



**SBS TRANSIT LTD**  
Company Registration No.: 199206653M

**Condensed Financial Statements for the second half and full year ended 31  
December 2024 and Dividend Announcement**

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## A GROUP INCOME STATEMENT

<b>GROUP</b>							
Note	2nd Half 2024 <sup>(N1)</sup>	2nd Half 2023 <sup>(N1)</sup>	Incr/ (Decr)	Full Year 2024	Full Year 2023	Incr/ (Decr)	
	\$'000	\$'000	%	\$'000	\$'000	%	
<b>Revenue</b>	778,375	782,754	(0.6)	1,559,728	1,527,136	2.1	
Staff costs	377,511	362,254	4.2	756,740	737,646	2.6	
Repairs and maintenance costs	99,757	113,862	(12.4)	203,093	201,416	0.8	
Fuel and electricity costs	119,075	148,674	(19.9)	262,063	281,551	(6.9)	
Premises costs	28,507	23,026	23.8	51,747	44,716	15.7	
Depreciation expense	43,898	45,426	(3.4)	87,158	92,618	(5.9)	
Other operating costs	71,162	48,954	45.4	125,761	92,537	35.9	
Total operating costs	<u>739,910</u>	<u>742,196</u>	(0.3)	<u>1,486,562</u>	<u>1,450,484</u>	2.5	
<b>Operating profit</b>	5	38,465	40,558	(5.2)	73,166	76,652	(4.5)
Interest income		5,151	6,539	(21.2)	11,065	12,834	(13.8)
Finance costs		(322)	(865)	(62.8)	(726)	(1,515)	(52.1)
<b>Profit before taxation</b>		<u>43,294</u>	<u>46,232</u>	(6.4)	<u>83,505</u>	<u>87,971</u>	(5.1)
Tax expense	6	(6,691)	(11,944)	(44.0)	(13,204)	(18,895)	(30.1)
<b>Profit attributable to shareholders</b>		<u><u>36,603</u></u>	<u><u>34,288</u></u>	6.8	<u><u>70,301</u></u>	<u><u>69,076</u></u>	1.8

Please refer to paragraph G2 for a detailed explanation of the Group's financial performance.

N1 – Unaudited

## B GROUP COMPREHENSIVE INCOME STATEMENT

	Group			
	2nd Half	2nd Half	Full Year	Full Year
	2024 <sup>(N1)</sup>	2023 <sup>(N1)</sup>	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Profit attributable to shareholders</b>	36,603	34,288	70,301	69,076
<i>Items that may be reclassified subsequently to Profit or Loss</i>				
Fair value adjustment on cash flow hedges	(116)	(5)	598	91
<b>Total comprehensive income attributable to shareholders</b>	<u>36,487</u>	<u>34,283</u>	<u>70,899</u>	<u>69,167</u>

N1 – Unaudited

Earnings per share based on weighted average number of ordinary shares in issue (in cents):

Basic	<u>22.52</u>	<u>22.15</u>
Diluted	<u>22.48</u>	<u>22.15</u>

## C STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 Dec	31 Dec	31 Dec	31 Dec
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Short-term deposits and bank balances		384,993	371,965	382,589	368,892
Trade and other receivables	10	349,772	304,478	231,101	211,403
Inventories		133,775	119,876	37,425	25,019
Total current assets		<u>868,540</u>	<u>796,319</u>	<u>651,115</u>	<u>605,314</u>
<b>Non-current assets</b>					
Subsidiaries		-	-	440,002	100,002
Prepayments		-	1,476	-	35
Due from subsidiaries		-	-	35,750	347,292
Vehicles, premises and equipment	11	271,948	353,546	233,790	314,594
Deferred tax assets		20,180	20,855	-	-
Total non-current assets		<u>292,128</u>	<u>375,877</u>	<u>709,542</u>	<u>761,923</u>
<b>Total assets</b>		<u><u>1,160,668</u></u>	<u><u>1,172,196</u></u>	<u><u>1,360,657</u></u>	<u><u>1,367,237</u></u>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Lease liabilities	12	12,131	10,523	12,131	10,523
Trade and other payables	13	297,500	333,920	177,898	209,545
Deposits received		4,180	4,046	1,557	1,450
Provisions		13,421	16,079	13,235	14,674
Fuel price equalisation account		19,442	19,442	19,442	19,442
Income tax payable		23,750	28,293	23,728	28,275
Total current liabilities		<u>370,424</u>	<u>412,303</u>	<u>247,991</u>	<u>283,909</u>
<b>Non-current liabilities</b>					
Lease liabilities	12	5,582	8,787	5,582	8,787
Deferred grants		3,727	4,064	3,727	3,966
Deposits received		7,845	7,367	2,707	2,960
Deferred tax liabilities		17,989	22,424	17,989	22,424
Provisions		16,185	15,725	13,275	11,624
Fuel price equalisation account		19,442	19,442	19,442	19,442
Total non-current liabilities		<u>70,770</u>	<u>77,809</u>	<u>62,722</u>	<u>69,203</u>
<b>Total liabilities</b>		<u><u>441,194</u></u>	<u><u>490,112</u></u>	<u><u>310,713</u></u>	<u><u>353,112</u></u>
<b>Capital and reserves</b>					
Share capital	14	101,436	100,783	101,436	100,783
Other reserves		1,833	40,861	1,657	41,283
Accumulated profits		616,205	540,440	946,851	872,059
Total equity		<u>719,474</u>	<u>682,084</u>	<u>1,049,944</u>	<u>1,014,125</u>
<b>Total liabilities and equity</b>		<u><u>1,160,668</u></u>	<u><u>1,172,196</u></u>	<u><u>1,360,657</u></u>	<u><u>1,367,237</u></u>

## D GROUP CASH FLOW STATEMENT

	Note	<b>Group</b>	
		<b>Full Year</b>	<b>Full Year</b>
		<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities</b>			
Profit before taxation		83,505	87,971
Adjustments for:			
Depreciation expense		87,158	92,618
Fuel price equalisation account		-	(1,100)
Finance costs		726	1,515
Net loss on disposal of vehicles and equipment		188	93
Interest income		(11,065)	(12,834)
Provisions		5,951	4,250
Allowance for inventory obsolescence		7,371	8,363
Allowance for expected credit losses		108	5
Share-based payment expense		1,292	982
Operating cash flows before movements in working capital		175,234	181,863
Trade receivables and other receivables		(46,156)	(43,077)
Inventories		(21,270)	(25,590)
Trade and other payables		(35,912)	264
Deferred grants		(337)	(285)
Deposits received		612	(104)
Utilisation of provisions		(8,171)	(6,032)
Receipt from net investment on sublease		182	166
Cash generated from operations		64,182	107,205
Income tax paid		(21,629)	(31,182)
Interest paid arising from leases		(704)	(1,151)
Net cash generated from operating activities		41,849	74,872
<b>Investing activities</b>			
Interest received		11,918	12,658
Proceeds from disposal of vehicles, premises and equipment		26,517	227
Purchase of vehicles, premises and equipment		(20,351)	(15,661)
Net cash generated from (used in) investing activities		18,084	(2,776)
<b>Financing activities</b>			
Payments under lease liabilities		(12,104)	(11,049)
Dividends paid	7	(34,829)	(34,404)
Others		28	18
Net cash used in financing activities		(46,905)	(45,435)
Net increase in cash and cash equivalents		13,028	26,661
Cash and cash equivalents at beginning of year		371,965	345,304
<b>Cash and cash equivalents at end of year</b>		<b>384,993</b>	<b>371,965</b>

## E STATEMENTS OF CHANGES IN EQUITY

	Group			
	Attributable to shareholders of the Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2024</b>	100,783	40,861	540,440	682,084
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	70,301	70,301
Other comprehensive income for the year	-	598	-	598
<b>Total</b>	-	598	70,301	70,899
<b>Transactions recognised directly in equity</b>				
Payment of dividends	-	-	(34,829)	(34,829)
Shares issuance	653	(653)	-	-
Share-based payment	-	1,292	-	1,292
Transfer of revaluation reserve on disposal of leasehold land and building	-	(40,265)	40,265	-
Other reserves	-	-	28	28
<b>Total</b>	653	(39,626)	5,464	(33,509)
<b>Balance at 31 December 2024</b>	101,436	1,833	616,205	719,474
<b>Balance at 1 January 2023</b>	100,499	40,072	505,750	646,321
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	69,076	69,076
Other comprehensive income for the year	-	91	-	91
<b>Total</b>	-	91	69,076	69,167
<b>Transactions recognised directly in equity</b>				
Payment of dividends	-	-	(34,404)	(34,404)
Shares issuance	284	(284)	-	-
Share-based payment	-	982	-	982
Other reserves	-	-	18	18
<b>Total</b>	284	698	(34,386)	(33,404)
<b>Balance at 31 December 2023</b>	100,783	40,861	540,440	682,084

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2024</b>	100,783	41,283	872,059	1,014,125
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	69,328	69,328
<b>Total</b>	-	-	69,328	69,328
<b>Transactions recognised directly in equity</b>				
Payment of dividends	-	-	(34,829)	(34,829)
Shares issuance	653	(653)	-	-
Share-based payment	-	1,292	-	1,292
Transfer of revaluation reserve on disposal of leasehold land and building	-	(40,265)	40,265	-
Other reserves	-	-	28	28
<b>Total</b>	653	(39,626)	5,464	(33,509)
<b>Balance at 31 December 2024</b>	101,436	1,657	946,851	1,049,944
<b>Balance at 1 January 2023</b>	100,499	40,444	835,482	976,425
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	70,963	70,963
<b>Total</b>	-	-	70,963	70,963
<b>Transactions recognised directly in equity</b>				
Payment of dividends	-	-	(34,404)	(34,404)
Shares issuance	284	(284)	-	-
Share-based payment	-	1,123	-	1,123
Other reserves	-	-	18	18
<b>Total</b>	284	839	(34,386)	(33,263)
<b>Balance at 31 December 2023</b>	100,783	41,283	872,059	1,014,125

## **F NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

The Company (Registration No. 199206653M) is incorporated in Singapore with its registered office and principal place of business at 205 Braddell Road, Singapore 579701. The Company is listed on the Singapore Exchange Securities Trading Limited. These condensed consolidated Financial Statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are those of the provision of public bus transport services. The principal activities of the companies in the Group are in the business of provision of public transport services and the consultancy services relating to land transport. The provision of public transport services includes the operation of public bus, Downtown Mass Rapid Transit System (DTL), North-East Mass Rapid Transit System (NEL) and Sengkang Light Rapid Transit System and the Punggol Light Rapid Transit System (SPLRT).

### **2. BASIS OF PREPARATION**

The condensed interim Financial Statements as at and for the six months ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting*. The condensed Financial Statements do not include all the information required for a complete set of Financial Statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim Financial Statements for the period ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed Financial Statements are expressed in Singapore dollars which is the Company's functional currency.

#### **2.1 New and amended standards adopted by the Group**

On 1 January 2024, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

#### **2.2 Use of judgements and estimates**

In the application of the Group's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management is of the opinion that any instances of applications of judgements are not expected to have a significant effect on the amounts recognised in the consolidated Financial Statements (apart from those involving estimations, which are dealt with below).

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



### ***Critical judgements in applying the Group's accounting policies***

The following are the critical judgements, apart from those involving estimates (see below), that Management has made in the process of applying the Group's accounting policies and that have a significant effect on the amounts recognised in the consolidated Financial Statements:

#### Recoverability of debt and equity investments in a subsidiary

The Group applies judgement in evaluating whether there are indicators of impairment and significant increase in credit risks in respect to the Company's debt and equity investments in SBS Transit Rail Pte. Ltd. ("SBST Rail" or the "subsidiary"). It considers the projection of the future financial performance of the DTL, NEL and SPLRT under the Consolidated Rail Licence applying appropriate key assumptions relating to ridership growth, fare adjustments, availability of grants from the Authorities and operating costs projections. The Group also considers external information regarding forecasted economic indicators and geopolitical risk factors that could affect key operating costs drivers such as labour and energy costs.

#### Accounting for contracts with public transport regulator

The Group's Public Transport Services segment has entered into contracts with the public transport regulator (the "Grantor") in Singapore whereby the Group operates bus and train assets and related infrastructure that are either owned by the Group or leased from the Grantor (the "Public Transport Assets") to provide public transportation services.

As part of determining the appropriate accounting treatments for these contracts, the Group applies judgement to determine whether these public-to-private arrangements are within the scope of SFRS(I) INT 12 *Service Concession Arrangements* that would affect the manner that the Public Transport Assets, the related expenditures incurred by the Group, the service and fare income earned by the Group, and payments made to the Grantor under these contracts are recognised in the Group's Statement of Financial Position and Income Statement. The applicability of SFRS(I) INT 12 is based on an assessment of whether the Grantor has both the control over the services to be provided using the Assets, and the residual interests at the end of the contract.

### ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

#### Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

#### Accident claims

Claims for property damage and personal injury are provided in the Financial Statements based on the claims outstanding as of the end of the financial year and estimated amounts payable. The past claims history and payments as well as the Group's insurance coverage are taken into account to estimate the amounts in which the Group will have to pay to third parties for such claims.

#### Allowance for inventory obsolescence

The Group's inventories comprised mainly parts, accessories and consumable stock required for the operation and maintenance of vehicles and equipment used in the Group's Public Transport Services segment.

Management identifies and provides for obsolete inventories based on considerations such as phasing out of vehicle models and inventories purchased for specific projects which have ended. For inventories that are still held for operations, Management considers economic obsolescence risk due to the limited timeframe for cost recovery from the related train or bus service revenues, which is expected to end by the expiry of the current licence agreement or the useful life of the buses respectively. Consequently, Management has estimated the obsolescence allowance by adopting a systematic straight-line write-down for spares that are aged 2 years and above till the end of the licence period or useful life of the buses.

#### Useful lives of vehicles, premises and equipment

The Group reviews the estimated useful lives of vehicles, premises and equipment at the end of each annual reporting period, including the consideration of climate-related matters, such as climate-related legislation and regulations or the Group's sustainability commitments that may restrict the use of assets. During the financial year, Management determined that the estimated useful lives of vehicles, premises and equipment are appropriate and no material revision is required.

#### Recoverability of the Company's investment in subsidiary and non-trade receivables due from subsidiary

Investment in a subsidiary is tested for impairment whenever there is indication that the investment may be impaired. Where there is an indication of impairment, the recoverable amount is estimated based on the higher of the value-in-use and the fair value less costs of disposal of the investment. The Company has estimated the value-in-use of the equity investment in SBST Rail based on estimates of the future cash flows generated by SBST Rail and application of a suitable discount rate in order to calculate the present value of the cash flows. The Company has also made assessment of the expected credit loss ("ECL") of non-trade receivables due from SBST Rail that is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The above assessments involve projections of the subsidiary's future operating and financial performance during and beyond the current Consolidated Rail Licence prepared based on key assumptions and estimates including but not limited to ridership growth, fare adjustments, availability of grants from the Authorities and operating costs, after taking into consideration the current ridership patterns, fare adjustments, key operating cost drivers and the relevant risk factors. It also involves determining and applying an appropriate market-based discount rate to the discounted cash flow model. Management concluded that there is no impairment required as at 31 December 2024 and 31 December 2023.

### 3. SEGMENT AND REVENUE INFORMATION

The Group operates principally in Singapore.

Information reported to the Group's chief operating decision maker for purposes of resource allocation and assessment of segment performance are based on the following:

- (a) Public Transport Services: Income is generated substantially from the provision of bus and rail services to commuters travelling on public transport systems under contracts with the transport regulator.
- (b) Other Commercial Services:
  - (i) advertisements on buses and trains and at bus interchanges and rail stations; and
  - (ii) rental collections from commercial and shop space at bus interchanges and rail stations.

**Segment revenue and expense:** Segment revenue and expense are the operating revenue and expense reported in the Group's Profit or Loss that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

**Segment assets and liabilities:** Segment assets include all operating assets used by a segment and consist principally of operating receivables, inventories and vehicles, premises and equipment, net of allowances and provisions. Capital additions include the total cost incurred to acquire vehicles, premises and equipment directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of accounts payable and accruals.

3.1 Segment information

	<b>Public Transport Services</b>	<b>Other Commercial Services</b>	<b>Total</b>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b><u>Second Half 2024</u></b>			
Revenue	745,699	32,676	778,375
<b><u>Results</u></b>			
Segment results	26,757	11,708	38,465
Interest income			5,151
Finance costs			(322)
Profit before taxation			<u>43,294</u>
Tax expense			(6,691)
Profit attributable to shareholders			<u><u>36,603</u></u>
<b>OTHER INFORMATION</b>			
Depreciation expense	41,332	2,566	43,898
<b><u>Second Half 2023</u></b>			
Revenue	752,889	29,865	782,754
<b><u>Results</u></b>			
Segment results	21,854	18,704	40,558
Interest income			6,539
Finance costs			(865)
Profit before taxation			<u>46,232</u>
Tax expense			(11,944)
Profit attributable to shareholders			<u><u>34,288</u></u>
<b>OTHER INFORMATION</b>			
Depreciation expense	42,971	2,455	45,426

	<b>Public Transport Services</b>	<b>Other Commercial Services</b>	<b>Total</b>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b><u>Full Year 2024</u></b>			
Revenue	1,499,977	59,751	1,559,728
<b><u>Results</u></b>			
Segment results	53,756	19,410	73,166
Interest income			11,065
Finance costs			(726)
Profit before taxation			<u>83,505</u>
Tax expense			(13,204)
Profit attributable to shareholders			<u><u>70,301</u></u>
<b>OTHER INFORMATION</b>			
Depreciation expense	82,108	5,050	87,158
<b><u>Full Year 2023</u></b>			
Revenue	1,470,277	56,859	1,527,136
<b><u>Results</u></b>			
Segment results	40,192	36,460	76,652
Interest income			12,834
Finance costs			(1,515)
Profit before taxation			<u>87,971</u>
Tax expense			(18,895)
Profit attributable to shareholders			<u><u>69,076</u></u>
<b>OTHER INFORMATION</b>			
Depreciation expense	87,547	5,071	92,618

	<b>Public Transport Services</b>	<b>Other Commercial Services</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b><u>31 December 2024</u></b>			
<b>ASSETS</b>			
Segment assets	729,622	25,094	754,716
Unallocated corporate assets			405,952
Consolidated total assets			<u>1,160,668</u>
<b>LIABILITIES</b>			
Segment liabilities	351,652	29,745	381,397
Unallocated corporate liabilities			59,797
Consolidated total liabilities			<u>441,194</u>
<b>OTHER INFORMATION</b>			
Addition of vehicles, premises and equipment	18,242	3,583	21,825
<b><u>31 December 2023</u></b>			
<b>ASSETS</b>			
Segment assets	756,700	21,288	777,988
Unallocated corporate assets			394,208
Consolidated total assets			<u>1,172,196</u>
<b>LIABILITIES</b>			
Segment liabilities	398,265	27,751	426,016
Unallocated corporate liabilities			64,096
Consolidated total liabilities			<u>490,112</u>
<b>OTHER INFORMATION</b>			
Addition of vehicles, premises and equipment	13,162	1,515	14,677

### 3.2 Revenue

Revenue is substantially generated from the provision of bus and rail services to commuters travelling on public transport systems. Revenue from transport services are mainly contracts with the Government (public sector) in Singapore for an average of 11 years. Included in the revenue from transport services are performance incentives from transport regulator for achieving certain performance and service quality targets, and other rail-related services income. The performance incentives accounted for approximately 4% (2023: 3%) of the total revenue.

Breakdown of revenue:

	Full Year 2024	Full Year 2023	Incr / (Decr)
	\$'000	\$'000	%
(a) Revenue reported for first half year	781,353	744,382	5.0
(b) Profit after taxation reported for first half year	33,698	34,788	(3.1)
(a) Revenue reported for second half year	778,375	782,754	(0.6)
(b) Profit after taxation reported for second half year	36,603	34,288	6.8

#### 4. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 31 December 2023:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>				
Amortised cost	702,793	642,915	643,679	922,336
Financial Instruments designated in hedge accounting relationships:				
Hedging instrument	212	-	-	-
<b>Financial Liabilities</b>				
Amortised cost	287,726	328,046	164,471	200,690
Lease liabilities	17,713	19,310	17,713	19,310
Financial Instruments designated in hedge accounting relationships:				
Hedging instrument	-	509	-	-

## 5. OPERATING PROFIT

### 5.1 Significant items

	<b>Group</b>			
	<b>2nd Half</b>	<b>2nd Half</b>	<b>Full Year</b>	<b>Full Year</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cost of inventories recognised in repairs and maintenance costs	69,306	79,399	140,337	139,042
Net loss (gain) on disposal of vehicles, premises and equipment	199	(15)	188	93
Allowance for inventory obsolescence	774	4,711	7,371	8,363
Allowance (Write-back) for expected credit losses	53	(8)	108	5
Provision for accident claims	2,030	2,641	3,781	2,641
Provision (Write-back) for service benefits	337	517	747	(136)
Provision (Write-back) for reinstatement and maintenance costs	572	(95)	1,423	1,745

### 5.2 Related party transactions

The Company's immediate and ultimate holding company is ComfortDelGro Corporation Limited, incorporated in Singapore.

Related companies refer to members of the ultimate holding company's group of companies.

Related parties include associate or joint venture of a member of the ultimate holding company.

Intercompany and related party transactions during the financial year, other than those disclosed elsewhere in the notes to the condensed consolidated Financial Statements are as follows:

	<b>Group</b>	
	<b>Full Year</b>	<b>Full Year</b>
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Purchases of inventories from a related company	30,126	32,463
Shared services charged from ultimate holding company	3,978	4,575
Corporate services charged from ultimate holding company	4,064	4,302
Rental expense from:		
Ultimate holding company	3,114	2,997
Related company	512	591
Purchase of goods and services from related companies	5,281	4,492
Transfer of premises and equipment from:		
Ultimate holding company	-	266
Related companies	11	6
Sales of goods and services:		
Ultimate holding company	(24)	(24)
Related companies	(1,633)	(2,042)
Sales of services to a related party	(280)	-
Rental income from related companies	(242)	(232)



## 6. TAX EXPENSE

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the Group Income Statement are:

	Group			
	2nd Half 2024	2nd Half 2023	Full Year 2024	Full Year 2023
	\$'000	\$'000	\$'000	\$'000
Current income tax	8,099	11,409	17,088	23,218
Deferred tax	(1,408)	535	(3,884)	(4,323)
Total	<u>6,691</u>	<u>11,944</u>	<u>13,204</u>	<u>18,895</u>

## 7. DIVIDENDS

	Group	
	Full Year 2024	Full Year 2023
	\$'000	\$'000
Tax-exempt one-tier final dividend in respect of previous financial year - 5.58 cents (2023: 5.45 cents) per ordinary share	17,408	16,997
Tax-exempt one-tier interim dividend in respect of current financial year - 5.58 cents (2023: 5.58 cents) per ordinary share	17,421	17,407
Total	<u>34,829</u>	<u>34,404</u>

## 8. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Net asset value per ordinary share based on issued share capital (dollars)	2.30	2.19	3.36	3.25

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) quoted prices in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (Level 3).

The fair values of the Group's hedging instruments are classified into Level 2. None of the fair value of the financial instrument is classified in Level 3. There are also no transfers between Levels 1 and 2 of the fair value hierarchy during the financial year.

## 10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 Dec	31 Dec	31 Dec	31 Dec
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables from:				
Related companies (Note 5.2)	1,106	672	-	-
Outside parties	155,655	144,024	142,511	133,836
Accrued income	72,804	52,223	817	1,119
	<u>229,565</u>	<u>196,919</u>	<u>143,328</u>	<u>134,955</u>
Allowance for expected credit losses	(172)	(59)	(93)	(25)
	<u>229,393</u>	<u>196,860</u>	<u>143,235</u>	<u>134,930</u>
Other receivables from:				
Ultimate holding company (Note 5.2)	31	4	31	4
Related companies (Note 5.2)	634	2,073	263	1,740
Subsidiaries (Note 5.2)	-	-	1,455	1,250
Outside parties	79,155	64,465	77,100	64,114
	<u>79,820</u>	<u>66,542</u>	<u>78,849</u>	<u>67,108</u>
Prepayments	31,760	33,528	5,763	5,251
Interest receivable	867	1,720	867	1,720
Staff advances	406	584	88	220
Security deposits from outside parties	1,601	1,263	1,511	1,234
Accrued income	5,812	3,761	675	714
Net investment on sublease	115	228	115	228
	<u>120,381</u>	<u>107,626</u>	<u>87,868</u>	<u>76,475</u>
Allowance for expected credit losses	(2)	(8)	(2)	(2)
	<u>120,379</u>	<u>107,618</u>	<u>87,866</u>	<u>76,473</u>
Total current trade and other receivables	349,772	304,478	231,101	211,403
Non-current other receivables due from subsidiaries (Note 5.2)	-	-	35,750	347,292
Total	<u>349,772</u>	<u>304,478</u>	<u>266,851</u>	<u>558,695</u>

The amounts outstanding are interest-free and the credit period ranges from 7 to 30 days (2023: 7 to 30 days).

## 11. VEHICLES, PREMISES AND EQUIPMENT

During the financial year ended 31 December 2024, the addition to vehicles, premises and equipment (including transfers from ultimate holding company and related companies) amounted to \$21,825,000 (31 December 2023: \$14,677,000) and disposal of vehicles, premises and equipment owned amounted to a net book value of \$26,704,000 (31 December 2023: \$322,000). In 2024, the Group has entered into new leases including lease modification amounting to \$10,584,000 (31 December 2023: Nil).

## 12. AGGREGATE AMOUNT OF GROUP'S LEASE LIABILITIES

	<b>Group and Company</b>	
	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Lease Liabilities</u></b>		
<b>Secured</b>		
Amount repayable in one year or less, or on demand	12,131	10,523
Amount repayable after one year	5,582	8,787
Total	<u>17,713</u>	<u>19,310</u>

### Details of any collateral

The Group's obligations are secured by the lessors' title to the leased assets for such leases.

## 13. TRADE AND OTHER PAYABLES

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Payables to:				
Ultimate holding company (Note 5.2)	715	2,753	564	2,697
Subsidiaries (Note 5.2)	-	-	14	-
Related companies (Note 5.2)	6,642	6,257	5,790	5,542
Outside parties	94,778	95,748	62,820	60,355
Accruals	192,090	226,255	107,278	139,479
Deferred income	3,275	2,907	1,432	1,472
Total	<u>297,500</u>	<u>333,920</u>	<u>177,898</u>	<u>209,545</u>

The amounts outstanding are interest-free and the average credit period is 30 days (2023: 30 days).

## 14. SHARE CAPITAL

	<b>Group and Company</b>			
	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Number ('000) of Ordinary shares</b>		<b>\$'000</b>	<b>\$'000</b>
Issued and paid up:				
At beginning of year	311,966	311,865	100,783	100,499
Issued during the year	239	101	653	284
At end of year	<u>312,205</u>	<u>311,966</u>	<u>101,436</u>	<u>100,783</u>

As at 31 December 2024, the Company does not hold any treasury shares.

## 15. SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of condensed Financial Statements.

## G OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

### 1. REVIEW

The Financial Statements of the Group and Company for the financial year ended 31 December 2024 have been audited. Please refer to the auditor's report in item 9. Financial results of the Group for 2H2024 and 2H2023 have not been audited nor reviewed.

### 2. REVIEW OF GROUP PERFORMANCE

#### Performance Review

#### (i) 2H2024 vs 2H2023

Group revenue of \$778.4m for 2H2024 decreased by 0.6% or \$4.4m from \$782.8m for the same period last year while Group operating costs of \$739.9m for 2H2024 decreased by 0.3% or \$2.3m from \$742.2m for 2H2023.

Group operating profit of \$38.5m for 2H2024 was 5.2% or \$2.1m lower than that of \$40.6m for 2H2023.

Interest income of \$5.1m for 2H2024 was 21.2% or \$1.4m lower than that of \$6.5m for 2H2023.

Finance costs of \$0.3m for 2H2024 were 62.8% or \$0.6m lower than that of \$0.9m for 2H2023.

Consequently, Group profit before taxation of \$43.3m for 2H2024 was 6.4% or \$2.9m lower than that of \$46.2m for 2H2023.

Tax expense for 2H2024 was \$6.7m as compared to \$11.9m in 2H2023 due to write-back of overprovision of prior years' tax after finalisation by tax authorities and lower profits.

Group profit attributable to shareholders of the Company of \$36.6m for 2H2024 was 6.8% or \$2.3m higher than that of \$34.3m for 2H2023.

Revenue from Public Transport Services of \$745.7m for 2H2024 was lower by 1.0% or \$7.2m as compared to \$752.9m for 2H2023 due mainly to lower bus revenue mileage, partially offset by higher rail revenue due mainly to higher rail average fare and higher ridership. For 2H2024, average daily ridership for NEL grew by 1.3% to 590k passenger trips while that for the SPLRT dropped by 2.8% to 157k passenger trips as compared to that of 2H2023. Average daily ridership for the DTL grew by 3.4% to 468k passenger trips as compared to that of 2H2023. Operating profit for 2H2024 at \$26.8m increased by 22.4% or \$4.9m from \$21.9m for 2H2023 due mainly to productivity savings, lower fuel and electricity costs and lower repairs and maintenance costs, offset by higher staff costs, higher other operating costs due to higher rail licence charge and lower revenue.

Revenue from Other Commercial Services of \$32.7m for 2H2024 was higher by 9.4% or \$2.8m as compared to \$29.9m for 2H2023 due mainly to more digital campaigns rolled out. Operating profit for 2H2024 at \$11.7m decreased by 37.4% or \$7.0m as compared to \$18.7m for 2H2023 due mainly to advertising concession fee payable from 1 January 2024 under the new rail advertising concession agreement and higher premises costs, offset by higher revenue.

(ii) FY2024 vs FY2023

Group revenue of \$1,559.7m for 2024 increased by 2.1% or \$32.6m from \$1,527.1m for 2023 while Group operating costs of \$1,486.6m for 2024 increased by 2.5% or \$36.1m from \$1,450.5m for 2023.

Group operating profit of \$73.2m for 2024 was 4.5% or \$3.5m lower than that of \$76.7m for 2023.

Interest income of \$11.1m for 2024 was 13.8% or \$1.7m lower than that of \$12.8m for 2023.

Consequently, Group profit before taxation of \$83.5m for 2024 was 5.1% or \$4.5m lower than that of \$88.0m for 2023.

Tax expense of \$13.2m for 2024 was \$5.7m lower than that of \$18.9m for 2023 due to write-back of overprovision of prior years' tax after finalisation by tax authorities and lower profits.

Group profit attributable to shareholders of the Company of \$70.3m for 2024 was 1.8% or \$1.2m higher than that of \$69.1m for 2023.

Revenue from Public Transport Services of \$1,500.0m for 2024 was higher by 2.0% or \$29.7m as compared to \$1,470.3m for 2023 due mainly to higher rail average fare and higher ridership. For 2024, average daily ridership for NEL grew by 3.3% to 589k passenger trips and that for the SPLRT by 1.0% to 161k passenger trips as compared to that of 2023. Average daily ridership for DTL grew by 5.0% to 465k passenger trips as compared to that of 2023. Operating profit for 2024 at \$53.8m increased by 33.8% or \$13.6m from \$40.2m for 2023 due mainly to higher revenue and productivity savings, lower fuel and electricity costs, offset by higher staff costs and higher other operating costs due to higher rail licence charge.

Revenue from Other Commercial Services of \$59.7m for 2024 was higher by 5.1% or \$2.8m as compared to \$56.9m for 2023 due mainly to more digital campaigns rolled out. Operating profit for 2024 at \$19.4m decreased by 46.8% or \$17.1m as compared to \$36.5m for 2023 due mainly to advertising concession fee payable from 1 January 2024 under the new rail advertising concession agreement and higher premises costs, offset by higher revenue.

### Statement of Financial Position

As at 31 December 2024, total equity for the Group increased by 5.5% or \$37.4m to \$719.5m as compared to 31 December 2023 due mainly to profits generated from operations, partially offset by the dividends paid.

Group total assets decreased by 1.0% or \$11.5m to \$1,160.7m due mainly to a decrease in non-current assets of \$83.7m, partially offset by an increase in current assets of \$72.2m. The decrease in non-current assets was due mainly to the sale of Soon Lee bus depot and depreciation of vehicles, premises and equipment. The increase in current assets was due mainly to an increase in trade and other receivables, inventories and short-term deposits.

Group total liabilities decreased by 10.0% or \$48.9m to \$441.2m due mainly to a decrease in current liabilities of \$41.9m and a decrease in non-current liabilities of \$7.0m. The decrease in current liabilities was due mainly to a decrease in trade and other payables and income tax payable. The decrease in non-current liabilities was due mainly to a decrease in deferred tax liabilities and lease liabilities.

### **Cash Flow**

The net cash inflow of \$13.0m for 2024 was mainly from net cash generated from operating activities and proceeds from disposal of vehicles and equipment, partially offset by the payment of dividends and purchase of vehicles, premises and equipment.

As at 31 December 2024, the Group had short-term deposits and bank balances of \$385.0m.

### **3. ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS**

No forecast or prospect statement has been previously disclosed.

### **4. GROUP OUTLOOK**

Rail operations revenue is expected to grow marginally with higher ridership and the fare adjustments that came into effect on 28 December 2024.

Bus operations revenue will decrease with the full year impact of the expiry of the Jurong West bus package on 31 August 2024.

Operating costs continue to remain a challenge, even though cost increases are expected to be moderated with the easing of inflationary pressures and the tight labour market remains a concern.

We have been awarded the contract and will continue to operate the Seletar Bus Package for a new five-year contract at current market rates effective from March 2025, with an option for an extension of between two and five years.

The Punggol Coast MRT Station on the NEL opened in December 2024 and the new Hume MRT station on the DTL will commence service on 28 February 2025.

In partnership with French operator, RATP Dev, we have won the tender to operate and maintain the Jurong Region Line. The award of the nine-year licence, which includes an option for a two-year extension, will increase SBS Transit's rail network in Singapore from 83km to 107km when the Line commences operations in three phases from 2027.

## 5. DIVIDEND

### (a) Current Financial Period Reported on

The Directors are pleased to propose a tax-exempt one-tier final dividend of 14.69 cents (2023: 5.58 cents) per ordinary share and a tax exempt one-tier special dividend of 8.41 cents (2023: Nil cents) per ordinary share. Including interim dividend of 5.58 cents (2023: 5.58 cents), total dividend per share for 2024 is 28.68 cents (2023: 11.16 cents).

Name of Dividend	Final	Special
Dividend Type	Cash; Tax-exempt one-tier	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	14.69 cents	8.41 cents
Tax Rate	Exempt one-tier	Exempt one-tier

### (b) Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	5.58 cents
Tax Rate	Exempt one-tier

### (c) Date Payable

The proposed final and special dividend, if approved by the Shareholders at the Thirty-Second Annual General Meeting of the Company to be held on 24 April 2025, will be payable on 13 May 2025.

### (d) Record Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed at 5.00 p.m. on Monday, 5 May 2025 for the purpose of determining Shareholders' entitlements to the proposed final and special dividend.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, up to 5.00 p.m. on 5 May 2025 will be registered to determine Shareholders' entitlements to the proposed final and special dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 5 May 2025 will be entitled to the proposed final and special dividend.

## 6. INTERESTED PERSON TRANSACTIONS

The Company does not have any shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

## 7. DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2024, none of the persons occupying managerial positions in the Company or its subsidiaries is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

**8. CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL**

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Angeline Joyce Lee Siang Pohr  
Company Secretary

25 February 2025



## 9. AUDITOR'S REPORT

The auditor's report on the full Financial Statements of SBS Transit Ltd for the financial year ended 31 December 2024 is as follows:

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SBS TRANSIT LTD

Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the Financial Statements of SBS Transit Ltd (the "Company") and its subsidiaries (the "Group") which comprise the Statements of Financial Position of the Group and the Company as at 31 December 2024, and the Group Income Statement, Group Comprehensive Income Statement, Group Statement of Changes in Equity and Group Cash Flow Statement and the Statement of Changes in Equity of the Company for the year then ended, and notes to the Financial Statements, including material accounting policy information.

In our opinion, the Consolidated Financial Statements of the Group and the Statement of Financial Position and the Statement of Changes in Equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

#### **Basis for opinion**

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

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Financial Statements.

(a) Recoverability of debt and equity instruments in a subsidiary

As disclosed in the Financial Statements, pursuant to the framework agreement under the New Rail Financing Framework Version 2 (“NRFF (Version 2)”) between the Group and the Land Transport Authority of Singapore (“LTA”), the Company’s wholly-owned subsidiary, SBS Transit Rail Pte. Ltd. (“SBST Rail” or the “subsidiary”), has been issued a Consolidated Rail Licence to operate the Downtown Line (“DTL”), North-East Line (“NEL”), and Sengkang Punggol Light Rail Transit System (“SPLRT”) for a period of 11 years commencing 1 January 2022, and ending on 31 December 2032 (the “Consolidated Rail Licence” or “Rail contract”).

Management is required to assess the recoverability of the Company’s related equity and debt investments in SBST Rail, which are disclosed in the Financial Statements.

As disclosed in the Financial Statements, the assessment involves projections of SBST Rail’s future operating and financial performance under the Consolidated Rail Licence prepared based on key assumptions and estimates including but not limited to ridership growth, fare adjustments, availability of grants from the Authorities and operating costs, after taking into consideration the current ridership patterns, fare adjustments, key operating cost drivers and the relevant risk factors. Additionally, the assessment involves Management making projections about the future operating and financial performance of SBST Rail during and beyond the current Consolidated Rail Licence period and applying an appropriate market-based discount rate. These assumptions and estimates involved significant Management judgement and estimation uncertainty.

Accordingly, we have considered this to be a key audit matter.

As part of our audit, we:

- reviewed the framework agreement under the NRFF (Version 2) and relevant key correspondences between the Authorities and the Group to understand the key terms of the Consolidated Rail Licence;
- reviewed Management’s process of identifying impairment indicators, and assessing SBST Rail’s financial ability to repay amounts due to the Company;
- obtained the operating and financial projections and discounted cash flow workings which were prepared based on financial and operating budgets approved by Management and evaluated the appropriateness of the valuation methodology applied;
- discussed with Management to understand and identify the areas of significant judgement and key drivers in their projection of the future operating and financial performance of the DTL, NEL and SPLRT;
- assessed the reasonableness of the key assumptions and inputs used by Management to project the future operating and financial performance of the DTL, NEL and SPLRT both up to the end of and beyond the Licence period by reviewing historical trends, past budget variances, corroborative information on ridership projection, projected future fare adjustments, availability of grants from the Authorities, and relevant external information;
- tested the appropriateness of the growth rates and discount rate applied in the discounted cash flow computation used to estimate the recoverable amount of the Company’s equity and debt investments in SBST Rail with the assistance of our internal valuation specialist by corroborating with our understanding of SBST Rail’s business plans, the relevant public transport industry, available internal operating and financial information and relevant market data; and
- performed sensitivity analysis for certain key assumptions for alternative reasonably possible scenarios and their impact to Management’s assessment of and the recoverability of the Company’s equity and debt investments in SBST Rail.

We have also reviewed the adequacy of the related disclosures made in the Financial Statements.

(b) Recognition and measurement of provision for accident claims

The Group recognises provision for accident claims arising from its transportation business when it has a present obligation (legal or constructive) that would result in an expected settlement that can be reliably estimated.

Management exercises significant judgements in determining the estimated amounts required to settle the obligations, which is inherently uncertain in both timing and amounts. Management considers the probability and amount of the expected settlement claims based on current available information such as claims history and payment trends.

Given the significant Management judgement and estimation uncertainty involved, we have considered this to be a key audit matter.

As part of our audit, we:

- reviewed Management's process of identifying accident claims that meet the recognition criteria and obtained Management's computation, assumptions and estimates used for the measurement of the provision;
- evaluated the reasonableness of key assumptions and estimates used by Management to measure the provision, including reviewing the number of claims lodged, current and historical accident claims and settlement data; and
- reviewed the adequacy and overall reasonableness of the provision by understanding reasons for any significant variances and corroborating them with publicly available information and the list of accident reports subsequent to year end.

We also reviewed the adequacy of the disclosures in relation to the Group's provision for accident claims provided in the Financial Statements.

#### **Other information included in the 2024 Annual Report**

Management is responsible for the other information. Other information consists of the information included in the Group's Annual Report other than the Financial Statements and our auditor's report thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Directors' Statement prior to the date of our auditor's report, and we expect to obtain the remaining other information included in the Annual Report after the date of our auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Directors for the Financial Statements**

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

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

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

### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

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

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Wong Yew Chung.

Ernst & Young LLP

Public Accountants and  
Chartered Accountants  
Singapore

25 February 2025