEs) of the operating units, Chief Operating Officer and Chief Transformation Officer (COO & CTO) and Chief People & Culture Officer (CPCO), reviews internal management reports of these operating segments on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

Consultancy services offered in different business lines based on resources deployed:

- Buildings + Cities
- Infrastructure + Energy
- Integrated Solutions

Information regarding the results of each reportable segment is included below. Performance is measured based on segment management EBIT, as included in the internal management reports that are reviewed by management.

Information about reportable segments

Group	2023				Total \$'000
	Buildings + Cities \$'000	Infrastructure + Energy \$'000	Integrated Solutions \$'000	Elimination/ Others \$'000	
Revenue	666,340	833,287	705,601	(50,611)	2,154,617
Management EBIT	34,454	78,867	47,585	(5,052)	155,854

Group	2023				Total \$'000
	Buildings + Cities \$'000	Infrastructure + Energy \$'000	Integrated Solutions \$'000	Elimination/ Others \$'000	
Revenue	657,905	878,711	809,851	(66,635)	2,279,832
Management EBIT	(24,220)	68,452	55,059	(8,408)	90,883

Reconciliations of reportable segment revenues and profit or loss to SFRS(I) measures

	Group	
	2024 \$'000	2023 \$'000
Revenue		
Total revenue for reportable segments	2,346,467	2,205,228
Revenue for other segments	37,283	65,223
Elimination of inter-segment revenue	(103,918)	(115,834)
Total revenue	2,279,832	2,154,617
Profit or loss before tax		
Total management EBIT for reportable segments	99,291	160,906
Management EBIT for other segments	(4,093)	(3,202)
Elimination of inter-segment management EBIT	(4,315)	(1,850)
Unallocated corporate or support costs	(60,196)	(52,103)
Net finance costs	(55,573)	(41,201)
Amortisation of intangibles arising from acquisitions	(4,529)	(6,337)
Net non-operating expenses	(995)	(6,089)
Others	(613)	2,553
Net (loss)/profit before tax	(31,023)	52,677

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of projects and segment non-current assets are based on the geographical location of the assets.

	Group	
	2024	2023
	\$'000	\$'000
Revenue		
Singapore	1,061,933	993,959
Australia	564,126	539,121
United Kingdom	82,221	80,205
Saudi Arabia	143,791	110,919
United Arab Emirates	33,751	21,881
South Africa	71,565	58,694
Bangladesh	36,518	47,098
India	29,553	27,905
Other countries	256,374	274,835
Consolidated revenue	2,279,832	2,154,617
Non-current assets ⁽ⁱ⁾		
Singapore	923,948	946,301
Australia	298,389	327,904
Other countries	101,617	102,372
	1,323,954	1,376,577

(i) Non-current assets exclude other investments, deferred tax assets, derivative financial assets and trade and other receivables.

33 Comparative figures

In addition to the change in operating segments as disclosed in note 32, during the current year, the Group has classified non-chargeable time costs for professional staff in “administrative expenses” to “cost of sales” in the consolidated statement of profit or loss to better reflect the underlying nature of these expenses. These costs were previously classified as “administrative expenses”. Comparative amounts were reclassified to conform with current year’s presentation, which resulted in \$33,377,000 being reclassified from “administrative expenses” to “cost of sales”.

This reclassification did not have any effect on the statement of financial position as at 1 January 2023 and 31 December 2023 and the statement of cash flows for the financial year ended 31 December 2023.