



SEMBCORP INDUSTRIES LTD
Registration Number: 199802418D

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT
FOR THE SECOND HALF AND FULL YEAR ENDED DECEMBER 31, 2024**

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UNAUDITED RESULTS FOR THE SECOND HALF AND FULL YEAR ENDED DECEMBER 31, 2024

The Board of Directors of Sembcorp Industries Ltd wishes to announce the following unaudited results of the Group for the second half and full year ended December 31, 2024.

1. CONSOLIDATED INCOME STATEMENT

	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
<i>(S\$ million)</i>							
Continuing operations:							
Turnover	2a	3,209	3,384	(5)	6,417	7,042	(9)
Cost of sales		(2,431)	(2,643)	(8)	(4,912)	(5,469)	(10)
Gross profit		778	741	5	1,505	1,573	(4)
General & administrative expenses		(265)	(224)	18	(476)	(432)	10
Other operating income, net		60	18	233	77	36	114
Non-operating income		49	15	227	186	148	26
Non-operating expenses		(13)	(5)	160	(13)	(7)	86
Finance income	2d	13	28	(54)	27	57	(53)
Finance costs	2d	(192)	(204)	(6)	(372)	(409)	(9)
Share of results of associates and joint ventures, net of tax	2e	164	118	39	317	264	20
Profit before tax		594	487	22	1,251	1,230	2
Tax expense	2f	(99)	(61)	62	(206)	(182)	13
Profit from continuing operations	2c	495	426	16	1,045	1,048	*
Loss from discontinued operation, net of tax	7c	(9)	–	NM	(9)	(78)	(88)
Profit for the period / year		486	426	14	1,036	970	7
Attributable to:							
Owners of the Company							
Profit from continuing operations		480	412	17	1,020	1,020	–
Loss from discontinued operation	7c	(9)	–	NM	(9)	(78)	(88)
Profit attributable to owners of the Company		471	412	14	1,011	942	7
Non-controlling interests (NCI)		15	14	7	25	28	(11)
Profit for the period / year		486	426	14	1,036	970	7

* Denotes amount of less than S\$1 million or less than 1%
 NM Not meaningful

1. CONSOLIDATED INCOME STATEMENT (Cont'd)

	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
Earnings per ordinary share (cents)							
- basic	2g	26.41	23.12	14	56.72	52.83	7
- diluted	2g	26.03	22.76	14	55.83	51.99	7
Earnings per ordinary share (cents) – Continuing operations							
- basic	2g	26.91	23.12	16	57.23	57.21	*
- diluted	2g	26.52	22.76	17	56.32	56.29	*

RECONCILIATION OF NET PROFIT FROM CONTINUING OPERATIONS BEFORE EXCEPTIONAL ITEMS FOR PERFORMANCE REVIEW (NOTE 4c)

		GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
<i>(S\$ million)</i>							
Attributable to:							
Owners of the Company							
Profit from continuing operations		480	412	17	1,020	1,020	–
Less: Exceptional items (EI), net of tax		7	4	75	(1)	(2)	(50)
Profit from continuing operations before EI		487	416	17	1,019	1,018	*
Loss from discontinued operation	7c	(9)	–	NM	(9)	(78)	(88)
Net profit before EI		478	416	15	1,010	940	7

Exceptional Items, net of tax (EI)

	Note	GROUP		GROUP	
		2H2024	2H2023	FY2024	FY2023
<i>(S\$ million)</i>					
Gain on liquidation of investments, net	2c	3	–	3	5
Gain on bargain purchase	2c	–	*	8	1
Change in fair value of contingent consideration	2c	(4)	–	(4)	–
Restructuring expense		–	(4)	–	(4)
Impairment of investments	2c	(6)	–	(6)	–
Total exceptional items – (expense) / income		(7)	(4)	1	2

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT

The information in the notes to the consolidated income statement is for the Group's continuing operations. Details of the discontinued operation are shown in Note 7c.

2a. Turnover and disaggregation of revenue

The Group's continuing operations are grouped under five main segments, namely Gas and Related Services, Renewables, Integrated Urban Solutions, Decarbonisation Solutions and Other Businesses and Corporate. Please refer to Note 4a for details.

(\$ million)	Gas and Related Services	Renew- ables	Integrated Urban Solutions	Decarb- onisation Solutions	Other Business- es and Corporate	Elimi- nation	Total
2H2024							
Turnover							
External sales	2,299	375	222	31	282	–	3,209
Inter-segment sales	30	14	23	5	5	(77)	–
Total	2,329	389	245	36	287	(77)	3,209
Major product / service lines							
Provision of energy products and related services (including electricity, gas and steam)	2,059	352	–	–	*	–	2,411
Provision of water products, reclamation of water and industrial wastewater treatment	73	–	93	–	–	–	166
Solid waste management	2	–	106	–	–	–	108
Service concession revenue	103	–	3	–	–	–	106
Construction and engineering related activities	–	–	–	–	268	–	268
Others	62	23	15	31	14	–	145
Total revenue from contracts with customers	2,299	375	217	31	282	–	3,204
Rental income	–	–	5	–	–	–	5
Total external sales	2,299	375	222	31	282	–	3,209
Timing of revenue recognition							
Over time	2,297	375	211	–	271	–	3,154
At a point in time	2	*	6	31	11	–	50
Total revenue from contracts with customers	2,299	375	217	31	282	–	3,204
2H2023							
Turnover							
External sales	2,599	329	212	11	233	–	3,384
Inter-segment sales	23	*	13	3	6	(45)	–
Total	2,622	329	225	14	239	(45)	3,384
Major product / service lines							
Provision of energy products and related services (including electricity, gas and steam)	2,356	312	–	–	*	–	2,668
Provision of water products, reclamation of water and industrial wastewater treatment	66	–	96	–	–	–	162
Solid waste management	*	–	96	–	–	–	96
Service concession revenue	123	–	7	–	–	–	130
Construction and engineering related activities	–	–	–	–	215	–	215
Others	54	17	9	11	18	–	109
Total revenue from contracts with customers	2,599	329	208	11	233	–	3,380
Rental income	–	–	4	–	–	–	4
Total external sales	2,599	329	212	11	233	–	3,384
Timing of revenue recognition							
Over time	2,599	323	202	–	219	–	3,343
At a point in time	–	6	6	11	14	–	37
Total revenue from contracts with customers	2,599	329	208	11	233	–	3,380

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2a. Turnover and disaggregation of revenue (Cont'd)

<i>(\$ million)</i>	Gas and Related Services	Renew- ables	Integrated Urban Solutions	Decarb- onisation Solutions	Other Business- es and Corporate	Elimi- nation	Total
FY2024							
Turnover							
External sales	4,637	746	431	53	550	–	6,417
Inter-segment sales	57	18	44	8	12	(139)	–
Total	4,694	764	475	61	562	(139)	6,417
Major product / service lines							
Provision of energy products and related services (including electricity, gas and steam)	4,150	706	–	–	*	–	4,856
Provision of water products, reclamation of water and industrial wastewater treatment	136	–	182	–	–	–	318
Solid waste management	5	–	211	–	–	–	216
Service concession revenue	232	–	10	–	–	–	242
Construction and engineering related activities	–	–	–	–	511	–	511
Others	114	40	19	53	39	–	265
Total revenue from contracts with customers	4,637	746	422	53	550	–	6,408
Rental income	–	–	9	–	*	–	9
Total external sales	4,637	746	431	53	550	–	6,417
Timing of revenue recognition							
Over time	4,634	741	409	–	518	–	6,302
At a point in time	3	5	13	53	32	–	106
Total revenue from contracts with customers	4,637	746	422	53	550	–	6,408
FY2023							
Turnover							
External sales	5,457	703	418	16	448	–	7,042
Inter-segment sales	50	1	17	5	11	(84)	–
Total	5,507	704	435	21	459	(84)	7,042
Major product / service lines							
Provision of energy products and related services (including electricity, gas and steam)	4,980	665	–	–	*	–	5,645
Provision of water products, reclamation of water and industrial wastewater treatment	135	–	187	–	–	–	322
Solid waste management	*	–	196	–	–	–	196
Service concession revenue	240	–	14	–	–	–	254
Construction and engineering related activities	–	–	–	–	409	–	409
Others	102	38	14	16	39	–	209
Total revenue from contracts with customers	5,457	703	411	16	448	–	7,035
Rental income	–	–	7	–	–	–	7
Total external sales	5,457	703	418	16	448	–	7,042
Timing of revenue recognition							
Over time	5,457	673	399	–	416	–	6,945
At a point in time	–	30	12	16	32	–	90
Total revenue from contracts with customers	5,457	703	411	16	448	–	7,035

The Group reported S\$3.2 billion in turnover for 2H2024, 5% lower than S\$3.4 billion in 2H2023. FY2024 turnover was at S\$6.4 billion for FY2024, 9% lower than S\$7.0 billion in FY2023. The decrease in turnover was mainly attributed to lower contributions from the Gas and Related Services segment due to planned major maintenance, lower gas offtake, lower gas prices and pool prices in Singapore, as well as lack of scarcity events and lower power prices in the United Kingdom (UK). However, this was partially offset by an increase in turnover in the Renewables as well as Other Businesses and Corporate segments.

The increase in the turnover for the Renewables segment was attributable to the acquisitions in India and Vietnam and increased operational capacity. Turnover for the Other Businesses and Corporate segment increased due to higher activities in the specialised construction business.

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2b. Breakdown of sales

	GROUP		
	FY2024	FY2023	+ / (-) %
<i>(S\$ million)</i>			
Reported in First Half Year			
(i) Sales	3,208	3,658	(12)
(ii) Profit after tax before deducting NCI for continuing operations	550	622	(12)
(iii) Profit after tax before deducting NCI	550	544	1
Reported in Second Half Year			
(i) Sales	3,209	3,384	(5)
(ii) Profit after tax before deducting NCI for continuing operations	495	426	16
(iii) Profit after tax before deducting NCI	486	426	14

2c. Profit for the period / year

Profit for the period / year includes:

	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
<i>(S\$ million)</i>							
Expenses							
Materials	(i)	(1,588)	(1,790)	(11)	(3,309)	(3,900)	(15)
Depreciation and amortisation	(ii)	(228)	(236)	(3)	(450)	(454)	(1)
Sub-contract cost	(iii)	(237)	(213)	11	(465)	(408)	14
Repair and maintenance	(iv)	(40)	(59)	(32)	(84)	(133)	(37)
Carbon tax allowance	(v)	(40)	(32)	25	(85)	(52)	63
Impairment and write-off of assets		(5)	(10)	(50)	(7)	(12)	(42)
(Allowance for) / Write back of allowance for inventory obsolescence, net		(1)	8	NM	1	7	(86)
Allowance for expected credit loss, net	(vi)	(18)	(16)	13	(7)	(20)	65
Write back of provision for remediation of legacy sites	(vii)	7	2	250	7	2	250
Other operating income / (expenses), net							
Foreign exchange gain / (loss), net		3	4	(25)	(16)	(7)	129
Changes in fair value of financial instruments	(viii)	(3)	(8)	(63)	19	1	NM
Grant income (income related)		2	2	–	3	6	(50)
Other income	(ix)	58	20	190	71	36	97
Non-operating income and (expenses)							
DPN ¹ income	(x)	41	11	273	169	133	27
Gain on disposal of other financial assets		3	2	50	5	5	–
Disposal / Liquidation gain on disposal of subsidiaries		2	–	NM	2	–	NM
Gain on disposal of associate		1	–	NM	1	5	(80)
Dividend income		1	2	(50)	1	2	(50)
Gain on disposal of joint venture		*	–	NM	*	–	NM
Gain on bargain purchase	(xi)	–	–	–	8	–	NM
Change in fair value of other financial assets		(2)	(5)	(60)	(3)	(5)	(40)
Change in fair value of contingent consideration	(xii)	(4)	–	NM	(4)	–	NM
Impairment of investments	(xiii)	(6)	–	NM	(6)	–	NM

¹ DPN denotes deferred payment note, which is the consideration receivable for the disposal of Sembcorp Energy India Limited (SEIL) in January 2023

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2c. Profit for the period / year (Cont'd)

- (i) The decrease in materials costs for 2H2024 was attributable to lower gas and power costs from the Gas and Related Services segment in Singapore and the UK, as well as a decrease in generation in the UK.
- (ii) The depreciation and amortisation amount for 2H2024 was marginally lower than that of 2H2023. This was due to lower depreciation in the Gas and Related Services segment, where assets in Singapore had been fully depreciated in 2023 and 1H2024 (to align with the timing of equipment replacement as part of the planned major maintenance). This was offset by an increase in the Renewables segment, resulting from new capacities and acquisitions.
- (iii) The sub-contract cost increase in 2H2024 corresponded to the higher business activities of the specialised construction business.
- (iv) The decrease in repair and maintenance cost in 2H2024 was mainly from the Gas and Related Services segment in Singapore (post major inspection) and United Kingdom (UK) (lower generation).

For FY2024, the cost incurred for the planned major maintenance of the cogeneration plant in Singapore, which ensured the continued efficiency of the asset, was capitalised.

- (v) The amount relates to the cost of compliance under Singapore's carbon tax, UK Emissions Trading Scheme (UK ETS) and UK Carbon Price Support (CPS) mechanism.
- (vi) The 2H2024 amount included an ECL allowance of S\$22 million for the subsidy receivables of renewables assets in China. As receipt of the subsidy receivables is awaiting final verification results from regulators, the provision takes into consideration the present-value of the outstanding subsidy receivables, based on management's best estimate of timing of receipts.

The expected credit loss provided in 2H2023 and FY2023 were mainly for the service concession receivables of Sembcorp Myingyan Power Company Limited (SMPC).

- (vii) The amount pertains to the writeback of excess provision no longer required from the Gas and Related Services segment in the UK.
- (viii) Changes in the fair value of financial instruments were mainly from forward foreign exchange contracts and non-deliverable forwards used for managing the Group's foreign currency exposures. The corresponding net effects from the revaluation of assets and liabilities in foreign currencies were recorded under foreign exchange gain / (loss), net.
- (ix) Other income in 2H2024 includes a one-off settlement with vendors and insurers for generation losses (including performance delays) and higher operating costs, totaling S\$34 million, as well as the settlement of options for hedging of receivables amounting to S\$8 million. Other income also includes a corporate guarantee fee, dispute settlements, late payment fee income and rental income, totaling S\$16 million (2H2023: S\$17 million).
- (x) The fair value of the DPN in 2H2024 recorded a gain of S\$41 million. This includes a foreign exchange loss of S\$36 million. The fair value of DPN in 2H2023 included a foreign exchange loss of S\$84 million.
- (xi) The amount relates to a gain on bargain purchase on the acquisition of two Special Purpose Vehicles (SPVs) of Leap Green in India.
- (xii) Change in fair value of contingent consideration for past acquisition in India upon collection of certain receivables.
- (xiii) 2H2024 amount pertains to the full impairment of a joint venture in Singapore and an investment in Vietnam, for project expenses incurred.

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2d. Finance income and finance costs

(S\$ million)	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
Finance income		13	28	(54)	27	57	(53)
Finance costs	(i)	(192)	(204)	(6)	(372)	(409)	(9)
<u>Included in finance costs: -</u>							
Interest paid and payable to banks and others		(179)	(191)	(6)	(348)	(384)	(9)
Fair value changes of derivatives	(ii)	3	2	50	5	4	25
Amortisation of capitalised transaction costs		(5)	(6)	(17)	(9)	(12)	(25)
Interest expense on lease liabilities		(7)	(6)	17	(13)	(11)	18
Unwind of accretion on restoration costs and financing components from contracts with customers		(4)	(3)	33	(7)	(6)	17

- (i) Lower interest expenses in 2H2024 were driven by lower interest rates, despite a higher average principal due to funding growth.
- (ii) Fair value changes of derivatives were mainly from interest rate swaps and cross-currency swaps used for managing the Group's interest costs.

2e. Share of results of associates and joint ventures, net of tax

The Group's share of results of associates and joint ventures was S\$164 million for 2H2024. The net increase was mainly attributable to the better performance from the Urban businesses, on higher land sales in Vietnam and Indonesia. There was also contribution arising from the 30% interest in Senoko Energy, through the acquisition of the 100% interest in TWMB Holdings B.V. (TWMB) in November 2024.

2f. Tax expense

(S\$ million)	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
Current tax expense							
Current year		98	95	3	170	192	(11)
Overprovision in prior years	(i)	(15)	(37)	(59)	(28)	(36)	(22)
Foreign withholding tax		(2)	7	NM	3	12	(75)
Deferred tax expense							
Movements in temporary differences		4	(2)	NM	34	19	79
Under / (Over) provision in prior years	(i)	8	(3)	NM	21	(6)	NM
Effect of changes in tax rate	(ii)	*	1	NM	*	1	NM
Land appreciation tax expense							
Current year		6	-	NM	6	-	NM
Tax expense		99	61	62	206	182	13

The effective tax rate for the Group's continuing operations for FY2024 was 22% (FY2023: 19%). The higher effective tax rate in FY2024 was mainly due to capital expenditure (including funding costs) that are not tax deductible.

- (i) The overprovision of the current tax was mainly related to tax optimisation through Group Tax Relief and writeback of tax provisions including those that were time-barred.
- (ii) This is related to the enactment of UK corporation tax rate from 19% to 25%, which took effect from 2023.

2. NOTES TO THE CONSOLIDATED INCOME STATEMENT (Cont'd)

2f. Tax expense (Cont'd)

International Tax Reform – Pillar Two

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

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

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

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

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

2g. Earnings per ordinary share

Note	GROUP			GROUP		
	2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
Earnings per ordinary share (cents)						
(i) Based on the weighted average number of shares (in Singapore cents)	26.41	23.12	14	56.72	52.83	7
- Weighted average number of shares (in million)	1,783.5	1,781.7	*	1,782.4	1,783.0	*
(ii) On a fully diluted basis (in Singapore cents)	26.03	22.76	14	55.83	51.99	7
- Adjusted weighted average number of shares (in million)	1,809.7	1,809.5	*	1,811.0	1,812.0	*
Earnings per ordinary share (cents) – Continuing operations						
(i) Based on the weighted average number of shares (in Singapore cents)	26.91	23.12	16	57.23	57.21	*
- Weighted average number of shares (in million)	1,783.5	1,781.7	*	1,782.4	1,783.0	*
(ii) On a fully diluted basis (in Singapore cents)	26.52	22.76	17	56.32	56.29	*
- Adjusted weighted average number of shares (in million)	1,809.7	1,809.5	*	1,811.0	1,812.0	*

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(S\$ million)	Note	GROUP			GROUP		
		2H2024	2H2023	+ / (-) %	FY2024	FY2023	+ / (-) %
Profit for the period / year		486	426	14	1,036	970	7
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation differences for foreign operations	(i)	(3)	(127)	(98)	33	(154)	NM
Exchange differences on monetary items forming part of net investment in foreign operation		*	(1)	NM	1	2	(50)
Net change in fair value of cash flow hedges	(ii)	(24)	(53)	(55)	8	(56)	NM
Net change in fair value of cash flow hedges reclassified to profit or loss		(9)	(11)	(18)	(30)	(3)	NM
Realisation of reserves upon disposal of assets held for sale	7c	-	-	-	-	133	NM
Realisation of reserves upon disposal of investments		(2)	-	NM	(2)	4	NM
Share of other comprehensive income of associates and joint ventures	(iii)	12	(10)	NM	18	1	NM
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary		5	1	NM	5	1	NM
Income tax relating to these items		4	11	(64)	4	11	(64)
		(17)	(190)	(91)	37	(61)	NM
Items that may not be reclassified subsequently to profit or loss:							
Defined benefit plan actuarial gains and losses		(9)	(11)	(18)	(9)	(11)	(18)
Change in fair value of financial assets at fair value through other comprehensive income (FVOCI)		(4)	(11)	(64)	1	(6)	NM
Income tax relating to these items		2	2	-	2	2	-
Other comprehensive (loss) / income		(28)	(210)	(87)	31	(76)	NM
Total comprehensive income for the period / year		458	216	112	1,067	894	19
Attributable to:							
Owners of the Company		444	209	112	1,039	874	19
NCI		14	7	100	28	20	40
Total comprehensive income for the period / year		458	216	112	1,067	894	19
Total comprehensive income attributable to owners of the Company:							
From continuing operations		444	209	112	1,039	819	27
From discontinued operation		-	-	-	-	55	NM
		444	209	112	1,039	874	19

3a. Notes to Consolidated Statement of Comprehensive Income

- (i) The negative change in foreign currency translation reserve (FCTR) for 2H2023 was attributable to the depreciation of the Indian Rupee (INR) and Renminbi (RMB) against the Singapore dollar.
- (ii) Fair value changes were mainly due to mark-to-market changes from foreign exchange forward contracts, foreign currency swaps, fuel oil swaps and interest rate swaps.
- (iii) These mainly related to share of associates and joint ventures' changes in fair value on fuel oil swaps and interest rate swaps.

4. SEGMENTAL REPORTING

(i) Operating segments

2H2024

	Continuing Operations						Total
	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimi- nation	
<i>(S\$ million)</i>							
Turnover							
External sales	2,299	375	222	31	282	–	3,209
Inter-segment sales	30	14	23	5	5	(77)	–
Total	2,329	389	245	36	287	(77)	3,209
Results							
Earnings before interest, taxes, depreciation and amortisation ² (EBITDA)	480	286	79	(9)	12	(3)	845
Share of results of associates and joint ventures, net of tax	71	15	78	*	*	–	164
Adjusted EBITDA	551	301	157	(9)	12	(3)	1,009
Depreciation and amortisation	(70)	(123)	(29)	*	(6)	–	(228)
Other non-cash (expenses) / income:							
– Allowance for impairment in value of assets and assets written off, net	2	(4)	(1)	–	(4)	–	(7)
– Others	–	*	–	*	(1)	–	(1)
Finance income	18	4	6	–	25	(40)	13
Finance costs	(37)	(90)	(5)	*	(100)	40	(192)
Profit / (Loss) before tax	464	88	128	(9)	(74)	(3)	594
Tax (expense) / credit	(70)	(12)	(20)	2	1	–	(99)
NCI	(6)	(3)	(6)	–	*	–	(15)
Profit attributable to owners of the Company (Net Profit / (Loss)) from continuing operations	388	73	102	(7)	(73)	(3)	480
Loss from discontinued operation, net of tax							(9)
Net Profit							471
Capital expenditure	184	583	15	3	8	–	793

² Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off disclosed in Note 2c

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

4. SEGMENTAL REPORTING (Cont'd)

(i) Operating segments (Cont'd)

2H2023

	Continuing Operations						Total
	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimination	
<i>(S\$ million)</i>							
Turnover							
External sales	2,599	329	212	11	233	–	3,384
Inter-segment sales	23	*	13	3	6	(45)	–
Total	2,622	329	225	14	239	(45)	3,384
Results							
EBITDA	507	251	65	(8)	(15)	(4)	796
Share of results of associates and joint ventures, net of tax	38	30	50	*	*	–	118
Adjusted EBITDA	545	281	115	(8)	(15)	(4)	914
Depreciation and amortisation	(101)	(100)	(29)	–	(6)	–	(236)
Other non-cash (expenses) / income:							
– Allowance for impairment in value of assets and assets written off, net	(5)	(2)	(3)	–	*	–	(10)
– Others	–	1	–	–	(6)	–	(5)
Finance income	31	6	11	1	47	(68)	28
Finance costs	(47)	(88)	(6)	*	(131)	68	(204)
Profit / (Loss) before tax	423	98	88	(7)	(111)	(4)	487
Tax expense	(43)	(17)	(11)	*	10	–	(61)
NCI	(6)	(3)	(5)	–	*	–	(14)
Net Profit / (Loss)	374	78	72	(7)	(101)	(4)	412
Capital expenditure	177	348	27	*	7	–	559

4. SEGMENTAL REPORTING (Cont'd)

(i) Operating segments (Cont'd)

FY2024

	Continuing Operations						Total
	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimi- nation	
<i>(S\$ millions)</i>							
Turnover							
External sales	4,637	746	431	53	550	–	6,417
Inter-segment sales	57	18	44	8	12	(139)	–
Total	4,694	764	475	61	562	(139)	6,417
Results							
EBITDA	908	565	141	(19)	144	(5)	1,734
Share of results of associates and joint ventures, net of tax	132	58	127	*	*	–	317
Adjusted EBITDA	1,040	623	268	(19)	144	(5)	2,051
Depreciation and amortisation	(142)	(235)	(61)	*	(12)	–	(450)
Other non-cash income / (expenses):							
– Gain on bargain purchase	–	8	–	–	–	–	8
– Allowance for impairment in value of assets and assets written off, net	2	(5)	(2)	–	(4)	–	(9)
– Others	–	*	–	*	(4)	–	(4)
Finance income	39	9	17	1	53	(92)	27
Finance costs	(73)	(174)	(11)	*	(206)	92	(372)
Profit / (Loss) before tax	866	226	211	(18)	(29)	(5)	1,251
Tax (expense) / credit	(127)	(36)	(30)	2	(15)	–	(206)
NCI	(12)	(4)	(9)	–	*	–	(25)
Profit / (Loss) from continuing operations	727	186	172	(16)	(44)	(5)	1,020
Loss from discontinued operation, net of tax							(9)
Net Profit							1,011
Capital expenditure	384	1,072	21	3	11	–	1,491

4. SEGMENTAL REPORTING (Cont'd)

(i) Operating segments (Cont'd)

FY2023

	Continuing Operations						Total
	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimination	
<i>(S\$ million)</i>							
Turnover							
External sales	5,457	703	418	16	448	–	7,042
Inter-segment sales	50	1	17	5	11	(84)	–
Total	5,507	704	435	21	459	(84)	7,042
Results							
EBITDA	1,088	514	120	(11)	82	(4)	1,789
Share of results of associates and joint ventures, net of tax	94	88	82	*	*	–	264
Adjusted EBITDA	1,182	602	202	(11)	82	(4)	2,053
Depreciation and amortisation	(190)	(198)	(54)	*	(12)	–	(454)
Other non-cash (expenses) / income:							
– Allowance for impairment in value of assets and assets written off, net	(7)	(2)	(3)	–	*	–	(12)
– Others	–	1	–	–	(6)	–	(5)
Finance income	55	16	20	1	91	(126)	57
Finance costs	(95)	(174)	(12)	*	(254)	126	(409)
Profit / (Loss) before tax	945	245	153	(10)	(99)	(4)	1,230
Tax expense	(124)	(39)	(19)	*	*	–	(182)
NCI	(12)	(8)	(8)	–	*	–	(28)
Profit / (Loss) from continuing operations	809	198	126	(10)	(99)	(4)	1,020
Loss from discontinued operation, net of tax							(78)
Net Profit							942
Capital expenditure	213	595	40	*	8	–	856

4. SEGMENTAL REPORTING (Cont'd)

(i) Operating segments (Cont'd)

As at December 31, 2024

<i>(S\$ million)</i>	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimination	Total
Assets							
Segment assets	4,531	8,237	1,370	48	3,908	(3,188)	14,906
Interests in associates and joint ventures	648	1,160	932	*	–	–	2,740
Tax assets	33	67	19	*	21	–	140
	5,212	9,464	2,321	48	3,929	(3,188)	17,786
Assets held for sale	–	3	389	–	–	–	392
Total assets	5,212	9,467	2,710	48	3,929	(3,188)	18,178
Liabilities							
Segment liabilities	2,495	6,614	372	18	5,244	(3,183)	11,560
Tax liabilities	338	367	13	*	93	–	811
	2,833	6,981	385	18	5,337	(3,183)	12,371
Liabilities held for sale	–	–	148	–	–	–	148
Total liabilities	2,833	6,981	533	18	5,337	(3,183)	12,519

As at December 31, 2023

<i>(S\$ million)</i>	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Business- es and Corporate	Elimination	Total
Assets							
Segment assets	4,844	6,272	1,440	51	3,589	(3,176)	13,020
Interests in associates and joint ventures	514	1,040	837	*	5	–	2,396
Tax assets	22	23	17	–	19	–	81
Total assets	5,380	7,335	2,294	51	3,613	(3,176)	15,497
Liabilities							
Segment liabilities	2,916	4,897	422	13	4,715	(3,172)	9,791
Tax liabilities	328	337	67	–	102	–	834
Total liabilities	3,244	5,234	489	13	4,817	(3,172)	10,625

4. SEGMENTAL REPORTING (Cont'd)

(ii) Geographical segments

(S\$ million)	Turnover – Continuing Operations							
	2H2024		2H2023		FY2024		FY2023	
		%		%		%		%
Singapore	2,355	73	2,551	75	4,754	74	5,297	75
UK	298	9	319	10	561	9	710	10
China ³	187	6	176	5	383	6	364	5
India	185	6	180	5	366	6	364	5
Rest of Asia	140	4	134	4	287	4	261	4
Middle East	26	1	24	1	48	1	44	1
Other countries ⁴	18	1	*	*	18	*	2	*
Total	3,209	100	3,384	100	6,417	100	7,042	100

(S\$ million)	Capital Expenditure – Continuing Operations							
	2H2024		2H2023		FY2024		FY2023	
		%		%		%		%
India	395	50	90	16	586	39	249	29
Singapore	298	37	239	43	533	36	326	38
Middle East	63	8	164	29	266	18	164	19
UK	18	2	45	8	82	6	83	10
China ³	13	2	20	4	18	1	32	4
Rest of Asia	5	1	1	*	6	*	2	*
Other countries	–	–	–	–	–	–	–	–
Total	793	100	559	100	1,491	100	856	100

(S\$ million)	Non-current Assets				Total Assets			
	As at December 31, 2024		As at December 31, 2023		As at December 31, 2024		As at December 31, 2023	
		%		%		%		%
Singapore	4,523	31	3,989	31	6,043	33	5,005	32
China ³	3,705	25	3,681	29	4,605	25	4,406	29
India	3,143	21	2,493	20	3,397	19	2,834	18
Rest of Asia	1,788	12	1,291	10	2,276	13	1,715	11
UK	815	5	800	6	970	5	970	6
Middle East	823	6	517	4	865	5	547	4
Other countries	19	*	20	*	22	*	20	*
Total	14,816	100	12,791	100	18,178	100	15,497	100

³ The China businesses within the Renewables and Integrated Urban Solutions segments consist of associates and joint ventures accounted for under the equity method

⁴ The increase in turnover in other countries was mainly from GoNetZero

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

4. SEGMENTAL REPORTING (Cont'd)

Notes to Segmental Analysis

4a. Operating segments

Sembcorp Industries is a leading energy and urban solutions provider. In November 2023, the Group announced its 2024 – 2028 strategic plan, reaffirming its commitment to transform its portfolio from brown to green.

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

The Group has categorised its business segments based on the internal reports that are reviewed and used by the executive management team in determining the allocation of resources and in assessing performance of the operating segments. The Group's businesses are categorised into the five main segments with comparatives segment information re-presented. These five main segments are:

- (i) The Gas and Related Services segment's principal activities include the sale of energy molecules (including natural gas, steam and electricity from a diversity of fossil fuels such as natural gas). This segment also includes sale of water products from its integrated assets.
- (ii) The Renewables segment's principal activities are the provision of self-generated electricity from solar and wind resources, energy storage, as well as provision of system services that support integration of renewables into grid. This segment also includes the development and provision of installation, operation and maintenance of solar, wind and energy storage assets.
- (iii) The Integrated Urban Solutions segment supports sustainable development through its suite of urban, water as well as waste and waste-to-resource solutions. The segment's businesses comprise the development of large-scale integrated urban developments and integrated townships such as industrial parks, business, commercial and residential spaces, production and reclamation of water and industrial wastewater treatment as well as solid waste management and waste-to-resource solutions.
- (iv) The Decarbonisation Solutions segment includes the trading of Environmental Attributes, low-carbon feedstock (green hydrogen and ammonia), power imports and carbon capture, utilisation and storage (CCUS) businesses.
- (v) The Other Businesses and Corporate segment comprise of businesses mainly relating to specialised construction, minting, the Group's captive insurance and financial services, as well as corporate costs.

4b. Geographical segments

The Group's geographical segments for the continuing operations are presented in six principal geographical areas: Singapore, China, India, Rest of Asia, UK and Middle East. In presenting information based on geographical segments, segment revenue is based on the geographical location of customers. Segment assets and total assets are based on the geographical location of the assets.

4c. Review of Group's performance for continuing operations

	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
<i>(S\$ million)</i>				%				%
Adjusted EBITDA	1,009	914	95	10	2,051	2,053	(2)	*
Profit before EI	487	416	71	17	1,019	1,018	1	*
EI – (Expense) / Income, net	(7)	(4)	(3)	75	1	2	(1)	(50)
Profit from continuing operations	480	412	68	17	1,020	1,020	–	–

Adjusted EBITDA of the Group was S\$1,009 million in 2H2024, S\$95 million or 10% higher than S\$914 million in 2H2023. The Gas and Related Services segment was the key earnings driver, contributing 55% of the Group's 2H2024 adjusted EBITDA. The increase in adjusted EBITDA was driven mainly by better results from the Renewables and Integrated Urban Solutions segments, as well as higher DPN income under the Other Businesses and Corporate segment.

EI net expense for 2H2024 is related to (i) a net gain on the liquidation of certain water investments, primarily arising from the realisation of the accumulated foreign currency translation reserve of these investments; (ii) a fair value change in contingent consideration of past investment in India; and (iii) the impairment of investments (see Note 2c (xiii)).

4. SEGMENTAL REPORTING (Cont'd)

4d. Review of segment performance

Gas and Related Services

(\$ million)	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
				%				%
Adjusted EBITDA	551	545	6	1	1,040	1,182	(142)	(12)
Net Profit	388	374	14	4	727	809	(82)	(10)

Adjusted EBITDA

Adjusted EBITDA of S\$551 million in 2H2024 was S\$6 million or 1% higher than S\$545 million in 2H2023. The net increase was mainly due to contributions from a newly acquired joint venture in Singapore, income recognised upon revenue reconciliation with the UK regulator and cost saving measures implemented in the UK. Additionally, a higher ECL provision was made for SMPC in 2H2023 due to the escalated civil unrest and conflict in the country (see Note 2c(vi)). This better result was partially offset by lower gas prices and lower pool gain in Singapore and the cessation of earnings from Phu My 3 plant in Vietnam in end February 2024.

Net Profit

The net profit increase in 2H2024 was also attributable to lower depreciation charge where certain assets had been fully depreciated, offset by higher tax expense.

Renewables

(\$ million)	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
				%				%
Adjusted EBITDA [^]	301	281	20	7	623	602	21	3
Profit before EI [^]	79	82	(3)	(4)	184	201	(17)	(8)
EI – (Expense) / Income	(6)	(4)	(2)	50	2	(3)	5	NM
Net Profit [^]	73	78	(5)	(6)	186	198	(12)	(6)

Adjusted EBITDA[^]

2H2024 adjusted EBITDA of S\$301 million was S\$20 million or 7% higher than 2H2023. The better performance was driven by contributions from capacities added, newly acquired subsidiaries and full year contribution from investments acquired in December 2023. 2H2024 also included one-off compensation received and the settlement of options for hedging of receivables (see Note 2c(ix)). However, this better performance was partially offset by lower generations due to curtailment in China and lower wind speed in India, as well as net ECL allowance of S\$18 million (see Note 2c(vi)).

Profit before EI[^]

Profit before EI of S\$79 million in 2H2024 was a decrease of S\$3 million over 2H2023, as a result of higher depreciation charge and finance costs of the new capacities which achieved COD^{^^}, and the consolidation of the newly acquired subsidiaries in India and Vietnam, net of the better adjusted EBITDA.

EI expense for 2H2024 is related to (i) a fair value change in contingent consideration of past investment in India; and (ii) the impairment of an investment in Vietnam for project expenses incurred (see Note 2c(xiii)).

[^] The amounts were before the elimination of unrealised profits on the sale of Environmental Attributes of nil and S\$1 million in 2H2024 and FY2024 respectively (2H2023 and FY2023: S\$1 million) across the segments

^{^^} COD denotes commercial operation date

4. SEGMENTAL REPORTING (Cont'd)

4d. Review of segment performance (Cont'd)

Integrated Urban Solutions

	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
(S\$ million)				%				%
Adjusted EBITDA	157	115	42	37	268	202	66	33
Profit before EI	99	72	27	38	169	121	48	40
EI – Income	3	–	3	NM	3	5	(2)	(40)
Net Profit	102	72	30	42	172	126	46	37

Adjusted EBITDA

2H2024 adjusted EBITDA of S\$157 million was S\$42 million higher than 2H2023 of S\$115 million. The better performance was contributed by higher land sales from Urban's business in Vietnam and Indonesia, the Energy-from-Waste business in Singapore, as well as settlement of past disputes on water tariffs in China.

Profit before EI

Profit before EI growth in 2H2024 were driven by the growth in adjusted EBITDA. 2H2024 profit before EI included the land appreciation tax from Urban's business in China (see Note 2f).

EI Income for 2H2024 related to realisation of foreign exchange translation reserve gain upon liquidation of subsidiaries in the water business.

Decarbonisation Solutions

	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
(S\$ million)				%				%
Adjusted EBITDA [#]	(9)	(8)	(1)	13	(19)	(11)	(8)	73
Net Loss [#]	(7)	(7)	–	–	(16)	(10)	(6)	60

Adjusted EBITDA[#] & Net Loss[#]

2H2024 adjusted EBITDA and net loss represent the startup cost, which included cost incurred to scale up capabilities.

[#] The amounts were before the elimination of unrealised profits on the sale of Environmental Attributes of S\$3 million and S\$4 million in 2H2024 and FY2024 respectively (2H2023 and FY2023: S\$3 million) across the segments

Other Businesses and Corporate

	2H2024	2H2023	Growth		FY2024	FY2023	Growth	
(S\$ million)				%				%
Adjusted EBITDA	12	(15)	27	NM	144	82	62	76
- Other businesses	27	23			52	43		
- Net corporate costs	(56)	(49)			(77)	(94)		
- DPN income	41	11			169	133		
Net (Loss) / Profit before EI	(69)	(101)	32	(32)	(40)	(99)	59	(60)
- Other businesses	19	16			38	31		
- Net corporate costs	(46)	(43)			(84)	(92)		
- Corporate finance costs	(83)	(85)			(163)	(171)		
- DPN income	41	11			169	133		
EI – Expense	(4)	–	(4)	NM	(4)	–	(4)	NM
Net (Loss) / Profit	(73)	(101)	28	(28)	(44)	(99)	55	(56)

Adjusted EBITDA

There was an improvement in 2H2024 adjusted EBITDA mainly due to higher DPN income (see Note 2c(x)), and better performance from the specialised construction business which was driven by increased construction activities. The increase in net corporate costs in 2H2024 was mainly due to higher manpower and digital costs for capability building. It also included an impairment charge related to a joint venture (see Note 2c(xiii)).

Net (Loss) / Profit before EI

The adjusted EBITDA improved further due to a reduction in tax charges, resulting from the writeback of tax provisions that were no longer required. In addition, the adjusted EBITDA is further improved through the use of fixed rate borrowings which resulted in lower net finance costs despite higher funding of new acquisitions and projects in a higher interest rate environment. EI expense for 2H2024 is related to the full impairment of a joint venture in Singapore (see Note 2c (xiii)).

5. BALANCE SHEETS

Following the acquisitions of two SPVs of Leap Green, three subsidiaries of GELEX Group Joint Stock Company (Gelex) and two subsidiaries in China in 2024, the financials of these acquisitions were consolidated, which explains the main difference in the balances of assets and liabilities (see Note 7b on the effect of the acquisitions).

(S\$ million)	Note	GROUP		COMPANY	
		As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
Property, plant and equipment	5c	8,304	6,465	389	350
Investment properties	5d	207	153	–	–
Investments in subsidiaries		–	–	2,234	2,498
Associates and joint ventures	5e	2,740	2,396	–	–
Intangible assets	5f	977	952	33	29
DPN receivable	5g	1,581	1,816	–	–
Trade and other receivables		802	811	*	*
Other investments and derivative assets	5h	136	132	*	1
Deferred tax assets		69	66	–	–
Non-current assets		14,816	12,791	2,656	2,878
Inventories		135	135	6	7
Trade and other receivables		1,812	1,674	133	117
Contract assets		37	15	–	–
Other investments and derivative assets	5h	114	114	*	*
Contract costs		1	1	–	–
Cash and cash equivalents		871	767	201	288
Current assets		2,970	2,706	340	412
Assets held for sale	5i	392	–	268	–
Total assets		18,178	15,497	3,264	3,290
Trade and other payables		1,585	1,630	172	289
Contract liabilities		197	171	2	1
Derivative liabilities	5h	36	63	1	*
Provisions		65	77	39	35
Current tax payable		182	236	19	21
Lease liabilities		27	18	5	11
Loans and borrowings	5a	671	1,281	–	–
Current liabilities		2,763	3,476	238	357
Liabilities held for sale	5i	148	–	–	–
Net current assets / (liabilities)		451	(770)	370	55
Other long-term payables		99	121	1,416	1,392
Contract liabilities		79	80	35	37
Derivative liabilities	5h	30	20	–	–
Provisions		69	65	16	17
Deferred tax liabilities		629	598	24	20
Lease liabilities		702	292	103	104
Loans and borrowings	5a	8,000	5,973	–	–
Non-current liabilities		9,608	7,149	1,594	1,570
Total liabilities		12,519	10,625	1,832	1,927
Net assets		5,659	4,872	1,432	1,363

5. BALANCE SHEETS (Cont'd)

(S\$ million)	Note	GROUP		COMPANY	
		As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
Equity attributable to owners of the Company:					
Share capital		566	566	566	566
Other reserves		(676)	(704)	(56)	(43)
Revenue reserve		5,471	4,726	922	840
Total		5,361	4,588	1,432	1,363
Non-controlling interests		298	284	–	–
Total equity		5,659	4,872	1,432	1,363

5a. Group's borrowings and debt securities

(S\$ million)	As at December 31, 2024	As at December 31, 2023
Loans and borrowings repayable:		
(i) <u>In one year or less, or on demand</u>		
Secured	214	293
Unsecured	457	988
	<u>671</u>	<u>1,281</u>
(ii) <u>Between one to five years</u>		
Secured	890	785
Unsecured	3,183	2,395
	<u>4,073</u>	<u>3,180</u>
(iii) <u>After five years</u>		
Secured	1,147	833
Unsecured	2,780	1,960
	<u>3,927</u>	<u>2,793</u>
Total	<u>8,671</u>	<u>7,254</u>
(iv) The secured loans are collateralised by the following assets' net book value:		
Equity shares of subsidiaries, property, plant and equipment, and other assets	1,592	1,944

The underlying assets of a services concession arrangement amounting to S\$325 million (2023: S\$335 million) were also collateralised to secure its project finance loan.

The increase in borrowings was mainly for the financing of acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries. In October 2024, the Group issued a S\$350 million green bond under the Euro Medium Term Note program. As at December 31, 2024, S\$1,100 million, representing 100% of the total S\$1,100 million green bonds issued, has been deployed to eligible green projects under the Sembcorp Green Financing Framework (2021) and Sembcorp Green Financing Framework (2024).

The Group expects its interest cost for the sustainability-linked notes to maintain as disclosed. The Group's renewable assets' gross installed capacity as at December 31, 2024 was 13.1GW, compared to the 2025 target[†] of 10GW. The Group GHG emissions intensity was 0.27 tonnes of carbon dioxide emission per megawatt-hour (tCO₂e/MWh), compared to the 2025 target[†] of 0.40 tCO₂e/MWh.

[†] 2025 targets were set in May 2021

5. BALANCE SHEETS (Cont'd)

5a. Group's borrowings and debt securities (Cont'd)

Financial guarantee

Group

The Group has provided guarantees to banks to secure banking facilities provided for joint ventures. There are no terms and conditions attached to the guaranteed contracts that would have a material effect on the amount, timing and uncertainty of the Group's and Company's future cash flows.

The Group, prior to the disposal of its subsidiary, Sembcorp Energy India Limited (SEIL) in FY2023, now known as SEIL Energy India Limited (SEIL EIL), had extended corporate guarantees in favour of some of its lenders. To facilitate SEIL EIL in obtaining its lenders' consent for the change in its shareholders, these corporate guarantees, amounting to S\$2,175 million per letters to shareholders for the approval of the disposal of SEIL, are extended at a fee pegged to market, post divestment. The fair value of the financial guarantee contract is determined using the interest rate differential approach. As such, the guarantee fees receivable approximate the financial guarantee liability. The guarantee fees are payable quarterly in arrears. Applying the net approach, the fair value of the financial guarantee contract is negligible.

For other financial guarantees given, the Group determines the fair value of those financial guarantees using the discounted cash flow approach. The Group believes the joint venture has sufficient resources to fulfil its obligations and the Group does not consider it probable that a claim will be made against the Group under the guarantee. As such, the fair values of these financial guarantee contracts are negligible.

The details of the financial guarantees given at balance sheet date were:

	GROUP	
	As at December 31, 2024	As at December 31, 2023
(S\$ million)		
Guarantees given to banks to secure banking facilities provided to:		
– Joint ventures	47	49
– SEIL EIL	1,187	1,305
– Others	–	1
	<u>1,234</u>	<u>1,355</u>

The periods in which the financial guarantees expire are as follows:

– Less than 1 year	348	318
– Between 1 year to 5 years	492	503
– More than 5 years	394	534
	<u>1,234</u>	<u>1,355</u>

Company

The Company has provided guarantees to banks to secure banking facilities provided to a wholly-owned subsidiary, Sembcorp Financial Services Pte Ltd. The intra-group financial guarantees granted by the Company amount to S\$11,830 million (December 31, 2023: S\$11,686 million), with S\$4,326 million (December 31, 2023: S\$3,732 million) drawn down as at balance sheet date. The Company uses the interest rate differential approach to determine the fair value of these financial guarantees and has deemed them to be not material.

	COMPANY	
	As at December 31, 2024	As at December 31, 2023
(S\$ million)		
The periods in which the financial guarantees expire are as follows:		
– Less than 1 year	156	376
– Between 1 year to 5 years	1,296	1,430
– More than 5 years	2,874	1,926
	<u>4,326</u>	<u>3,732</u>

5. BALANCE SHEETS (Cont'd)

5b. Net asset value

	GROUP		COMPANY	
	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the financial period (in S\$)	3.01	2.58	0.80	0.77

The Group's net asset value has increased mainly from the net profit for the year, net of dividend paid during the year.

5c. Property, plant and equipment

In FY2024, the Group added assets amounting to S\$2,583 million (FY2023: S\$1,666 million), with S\$593 million (FY2023: S\$789 million) from the acquisition of subsidiaries in the Renewables segment.

Besides the consolidation of PPE of the newly acquired subsidiaries during the year, the increase in PPE (including ROU assets) includes additions to fulfil the renewables projects in Singapore, India and Oman, as well as the development of a new multi-utilities centre on Jurong Island. The total increase in ROU assets of S\$514 million included the leasing of JTC land and rooftops for solar deployment in Singapore and land lease for India's renewable projects. This amount also included land lease paid for India's hydrogen business.

Change in estimates

During 2024, the Group conducted a review of operational efficiency, technical performance and future economic benefits for its thermal power plants in the UK. Based on this review and the opinion of the external consultant on the plant's conditions, changes were made to the expected useful life of its biomass plant. The estimated useful life of this asset, which was initially pegged to the Renewable Obligation Certificate (ROC) scheme with a period of 20 years, is now expected to remain in operation for a further 15 years from the expiry of the ROCs scheme.

The effect of these changes on actual and expected depreciation expense, included in cost of sales, was as follows:

	2024	2025	2026	2027	2028	Later
(S\$ million)						
(Decrease) / Increase in depreciation expense and (increase) / decrease in profit before tax	(6)	(6)	(6)	(4)	1	21

5d. Investment properties

The investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The Group has assessed that there was no impairment as at December 31, 2024.

During the year, S\$60 million was added to the investment properties in Vietnam (FY2023: S\$29 million of acquisitions and S\$1 million of disposals).

The fair value of the investment properties as at December 31, 2024 was S\$264 million (December 31, 2023: S\$204 million).

5e. Associates and joint ventures

Associates and joint ventures increased for the year mainly due to acquisitions and the share of profits less dividends received during the year.

In December 2024, the Group disposed of its investment in the equity shares of Chongqing Songzao Sembcorp Electric Power Co Ltd (CSZ), which has been fully impaired in 2021.

5. BALANCE SHEETS (Cont'd)

5f. Intangible assets

	GROUP						
(S\$ million)	Goodwill	Service concession arrange- ments	Long- term contracts	Power generation permits	Carbon allow- ances	Others	Total
Cost							
Balance at January 1, 2024	329	49	348	466	41	72	1,305
Translation adjustments	2	*	3	*	1	*	6
Additions	–	*	–	*	15	16	31
Acquisition of subsidiaries	10	–	1	60	–	*	71
Disposal of subsidiaries	*	–	–	–	–	*	*
Disposals	–	*	–	*	(35)	*	(35)
Transfer from other category of asset	–	–	–	–	–	5	5
Transfer to held for sale (HFS)	–	–	(10)	*	–	(2)	(12)
Write-off	–	*	–	–	–	*	*
Balance at December 31, 2024	341	49	342	526	22	91	1,371
Accumulated amortisation and impairment							
Balance at January 1, 2024	113	26	136	25	–	53	353
Translation adjustments	2	*	1	*	–	*	3
Amortisation charge for the year	–	3	15	21	–	8	47
Acquisition of subsidiaries	–	–	–	–	–	–	–
Disposals	–	*	–	*	–	*	*
Transfer from other category of assets	–	–	–	–	–	3	3
Transfer to held for sale (HRS)	–	–	(10)	*	–	(2)	(12)
Write-off	–	*	–	–	–	*	*
Balance at December 31, 2024	115	29	142	46	–	62	394
Carrying amount							
At January 1, 2024	216	23	212	441	41	19	952
At December 31, 2024	226	20	200	480	22	29	977

The carbon allowances are recorded at cost. The disposals relate mainly to the settling of the Group's carbon obligations.

5. BALANCE SHEETS (Cont'd)

5f. Intangible assets (Cont'd)

(\$ million)	COMPANY		
	Goodwill	Others	Total
Cost			
Balance at January 1, 2024	19	36	55
Additions	–	8	8
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	19	47	66
Accumulated amortisation and impairment			
Balance at January 1, 2024	–	26	26
Amortisation charge for the period	–	4	4
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	–	33	33
Carrying amount			
At January 1, 2024	19	10	29
At December 31, 2024	19	14	33

Goodwill

There have been no changes to the goodwill allocated to cash-generating units, except for the increase in goodwill mainly arising from the acquisitions during the year, determined on a provisional basis (see Note 7b). There were no impairment indicators noted as at December 31, 2024.

5g. DPN receivable

The DPN was entered into by Sembcorp Utilities Pte Ltd (Sembcorp), a wholly owned subsidiary of the Company, as part of the sale of SEIL in January 2023 as a means of providing financing to the Purchaser⁵. The DPN receivable is now classified as a financial asset at fair value through profit and loss, as it does not pass the SPPI (Solely Payments of Principal and Interest) test. A Technical Services Agreement (“TSA”) was also entered into by Sembcorp to provide technical advisory services to SEIL EIL as part of transition arrangements, pursuant to which Sembcorp is paid fees which are mutually agreed annually based on estimated man-days. Under the terms of the DPN, the TSA cannot be terminated without Sembcorp’s consent.

The DPN receivable was initially measured at fair value as at the date of sale. Subsequent changes in fair value are recognised in profit or loss as DPN income (Note 2(c)(x)).

The DPN bears interest at a rate per annum equal to 1.8% plus a benchmark rate equal to the Indian government 10-year bond yield spot rate, minus a greenhouse gas emissions intensity reduction incentive rate.

Sembcorp has put in place a mechanism to monitor and manage the credit exposure via the rights provided in the DPN. A summary of the terms of the DPN are set out below and can also be found in Circular to Shareholders dated October 22, 2022:

- (a) Under the DPN, Sembcorp receives payment from the borrower (Tanweer Infrastructure SAOC);
- (b) Sembcorp has protective rights as a lender by way of covenants in the DPN (affirmative, negative and information) in line with common financing terms provided by project lenders;
- (c) These covenants ensure that the borrower and the underlying project’s funding and operational activities do not negatively affect payments under the DPN and also impose obligations on the borrower to ensure that SEIL EIL continues to operate in accordance with the annual operating budget, contractual obligations and in compliance with applicable laws and standards.

The Group has continued to assess that it has no control over SEIL EIL and only retains risks as a lender through the DPN provided to the Purchaser and corporate guarantees given over SEIL EIL’s borrowing facilities. The Group also assessed that the services provided as part of the TSA did not give rise to power to direct the relevant activities of SEIL EIL that would result in the Group having control or any significant influence over the operating and financial decisions of SEIL EIL.

The balance as at December 31, 2024 of S\$1,581 million (2023: S\$1,816 million) included a fair value gain of S\$169 million (2023: S\$133 million) for the year, net of receipts of S\$404 million (2023: S\$355 million) consisting of principal and interest repayments.

⁵ Tanweer Infrastructure SAOC

5. BALANCE SHEETS (Cont'd)

5h. Other investments and derivative assets and liabilities

<i>(S\$ million)</i>	As at December 31, 2024	As at December 31, 2023
Financial assets at amortised cost	21	10
Financial assets at FVOCI	47	46
Other financial assets at fair value through profit or loss (FVTPL)	110	94
Derivative assets	(i) 72	96
Other investments and derivative assets	250	246
Derivative liabilities	(i) 66	83

(i) The changes in derivative financial assets and liabilities net of settlement included the effect of changes in fuel oil swaps, interest rate swaps, cross currency swaps and foreign exchange forwards.

5i. Assets and liabilities held for sale

(i) Disposal group – Sembcorp Environment Pte. Ltd. (SembEnviro)

On November 8, 2024, the Group announced that it has entered into a share purchase agreement (SPA) to sell 100% of the shares of its wholly owned subsidiary SembEnviro for cash. The completion of the transaction is subject to fulfilment of conditions precedent, including regulatory approvals. The transaction is expected to be completed by the first half of 2025.

As of December 31, 2024, as the carrying amount will be recovered principally through sale rather than through continuing operations, the assets and liabilities relating to SembEnviro and its subsidiaries were classified as held for sale. Correspondingly, at Company level, its investment in SembEnviro is also classified as held for sale.

<i>(S\$ million)</i>	Carrying amount at December 31, 2024			Company
	Group		Attributable to Group	
	SembEnviro	Intercompany		
Assets held for sale				
Investment in subsidiary	–	–	–	268
Property, plant and equipment	323	–	323	–
Investment properties	1	–	1	–
Intangible assets	*	–	*	–
Trade and other receivables	115	(80)	35	–
Inventories	6	–	6	–
Cash and cash equivalents	24	–	24	–
	469	(80)	389	268
Liabilities held for sale				
Trade and other payables	44	(2)	42	–
Provisions	2	–	2	–
Current tax payable	9	–	9	–
Lease liabilities	62	–	62	–
Deferred tax liabilities	33	–	33	–
	150	(2)	148	–
Excess of assets over liabilities held for sale	319	(78)	241	268

5. **BALANCE SHEETS** (Cont'd)

5i. **Assets and liabilities held for sale** (Cont'd)

(i) **Disposal group – Sembcorp Environment Pte. Ltd. (SembEnviro)** (Cont'd)

Post Completion

Post completion of the sale, SCI will lose control of SembEnviro. Our considerations include:

- 1) SCI will not be a shareholder of SembEnviro and will have no voting rights on shareholder matters relating to SembEnviro
- 2) SCI will not have the rights or ability to appoint directors, key management, and participate as a director or management of SembEnviro.
- 3) SCI will not have contractual arrangements that give SCI the rights or ability to direct the operating and financing activities of SembEnviro.
- 4) SCI will also not be exposed to, or have rights to, the variable returns of SembEnviro

The disposal of SembEnviro will not be disclosed as discontinued operation, as SembEnviro business is part of the Integrated Urban Solutions segment and is not a major line of business of the Group.

(ii) **Vietnam assets**

Included within assets held for sale is S\$3 million relating to property, plant and equipment located in Vietnam.

5j. **Explanatory notes to other Balance Sheets items**

(i) **Group**

Current assets

“Trade and other receivables” included subsidies on energy production received by renewables companies in China. As of the date of the report, receipts for certain of these receivables are pending the final verification results from the regulators. The increase in trade and other receivables was also attributable to new contracts signed with key customers during the year as well as loans extended to a joint venture for the construction of its renewable assets.

Non-current liabilities

“Lease liabilities” increased in 2024 mainly due to the new leasing of JTC land and rooftops for solar deployment (see also comments on ROU assets in Note 5c).

(ii) **Company**

Non-current assets / Assets held for sale

“Investment in subsidiaries” decreased and “Assets held for sale” increased due to classification of the Company’s investment in SembEnviro as assets held for sale.

Current liabilities

“Trade and other payables” decreased mainly due to repayment of a loan obtained from a related company of S\$145 million.

6. STATEMENTS OF CHANGES IN EQUITY

6a. Statement of Changes in Equity of the Group

(S\$ million)	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Currency translation reserve	Other reserves	Revenue reserve			
FY2024								
At January 1, 2024	566	(40)	(672)	8	4,726	4,588	284	4,872
Profit for the period	–	–	–	–	540	540	10	550
Other comprehensive income								
Foreign currency translation differences for foreign operations	–	–	33	–	–	33	3	36
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	1	–	–	1	–	1
Net change in fair value of cash flow hedges	–	–	–	28	–	28	1	29
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	(18)	–	(18)	–	(18)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	5	–	5	–	5
Defined benefit plan actuarial gains and losses	–	–	–	–	*	*	*	*
Share of other comprehensive income of associates and joint ventures	–	–	–	3	3	6	–	6
Transfer of reserves	–	–	*	6	(6)	–	–	–
Total other comprehensive income	–	–	34	24	(3)	55	4	59
Total comprehensive income	–	–	34	24	537	595	14	609
Transactions with Owners of the Company, recognised directly in equity								
Share issuance	–	–	–	–	–	–	9	9
Acquisition of NCI	–	–	–	–	–	–	4	4
Share-based payments	–	–	–	8	–	8	–	8
Treasury shares transferred to employees	–	17	–	(17)	–	–	–	–
Cash settlement of PSP and RSP (Note 6c) at the discretion of the Company	–	–	–	(17)	–	(17)	–	(17)
Dividend paid / payable	–	–	–	–	(143)	(143)	(7)	(150)
Total transactions with Owners	–	17	–	(26)	(143)	(152)	6	(146)
At June 30, 2024	566	(23)	(638)	6	5,120	5,031	304	5,335

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million) FY2024 (Cont'd)	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Currency translation reserve	Other reserves	Revenue reserve			
Profit for the period	–	–	–	–	471	471	15	486
Other comprehensive income								
Foreign currency translation differences for foreign operations	–	–	(3)	–	–	(3)	*	(3)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	*	–	–	*	–	*
Net change in fair value of cash flow hedges	–	–	–	(21)	–	(21)	(1)	(22)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	(7)	–	(7)	–	(7)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	(4)	–	(4)	–	(4)
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	5	–	5	–	5
Realisation of reserves upon disposal of investments	–	–	7	(1)	(8)	(2)	–	(2)
Transfer of reserves	–	–	–	(7)	7	–	–	–
Defined benefit plan actuarial gains and losses	–	–	–	–	(7)	(7)	–	(7)
Share of other comprehensive income of associates and joint ventures	–	–	–	15	(3)	12	–	12
Total other comprehensive income	–	–	4	(20)	(11)	(27)	(1)	(28)
Total comprehensive income	–	–	4	(20)	460	444	14	458
Transactions with Owners of the Company, recognised directly in equity								
Acquisition of non-controlling interests	–	–	–	(2)	(2)	(4)	(10)	(14)
Purchase of treasury shares	–	(19)	–	–	–	(19)	–	(19)
Share-based payments	–	–	–	16	–	16	–	16
Treasury shares transferred to employees	–	18	–	(18)	–	–	–	–
Dividend paid / payable	–	–	–	–	(107)	(107)	(10)	(117)
Total transactions with Owners	–	(1)	–	(4)	(109)	(114)	(20)	(134)
At December 31, 2024	566	(24)	(634)	(18)	5,471	5,361	298	5,659

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million)	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Currency translation reserve	Other reserves	Revenue reserve			
FY2023								
At January 1, 2023	566	(31)	(957)	349	4,050	3,977	239	4,216
Profit for the period	–	–	–	–	530	530	14	544
Other comprehensive income								
Foreign currency translation differences for foreign operations	–	–	(26)	–	–	(26)	(1)	(27)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	3	–	–	3	–	3
Net change in fair value of cash flow hedges	–	–	–	(2)	–	(2)	*	(2)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	7	–	7	–	7
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	5	–	5	–	5
Realisation of reserves upon disposal of asset held for sale (see Note 7c)	–	–	423	(292)	2	133	–	133
Realisation of reserves upon disposal of associates	–	–	4	*	–	4	–	4
Defined benefit plan actuarial gains and losses	–	–	–	–	*	*	*	*
Share of other comprehensive income of associates and joint ventures	–	–	–	9	2	11	–	11
Transfer of reserves	–	–	1	35	(36)	–	–	–
Total other comprehensive income	–	–	405	(238)	(32)	135	(1)	134
Total comprehensive income	–	–	405	(238)	498	665	13	678
Transactions with Owners of the Company, recognised directly in equity								
Share issuance	–	–	–	–	–	–	19	19
Purchase of treasury shares	–	(26)	–	–	–	(26)	–	(26)
Share-based payments	–	–	–	18	–	18	–	18
Treasury shares transferred to employees	–	50	–	(50)	–	–	–	–
Dividend paid / payable	–	–	–	–	(143)	(143)	(4)	(147)
Total transactions with Owners	–	24	–	(32)	(143)	(151)	15	(136)
At June 30, 2023	566	(7)	(552)	79	4,405	4,491	267	4,758

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6a. Statement of Changes in Equity of the Group (Cont'd)

(S\$ million) FY2023 (Cont'd)	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reserve for own shares	Currency translation reserve	Other reserves	Revenue reserve			
Profit for the period	–	–	–	–	412	412	14	426
Other comprehensive income								
Foreign currency translation differences for foreign operations	–	–	(120)	–	–	(120)	(7)	(127)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	(1)	–	–	(1)	–	(1)
Net change in fair value of cash flow hedges	–	–	–	(43)	–	(43)	*	(43)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	(10)	–	(10)	–	(10)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	(11)	–	(11)	–	(11)
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	1	–	1	–	1
Transfer of reserves	–	–	1	(5)	4	–	–	–
Defined benefit plan actuarial gains and losses	–	–	–	–	(9)	(9)	*	(9)
Share of other comprehensive income of associates and joint ventures	–	–	–	(12)	2	(10)	–	(10)
Total other comprehensive income	–	–	(120)	(80)	(3)	(203)	(7)	(210)
Total comprehensive income	–	–	(120)	(80)	409	209	7	216
Transactions with Owners of the Company, recognised directly in equity								
Share issuance	–	–	–	–	–	–	11	11
Purchase of treasury shares	–	(35)	–	–	–	(35)	–	(35)
Share-based payments	–	–	–	11	–	11	–	11
Treasury shares transferred to employees	–	2	–	(2)	–	–	–	–
Dividend paid / payable	–	–	–	–	(88)	(88)	(1)	(89)
Total transactions with Owners	–	(33)	–	9	(88)	(112)	10	(102)
At December 31, 2023	566	(40)	(672)	8	4,726	4,588	284	4,872

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6b. Statement of Changes in Equity of the Company

(S\$ million)	Attributable to Owners of the Company				Total equity
	Share capital	Reserve for own shares	Other reserves	Revenue reserve	
FY2024					
At January 1, 2024	566	(40)	(3)	840	1,363
Profit for the period	-	-	-	224	224
Other comprehensive income					
Net change in fair value of cash flow hedges	-	-	(4)	-	(4)
Total comprehensive income	-	-	(4)	224	220
Transactions with Owners of the Company, recognised directly in equity					
Treasury shares transferred to employees	-	17	(17)	-	-
Cash settlement of PSP and RSP (Note 6c) at the discretion of the Company	-	-	(17)	-	(17)
Share-based payments	-	-	8	-	8
Dividend paid / payable	-	-	-	(143)	(143)
Total transactions with Owners	-	17	(26)	(143)	(152)
At June 30, 2024	566	(23)	(33)	921	1,431
Profit for the period	-	-	-	108	108
Other comprehensive income					
Net change in fair value of cash flow hedges	-	-	3	-	3
Total comprehensive income	-	-	3	108	111
Transactions with Owners of the Company, recognised directly in equity					
Purchase of treasury shares	-	(19)	-	-	(19)
Treasury shares transferred to employees	-	18	(18)	-	-
Share-based payments	-	-	16	-	16
Dividend paid / payable	-	-	-	(107)	(107)
Total transactions with Owners	-	(1)	(2)	(107)	(110)
At December 31, 2024	566	(24)	(32)	922	1,432

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6b. Statement of Changes in Equity of the Company (Cont'd)

(S\$ million)	Attributable to Owners of the Company				Total equity
	Share capital	Reserve for own shares	Other reserves	Revenue reserve	
FY2023					
At January 1, 2023	566	(31)	19	735	1,289
Profit for the period	–	–	–	28	28
Total comprehensive income	–	–	–	28	28
Transactions with Owners of the Company, recognised directly in equity					
Purchase of treasury shares	–	(26)	–	–	(26)
Treasury shares transferred to employees	–	50	(50)	–	–
Share-based payments	–	–	18	–	18
Dividend paid / payable	–	–	–	(143)	(143)
Total transactions with Owners	–	24	(32)	(143)	(151)
At June 30, 2023	566	(7)	(13)	620	1,166
Profit for the period	–	–	–	308	308
Other comprehensive income					
Net change in fair value of cash flow hedges	–	–	1	–	1
Total comprehensive income	–	–	1	308	309
Transactions with Owners of the Company, recognised directly in equity					
Purchase of treasury shares	–	(35)	–	–	(35)
Treasury shares transferred to employees	–	2	(2)	–	–
Share-based payments	–	–	11	–	11
Dividend paid / payable	–	–	–	(88)	(88)
Total transactions with Owners	–	(33)	9	(88)	(112)
At December 31, 2023	566	(40)	(3)	840	1,363

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6c. Changes in the Company's share capital

Issued share capital and treasury shares

	Number of shares	
	Issued share capital	Treasury shares
At January 1, 2024	1,787,547,732	8,289,983
Treasury shares transferred pursuant to share plan	–	(3,453,766)
At June 30, 2024	1,787,547,732	4,836,217
Treasury shares purchased	–	3,820,000
Treasury shares transferred pursuant to share plan	–	(3,852,793)
At December 31, 2024	1,787,547,732	4,803,424

Issued and paid-up capital

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

Treasury shares

During 2H2024, the Company acquired 3,820,000 (2H2023: 6,903,000) ordinary shares by way of on-market purchases. 3,852,793 (2H2023: 604,258) treasury shares were re-issued pursuant to the Performance Share Plan (PSP) and Restricted Share Plan (RSP).

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

Performance shares

	Number of shares
At January 1, 2024	16,407,846
Performance shares awarded	782,200
Performance shares adjusted due to outperformance of targets	2,721,464
Performance shares released	(4,722,800)
Performance shares lapsed	(659,600)
At June 30, 2024	14,529,110
Performance shares awarded due to outperformance of targets	1,568,890
Performance shares released	(3,835,350)
Performance shares lapsed	(180,000)
At December 31, 2024	12,082,650

During 2H2024, 1,568,890 (2H2023: 716,340) performance shares were awarded arising from outperformance of performance targets, 3,835,350 (2H2023: 543,800) performance shares were released and 180,000 (2H2023: 1,790,440) performance shares lapsed. Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

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

6. STATEMENTS OF CHANGES IN EQUITY (Cont'd)

6c. Changes in the Company's share capital (Cont'd)

Restricted shares

	Number of shares
At January 1, 2024	3,063,689
Restricted shares awarded	1,487,200
Restricted shares released	(2,447,723)
Restricted shares lapsed	(95,766)
At June 30, 2024	<u>2,007,400</u>
Restricted shares awarded	17,443
Restricted shares released	(17,443)
At December 31, 2024	<u><u>2,007,400</u></u>

For the grant awarded in 2024, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches subject to individual performance and fulfilment of service conditions at vesting.

During 2H2024, 17,443 (2H2023: 46,225) restricted shares were awarded under the RSP, 17,443 (2H2023: 60,458) restricted shares were released and nil (2H2023: nil) restricted shares lapsed. Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

The total number of restricted shares outstanding for awards achieved but not released as at December 31, 2024 was 2,007,400 (December 31, 2023: 3,063,689).

7. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	GROUP		GROUP	
		2H2024	2H2023	FY2024	FY2023
<i>(S\$ million)</i>					
Cash Flows from Operating Activities					
Profit / (Loss) for the period / year:					
Continuing operations		495	426	1,045	1,048
Discontinued operation		(9)	–	(9)	(78)
Adjustments for:					
DPN income		(41)	(11)	(169)	(133)
Dividend income		(1)	(2)	(1)	(2)
Finance income		(13)	(28)	(27)	(57)
Finance costs		192	204	372	409
Depreciation and amortisation		228	236	450	454
Amortisation of deferred income and capital grants		2	(4)	–	14
Share of results of associates and joint ventures, net of tax		(164)	(118)	(317)	(264)
Gain on disposal of property, plant and equipment, intangible assets and other financial assets		(2)	(3)	(5)	(5)
Loss on disposal of assets held for sale		–	–	–	78
Gain on disposal of subsidiaries, associates and joint venture		(3)	–	(3)	(5)
Changes in fair value of financial instruments and other financial assets		(1)	6	–	6
Equity settled share-based compensation expenses		20	11	24	29
Impairment of intangible assets					
Allowance made for impairment loss in value of assets and assets written off, net		5	10	7	12
Negative goodwill		–	(1)	(8)	(1)
Impairment and write off other investment		2	–	2	–
Impairment of investment in joint venture		4	–	4	–
Tax expense		99	61	206	182
Operating profit before working capital changes		813	787	1,571	1,687
Changes in working capital:					
Inventories		(7)	28	(5)	2
Receivables		70	56	(97)	155
Payables		56	(95)	140	(230)
Contract assets		(18)	13	(22)	14
Contract liabilities		35	23	25	43
		949	812	1,612	1,671
Tax paid		(54)	(73)	(200)	(190)
Net cash from operating activities		895	739	1,412	1,481

7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(S\$ million)	Note	GROUP		GROUP	
		2H2024	2H2023	FY2024	FY2023
Cash Flows from Investing Activities					
Dividend received		101	105	173	166
Interest received		17	32	29	58
Proceeds from sale of other financial assets and business		365	402	660	698
Proceeds from sale of property, plant and equipment		17	5	17	5
Proceeds from sale of intangible assets		*	–	*	*
DPN receipts		216	313	404	355
Proceeds from disposal of investment in joint ventures and associates		7	–	39	–
Proceeds from disposal of interest in subsidiaries		(6)	–	(6)	–
Acquisition of subsidiaries, business and intangible assets, net of cash acquired	7b	(44)	(101)	(244)	(502)
Acquisition of investments in joint ventures and associates ⁶		(150)	(20)	(229)	(148)
Acquisition of other financial assets		(383)	(393)	(673)	(674)
Purchase of property, plant and equipment and investment properties		(1,028)	(461)	(1,592)	(826)
Purchase of intangible assets		(12)	(9)	(16)	(10)
Net cash used in investing activities		(900)	(127)	(1,438)	(878)
Cash Flows from Financing Activities					
Proceeds from shares issued to NCI of subsidiaries		–	11	9	30
Purchase of treasury shares		(19)	(35)	(19)	(61)
Proceeds from borrowings		2,146	2,074	5,259	4,034
Repayment of borrowings		(1,943)	(2,479)	(4,310)	(4,450)
Payment on lease liabilities		(23)	(11)	(25)	(21)
Dividends paid to owners of the Company		(107)	(88)	(250)	(231)
Dividends paid to NCI of subsidiaries		(10)	(1)	(17)	(5)
Receipt / (Payment) in restricted cash held as collateral		6	(2)	14	(27)
Payment on deferred and contingent considerations		(64)	–	(152)	(12)
Acquisition of non-controlling interest		(10)	–	(10)	–
Interest paid		(169)	(178)	(345)	(356)
Net cash from/(used in) financing activities		(193)	(709)	154	(1,099)
Net (decrease) / increase in cash and cash equivalents		(198)	(97)	128	(496)
Cash and cash equivalents at beginning of the period / year		1,070	849	732	1,246
Effect of exchange rate changes on balances held in foreign currency		2	(20)	14	(18)
Cash and cash equivalents at end of the period / year, including held for sale (less pledge for security)	7a	874	732	874	732
Cash balance transferred to held for sale		(24)	–	(24)	–
Cash and cash equivalents at end of the period/year		850	732	850	732

⁶ 2H2024 and FY2024 included a 30% interest in Senoko Group (Senoko), which was acquired through the purchase of a 100% interest in TWMB. TWMB's only substantial asset is its investment in Senoko.

7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

7a. Cash and cash equivalents

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

	GROUP	
	As at December 31, 2024	As at December 31, 2023
(S\$ million)		
Fixed deposits with banks	298	242
Cash and bank balances	573	525
Cash and cash equivalents in the balance sheets	871	767
Restricted bank balances held as collateral by banks	(21)	(35)
Cash and cash equivalents in the consolidated statement of cash flows	850	732

7b. Cash flow on acquisition of subsidiary and business, net of cash acquired

During the year, the Group completed the acquisition of subsidiaries in the renewable business in India, Vietnam and China. If the acquisitions had occurred on January 1, 2024, management estimates that the consolidated turnover would have increased from S\$6,417 million to S\$6,436 million, and there would be no material impact to the profit for the year of S\$1,036 million.

(i) 2024: Acquisition of subsidiaries in India

On February 13, 2024, the Group completed the acquisition of a 100% interest in two SPVs of Leap Green. The SPVs contributed turnover of S\$22 million and loss of S\$3 million to the Group's results.

- The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.
- The gain on bargain purchase relating to the acquisition is presented within non-operating income in the income statement in FY2024.

(ii) 2024: Acquisition of subsidiaries in Vietnam

In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex. These acquisitions contributed turnover of S\$32 million and profit of S\$9 million to the Group's results.

- The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024. Prior to the end of the provisional one-year period from the date of acquisition, the goodwill of the acquisition has decreased by S\$54 million, with a corresponding increase in net assets of the acquisitions as well as the contingent receivable.
- The goodwill recognised is not expected to be deductible for tax purposes.
- Contingent consideration includes both contingent receivables and contingent consideration payable. The receivable is due when the agreed energy production level is not met within two years after the acquisition, while the payable is for the payment of a defined amount upon obtaining the necessary permits for the operation of certain projects. The receivable and payable are presented at gross amounts within trade and other receivables and trade and other payables, respectively, on the balance sheet as of December 31, 2024.

In determining the fair value of the contingent consideration, the Group has applied estimates to evaluate the probability and timing of fulfillment, considering past experiences and changes in the market, economic, or legal environment in Vietnam.

(iii) 2024: Acquisition of subsidiaries in China

During December 2024, the Group completed the acquisitions of a 100% interest in Hechishi Yizhouqu Xinyang New Energy Co. Ltd. and Qinzhou Fengmushan Wind Power Co., Ltd (collectively China subsidiaries) respectively. These subsidiaries' contributions to the Group's turnover and profit for the year is not material.

- Acquisition-related costs amounting to S\$1 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss in FY2024.

(iv) 2023: Acquisition of subsidiaries in India and China

On January 11, 2023, the Group completed the acquisition of a 100% interest in Vector Green, which consists of a portfolio of solar and wind assets. Vector Green contributed turnover of S\$47 million and profit of S\$5 million to the Group's 2023 results.

On December 6, 2023 and December 28, 2023, the Group completed the acquisition of a 100% interest in Qinzhou Yuanneng Wind Power Co., Ltd (Qinzhou Yuanneng) and Binyang County Santai Energy Technology Co., Ltd (Binyang Santai) respectively. The subsidiaries in China contributed a turnover of S\$5 million and a profit of S\$3 million to the Group's results. As the projects only achieved commercial operation in 4Q2023, management estimated that the contribution to turnover and profit for the year would not have been material should the acquisition be completed on January 1, 2023.

7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

7b. Cash flow on acquisition of subsidiary and business, net of cash acquired (Cont'd)

(iv) 2023: Acquisition of subsidiaries in India and China (Cont'd)

- The goodwill recognised is not expected to be deductible for tax purposes.
- The deferred consideration is payable on the fulfilment of the completion procedures and is expected to be paid within 2024. This amount was presented within trade and other payables in the balance sheet as at December 31, 2023.
- Acquisition-related costs amounting to S\$2 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss in FY2023.

<i>(S\$ million)</i>	India (Note (i)) FY2024	Vietnam (Note (ii)) FY2024	China (Note (iii)) FY2024	Total FY2024	India (Note (iv)) FY2023	China (Note (iv)) FY2023	Total FY2023
Purchase consideration							
Cash paid	46	174	51	271	450	112	562
Contingent and deferred consideration payable	–	3	–	3	–	35	35
Contingent receivable	–	(12)	–	(12)	–	–	–
Consideration transferred for the businesses	46	165	51	262	450	147	597
Effect on cash flows of the Group							
Cash paid	46	174	51	271	450	112	562
Less: Cash and cash equivalents in subsidiaries acquired	(9)	(11)	(7)	(27)	(49)	(11)	(60)
Cash outflow on acquisition	37	163	44	244	401	101	502
Identifiable assets acquired and liabilities assumed⁷							
Property, plant and equipment	146	282	165	593	470	319	789
Intangible assets	1	44	16	61	164	90	254
Deferred tax assets	–	*	–	*	2	–	2
Trade and other receivables	9	17	19	45	72	33	105
Other investments and derivative assets	–	–	–	–	57	–	57
Cash and cash equivalents	9	11	7	27	49	11	60
Total assets	165	354	207	726	814	453	1,267
Trade and other payables	3	1	11	15	36	13	49
Provisions	2	–	–	2	–	262	616
Borrowings	104	189	142	435	354	4	11
Lease liabilities	*	*	*	*	7	–	–
Deferred tax liabilities	2	5	3	10	65	27	92
Total liabilities	111	195	156	462	462	306	768
Identifiable net assets	54	159	51	264	352	147	499
Less: NCI measured on proportionate basis	–	(4)	–	(4)	–	–	–
Identifiable net assets acquired	54	155	51	260	352	147	499
Add: Goodwill acquired	–	10	–	10	98	*	98
Less: Gain on bargain purchase	(8)	–	–	(8)	–	–	–
Consideration transferred for the business	46	165	51	262	450	147	597

⁷ Vietnam and China subsidiaries' identifiable assets acquired and liabilities assumed were inclusive of fair value adjustments, determined on a provisional basis as of December 31, 2024

7. CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

7c. Discontinued operation

2024

On December 19, 2024, the Group completed the sale of Chongqing Songzao Sembcorp Electric Power Co., Ltd. (CSZ). The loss on disposal of S\$9 million relates mainly to the realisation of the accumulated currency translation loss recognised in the foreign currency translation reserve.

In May 2021, SCI announced its strategy to reduce its carbon emission, and in 2022, the Group announced the divestment of SEIL, which was completed in 2023, and to exit its coal business. The exit of the coal business, being a major line of business under the Conventional Energy business segment then, was classified as discontinued operation.

In 2024, the Group completed its divestment of CSZ, the Group's remaining coal-fired power generation assets. Being part of the Group's plan to exit its coal business, the loss on disposal was reported under discontinued operation.

2023

On January 19, 2023, the Group completed the sale of SEIL. The loss on disposal of S\$78 million was after realisation of an accumulated currency translation loss recognised in the foreign currency translation reserve of S\$423 million and a gain in capital reserve and other reserves of S\$290 million. Before realisation of these reserves, there was a gain of S\$55 million recognised on the sale.

The financial effects arising from the divestment of the discontinued operation are as follows:

(\$ million)	FY2024	FY2023
Net assets derecognised	–	1,938
Less: Realisation of currency translation, capital and other reserves upon disposal	9	133
Less: Transaction costs	*	42
Loss on disposal	(9)	(78)
Consideration received	*	2,035
Add: Stamp duties and tax	*	3
Less: DPN receivable	–	(2,038)
Net cash inflow	*	–

7d. Explanatory notes to Consolidated Statement of Cash Flows

(i) Six months ended December 31

Net cash from operating activities before changes in working capital stood at S\$813 million while net cash from operating activities was S\$895 million.

Net cash used in investing activities was S\$900 million, mainly for the purchase of property, plant and equipment, and acquisitions of subsidiaries, joint ventures and associates, partially offset by receipts from DPN, dividend and interest.

Net cash used in financing activities was S\$193 million, mainly for loan and interest repayments.

(ii) Full year ended December 31

Net cash from operating activities before changes in working capital stood at S\$1,571 million while net cash from operating activities was S\$1,412 million compared to FY2023 of S\$1,687 million and S\$1,481 million, respectively.

Net cash used in investing activities was S\$1,438 million mainly for the purchase of fixed assets for the renewable business, acquisition of subsidiaries and investments in joint ventures and associates, partially offset by the DPN receipts.

Net cash from financing activities was S\$154 million, mainly for proceeds from borrowing.

(iii) Significant non-cash transactions

During the year, the Group entered into new lease arrangements recognising right-of-use assets of S\$496 million (Note 5c) with a corresponding increase in lease liabilities.

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

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

8. ACCOUNTING POLICIES

8a. Basis of preparation

The financial statements for the second half and full year ended December 31, 2024, have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 Interim Financial Reporting. The financial statements do not include all of the information required for a complete set of financial statements. However, selected explanatory notes have been included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements as at and for the year ended December 31, 2023.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current half-year as the last audited financial statements, except for the adoption of new and amended standards as set out in Note 8b.

8b. Changes in accounting policies

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

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

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

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

8c. Accounting estimates and judgements

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last audited annual financial statements, except for:

Acquisitions

During the year, the Group made three significant acquisitions, requiring the purchase price to be allocated to the fair value of the identifiable assets (including intangible assets) acquired and liabilities assumed. Judgement is required in determining the classification of the acquisitions as asset acquisitions or business combinations. There is judgement and estimation uncertainty involved in the valuation of the assets and liabilities as well as settlement of any existing litigations between the parties.

The Group has used provisional amounts of purchase price allocation for the accounting of these acquisitions and has a one-year measurement period from the acquisition date to complete the accounting for the acquisitions. Fair value adjustments may arise on the completion of respective final purchase price allocations due to the estimation uncertainty involved.

Disposals

The assessment on whether the Group has lost control of a subsidiary takes into consideration the terms of the sales, including the transaction structure. Judgements are applied in determining if there is a loss of control or influence of the subsidiary.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

8. ACCOUNTING POLICIES (Cont'd)

8c. Accounting estimates and judgements

Loss of control in SEIL

On January 19, 2023, the Group divested its 100% equity interest in SEIL. Post divestment of the Group's 100% equity stake in SEIL (now known as SEIL EIL), the Group has indirect exposure to SEIL EIL's operational and financial risks as a lender by virtue of the DPN issued to the Purchaser, extension of the corporate guarantees on an arm's length basis to certain SEIL EIL's existing lenders and the provision of non-exclusive technical service to SEIL EIL. Judgements were applied in determining the loss of control in SEIL EIL based on the terms of the sale. The factors being considered include:

- (i) The Group does not have any voting rights, board representatives or decision-making authority in SEIL EIL's operational and financial matters.
- (ii) Affirmative, negative and information covenants common in commercial project finance arrangements, were included as the terms of the DPN to ensure full recoverability of the DPN amount. Such rights are typical of project finance agreements and are not exclusive to the Group. They do not confer any power to direct SEIL EIL's activities for any variable returns, similar to those of SEIL EIL's then existing project finance loans.
- (iii) The corporate guarantees extended to SEIL EIL's lenders was required as part of the consents from lenders for the change in shareholder of SEIL EIL, under the terms of SEIL EIL's then existing project finance arrangements. The Group charges a corporate guarantees fee at an arm's length basis to compensate for the risks assumed and is not a mechanism to extract returns from SEIL EIL.
- (iv) The Group has also entered into a Technical Service Agreement (TSA) to facilitate a smooth transition of the change in ownership in SEIL EIL for the Purchaser (Tanweer Infrastructure SAOC). The Purchaser may request for advice from time to time so that it can run SEIL EIL's operations reliably and efficiently, safeguarding the interest of SEIL EIL's stakeholders, namely the power distribution customers, end users, employees, lenders, and the Indian Power system. The TSA can be terminated by either party with 30 days' notice in writing in accordance with the terms of the agreement.

The fees charged for the TSA are at market rate on an arm's length basis, based on the scope as decided and requested by the Purchaser and SEIL EIL, and not in accordance with the performance achieved by SEIL EIL. The TSA is also not a mechanism to extract returns from SEIL EIL, and the TSA fees are not linked to SEIL EIL's returns and are not material relative to the earnings of SEIL EIL.

- (v) The Group derives interest income as its return under the DPN. The interest rate is at 1.8% per annum plus benchmark rate equal to 10-year Indian government bond minus GHG emission intensity reduction incentive. As a lender under the DPN, the Group has no power nor significant influence over SEIL EIL to affect the amounts of its return from SEIL EIL. Like any other non-recourse project finance lender, the Group's recoverability of the DPN principal is subject to the downside risk of SEIL EIL's ability to generate cashflow to repay the DPN principal.

DPN

The Group has derived the fair value of DPN by performing a discounted cashflow using the forecasted distributable reserves available from SEIL Energy India Limited (SEIL EIL), considering secured cash flows from various power purchase agreements and unsecured cash flows from contract renewals and/or new contracts.

The fair value of DPN assumed that the Group will receive interest payments in accordance with a pre-agreed interest rate and principal repayment according to SEIL EIL's cash distribution waterfall agreed in the DPN agreement.

A discount rate is applied to the DPN to reflect the cash flow risks associated with the forecasted distributable dividends from SEIL EIL and credit default risk of the Purchaser, Tanweer Infrastructure SAOC. This discount rate was derived from the yields of comparable INR bonds in India in the same industry with similar credit ratings, adjusted for maturity and subordinated structure of the DPN and cross referenced with Indian company INR perps and comparable Indian company loans.

An increase in 10 basis points on the discount rate would have reduced the fair value by S\$8 million. Conversely, a 10 basis points decrease would have increased the fair value by S\$8 million (Note 10).

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

9. RELATED PARTIES

9a. Related party transactions

The balances due from related parties arose from the usual trade transactions, reimbursements and for financing capital expansion.

9b. Key Management Personnel

There were no changes to the key management personnel and their compensation scheme in 2H2024.

10. FAIR VALUE MEASUREMENTS

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1 – Using quoted prices (unadjusted) from active markets for identical financial instruments.
- Level 2 – Using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices).
- Level 3 – Using inputs not based on observable market data (unobservable input).

Securities

The fair value of financial assets is based on quoted market prices (bid price) in an active market at the balance sheet date without any deduction for transaction costs. If the market for a quoted financial asset is not active, and for unquoted financial assets, the Group establishes fair value by using other valuation techniques.

Derivatives

The Group uses derivatives for hedging and enhancement of performance purposes. These derivatives are mainly foreign exchange contracts, foreign exchange swaps, interest rate swaps, cross currency swaps, fuel oil swaps and electricity futures market contracts. They are accounted on a basis consistent with that disclosed in the most recent annual financial report.

1. The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current market price.
2. The fair values of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.
3. The fair value of fuel oil swaps contracts is accounted for based on the difference between the contractual strike price with the counterparty and the current market price.
4. Contract For Differences (CFDs) are accounted for based on the difference between the contracted price entered into with the counterparty and the reference price. The fair value of the CFDs would need to be adjusted to reflect the illiquidity. However, there have been minimal trades made in the electricity future market. There is also no fixed quantity stated in the agreement. As such, the fair value of the CFDs cannot be measured reliably. Upon settlement, the gains and losses for CFDs are taken to profit or loss.

10. FAIR VALUE MEASUREMENTS (Cont'd)

For financial instruments not actively traded in the market, fair value is determined by independent third parties or by using various valuation techniques, with assumptions based on existing market conditions at each balance sheet date.

Financial assets and liabilities carried at fair value

(\$ million)	GROUP			Total
	Level 1	Level 2	Level 3	
Fair value measurement using:				
As at December 31, 2024				
Financial assets at FVOCI	–	–	47	47
DPN receivable	–	–	1,581	1,581
Other financial assets at FVTPL	77	–	46	123
Derivative financial assets	–	72	–	72
	<u>77</u>	<u>72</u>	<u>1,674</u>	<u>1,823</u>
Financial liabilities at FVTPL	–	–	(97)	(97)
Derivative financial liabilities	–	(66)	–	(66)
	<u>–</u>	<u>(66)</u>	<u>(97)</u>	<u>(163)</u>
	<u>77</u>	<u>6</u>	<u>1,577</u>	<u>1,660</u>
As at December 31, 2023				
Financial assets at FVOCI	–	–	46	46
DPN receivable	–	–	1,816	1,816
Financial assets at FVTPL	63	–	31	94
Derivative financial assets	–	96	–	96
	<u>63</u>	<u>96</u>	<u>1,893</u>	<u>2,052</u>
Financial liabilities at FVTPL	–	(1)	(133)	(134)
Derivative financial liabilities	–	(83)	–	(83)
	<u>–</u>	<u>(84)</u>	<u>(133)</u>	<u>(217)</u>
	<u>63</u>	<u>12</u>	<u>1,760</u>	<u>1,835</u>

During the years ending December 31, 2024, and December 31, 2023, there have been no transfers between the different levels of the fair value hierarchy.

Financial assets at FVOCI in Level 3 of the fair value hierarchy include unquoted equity shares. The fair value of the unquoted equity shares is determined by reference to the investment's adjusted net asset values as stated in the unaudited financial statements.

The DPN receivable was recognised in January 2023 at the completion of the sale of SEIL. The DPN under Level 3 of the fair value hierarchy is sensitive to various unobservable inputs and is measured based on the contractual terms of the sale (Note 5g and 8c).

Financial liabilities at FVTPL under Level 3 relate to the contingent consideration for the 2022 acquisition in China (Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd), 2023 acquisition in India and 2024 acquisition in Vietnam.

Financial assets at FVTPL under Level 3 included contingent receivable of S\$12 million related to the 2024 acquisition in Vietnam.

10. FAIR VALUE MEASUREMENTS (Cont'd)

Financial assets and liabilities carried at fair value (Cont'd)

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements of financial instruments at FVOCI and FVTPL in Level 3 of the fair value hierarchy:

<i>(S\$ million)</i>	GROUP			
	Financial assets at FVOCI	DPN receivable	Other financial assets at FVTPL	Financial liabilities at FVTPL
As at January 1, 2024	46	1,816	31	(133)
Addition	–	–	2	–
Acquisition of subsidiaries	–	–	–	(3)
Translation adjustment	–	–	–	*
Net change in fair value	(1)	128	(2)	–
Receipt	–	(188)	–	–
As at June 30, 2024	45	1,756	31	(136)
Addition	–	–	3	(4)
Acquisition of subsidiaries	–	–	12	–
Translation adjustment	–	–	–	*
Net change in fair value	2	41	–	–
(Receipt) / Payment	–	(216)	–	43
As at December 31, 2024	47	1,581	46	(97)
As at January 1, 2023	53	–	32	(151)
Addition	–	2,038	3	–
Translation adjustment	–	–	–	5
Net change in fair value	5	122	(1)	–
(Receipt) / Payment	–	(42)	–	12
As at June 30, 2023	58	2,118	34	(134)
Addition	–	–	2	–
Translation adjustment	–	–	–	1
Net change in fair value	(12)	11	(5)	–
Receipt	–	(313)	–	–
As at December 31, 2023	46	1,816	31	(133)

Non-derivative financial assets and liabilities

Non-current

Carrying amount of non-derivative non-current financial assets and liabilities on floating interest rate terms are assumed to approximate their fair value because of the short period to repricing. Fair values for the remaining non-derivative non-current financial assets and liabilities are calculated using discounted expected future principal and interest cash flows at the market rate of interest at the reporting date.

Current

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

The fair value of financial assets and financial liabilities measured at amortised cost for the Group and Company approximate their carrying amounts, except for service concession receivables and non-current borrowings of the Group.

10. FAIR VALUE MEASUREMENTS (Cont'd)

<i>(S\$ million)</i>	Financial assets at amortised costs	Other financial liabilities	Total carrying amount	Fair value
GROUP				
As at December 31, 2024				
Service concession receivables	827	–	827	1,573
Non-current loans and borrowings	–	(8,000)	(8,000)	(7,990)
As at December 31, 2023				
Service concession receivables	843	–	843	1,756
Non-current loans and borrowings	–	(5,973)	(5,973)	(5,887)

11. CONTINGENT LIABILITIES

Group

As at December 31, 2024, the Group's subsidiaries are involved in certain tax disputes, where the amount of potential exposure is estimated to be S\$3 million (December 31, 2023: S\$3 million).

12. COMMITMENTS

Commitments not provided for in the financial statements are as follows:

<i>(S\$ million)</i>	Note	GROUP	
		As at December 31, 2024	As at December 31, 2023
Commitments in respect of contracts placed for property, plant and equipment		948	1,120
Commitments in respect of a civil settlement in China	(i)	–	45
Uncalled commitments to subscribe for additional shares in joint ventures and other investments		3	3
Commitments in respect of purchase of investment properties		48	*
		999	1,168

- (i) As part of the settlement relating to the discharge of off-specification wastewater by its 98.42%-owned wastewater treatment company, Sembcorp Nanjing Suiwu Company Limited, the Group is committed to invest S\$45 million by December 2023 to develop projects and initiatives to support environmental protection in China. The Group has invested more than S\$45 million by the end of December 2023, of which confirmation of the full discharge of our commitment has been obtained from the Nanjing Procuratorate and court in November 2024.

13. OTHER DISCLOSURE

Performance guarantee

Group

As at December 31, 2024, the Group has provided performance guarantees to external parties of nil (December 31, 2023: S\$2 million). The Group does not consider it probable that a claim will be made against the Group under these guarantees, as such there were no liabilities recognised.

13. OTHER DISCLOSURE (Cont'd)

Performance guarantee (Cont'd)

Company

The Company has provided performance guarantees of S\$75 million (December 31, 2023: S\$80 million) on behalf of a subsidiary, Sembcorp Cogen Pte Ltd (SembCogen) for a long-term agreement entered in Year 2010 for the purchase of a total of 20 BBtud (Billion British thermal units per day) of liquefied natural gas (LNG) from Shell Gas Marketing Pte Ltd (Shell).

The agreement has a start date on September 1, 2015 and a term of 10 years. SembCogen has an option to extend the term by two successive periods of five years each, subject to fulfilment of conditions set in the agreement. The Company believes that the subsidiary has sufficient resources to fulfil its contractual obligations and does not consider it probable that a claim will be made against the Company under these guarantees, as such there were no liabilities recognised.

14. AUDIT

The figures have not been audited or reviewed by the Company's auditors.

15. AUDITORS' REPORT

Not applicable.

16. VARIANCE FROM PROSPECT STATEMENT

There is no material change from the previous prospect statement.

17. PROSPECTS

This release contains forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, availability and cost of fuel and materials, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy, directives and changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of the management on future events and impact on the Group.

Group

The Group performed well in 2024. Contribution from the Gas and Related Services segment was lower mainly due to the planned major maintenance in Singapore. For the Renewables segment, earnings were lower mainly due to curtailment in China and lower wind resource in India. The Integrated Urban Solutions segment performed better, driven by higher land sales.

Earnings before exceptional items of the Gas and Related Services segment are expected to be strong, driven by our contracted portfolio and contribution from our 30% stake in Senoko Energy.

The Renewables segment is expected to grow, driven by full-year contribution of assets acquired during the year, as well as commissioning of greenfield projects. We continue to monitor the economic and regulatory developments in China, and the corresponding impact on our China portfolio.

The sale of Sembcorp Environment, which is part of the Integrated Urban Solutions segment and not a major line of business of the Group, is expected to be completed by the first half of 2025 and will no longer contribute to earnings. A gain of no less than S\$100 million is expected to be recognised upon completion of the sale. Despite the sale, outlook of the Integrated Urban Solutions segment is expected to be stable.

Amid ongoing policy uncertainty, the economic growth outlook varies across countries, which may affect business performance. The Group remains committed to capturing market opportunities and creating long-term value through a sustainable energy transition.

18. SUBSEQUENT EVENTS

On January 31, 2025, the Group announced the signing of a share purchase agreement to acquire a 100% interest in Puente Al Sol Inc for consideration of approximately S\$105 million. Puente Al Sol Inc is currently developing a 96MW solar farm in Cadiz, Philippines.

19. OTHER INFORMATION

Update in relation to Legal Proceedings in respect of Sembcorp Utilities South Africa and Sembcorp Silulumanzi

The Group has announced, on November 9, 2020 and December 10, 2024, its ongoing proceedings pursuant to the sale of its wholly-owned subsidiary Sembcorp Utilities (Netherlands) N.V.'s (Sembcorp Netherlands) 100% stake in Sembcorp Utilities South Africa (now known as SA Water Works Utilities (Pty) Limited (SA Waterworks)) and its 100% effective stake in Sembcorp Silulumanzi RF (Pty) Limited (now known as Silulumanzi RF (Pty) Limited (Silulumanzi)) to South African Water Works Pty Ltd (the Sale).

The Group has been informed that on January 28, 2025, Silulumanzi, SA Water Works and Brain Gear Investments (Pty) Limited (collectively, the Appellants) filed an application to the Constitutional Court of South Africa (Constitutional Court) to appeal against the Judgment issued by the Supreme Court of Appeal of South Africa.

While the Appellants' case relates primarily to the sale of the minority 28% stake in Silulumanzi, Sembcorp Netherlands has filed an application to the Constitutional Court to be heard in the event the Appellants' application to be heard is granted. This is to protect Sembcorp Netherlands' interest to prevent a potential reversal of the decision made by the Supreme Court of South Africa which had held that the SPA for the Sale was valid and enforceable.

At the date of these financial statements, proceedings are still ongoing, and it is premature to predict, and the Group cannot reliably determine the eventual outcome to this matter. The timeline for resolution of this matter also cannot be determined presently.

20. DIVIDEND

(a) Current Financial Year Reported On

Name of Dividend	2024	Proposed 2024	2024 Total
	Interim Ordinary Exempt-1-Tier	Final Ordinary Exempt-1-Tier	
Dividend Type	Cash	Cash	Cash
Dividend Amount (cents per shares)	6.0	17.0	23.0

(b) Corresponding Year of the Immediately Preceding Financial Year

Name of Dividend	2023	Proposed 2023	2023 Total
	Interim Ordinary Exempt-1-Tier	Final Ordinary Exempt-1-Tier	
Dividend Type	Cash	Cash	Cash
Dividend Amount (cents per shares)	5.0	8.0	13.0

(c) Date Payable

The proposed final tax-exempt 1-Tier dividend of 17.0 cents per ordinary share, if approved at the Annual General Meeting to be held on April 25, 2025, will be paid on May 13, 2025.

(d) Notice of Record Date

Notice is hereby given that the Register of Members and Share Transfer Books of the Company will be closed on May 5, 2025, to determine members' entitlements to the proposed dividend. Duly completed transfers of shares received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01 Republic Plaza Tower 1, Singapore 048619, up to 5.00 p.m. on May 2, 2025 (the "Record Date") will be registered to determine members' entitlements to the proposed dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on the Record Date will be entitled to the proposed dividend.

(e) Total Annual Dividend and Capital Distribution (in Dollar Value)

(S\$ million)	FY2024	FY2023
Name of Dividend		
Interim ordinary dividend	107	89
Final ordinary dividend [@]	303	142
Total	<u>410</u>	<u>231</u>

[@] FY2024 dividend is estimated based on the share capital, excluding treasury shares, of 1,782,744,308 ordinary shares at the end of the financial year

21. INTERESTED PERSON TRANSACTIONS

For the purposes of Chapter 9 of the SGX-ST Listing Manual, shareholders' approval is required for any interested person transaction of a value equal to, or more than 5% of the Group's latest audited consolidated net tangible assets (NTA) or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than 5% of the Group's latest NTA. For FY2024, 5% of the Group's consolidated NTA, as at December 31, 2023 was S\$181 million.

Chapter 9, however, permits the Company to obtain a shareholders' mandate for recurrent transaction of a revenue or trading nature or those necessary for its day-to-day operations. At the Annual General Meeting held on April 2024, the Company obtained approval for such shareholders' mandate.

<i>(S\$ million)</i>	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) FY2024	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2024
Sale of goods and services			
Singapore Technologies Telemedia Pte Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	0.1	–
Mapletree Investments Pte Ltd and its Associates		0.5	–
PSA International Pte Ltd and its Associates		6.0	–
Olam International Ltd and its Associates		45.6	–
SATS Ltd and its Associates		0.1	–
CapitaLand Investment Limited and its Associates		0.9	–
Singapore Power Limited and its Associates		2.6	–
Singapore Technologies Engineering Ltd and its Associates		1.4	–
Total sale of goods and services		57.2	–
Purchase of goods and services			
Singapore Power Limited and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	57.3	–
Mapletree Investments Pte Ltd and its Associates		3.8	–
SATS Ltd and its Associates		1.0	–
Singapore Airlines Limited and its Associates		0.1	–
Singapore Telecommunications Ltd and its Associates		8.1	–
Singapore Technologies Engineering Ltd and its Associates		10.8	–
Surbana-Jurong Private Limited and its Associates		7.2	–
PSA International Pte Ltd and its Associates		0.4	–
Pavilion Energy Pte Ltd and its Associates		82.2	–
Starhub Ltd and its Associates		0.5	–
Constellar Holdings Pte. Ltd.		0.3	–
Total purchase of goods and services		171.7	–

21. **INTERESTED PERSON TRANSACTIONS** (Cont'd)

<i>(S\$ million)</i>	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) FY2024	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) FY2024
Treasury transactions			
Subscription to S\$350 million 3.65% fixed rate notes due 2036 notes issued by Sembcorp Financial Services Pte. Ltd. On October 23, 2024			
Yap Chee Keong	Director	0.4	–
Total treasury transactions		0.4	–
Total		229.3	–

22. **CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

23. **REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, the chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Nuraliza Osman (Ms)
Company Secretary
February 27, 2025