Company Registration No.: 202039712G

Trust Bank Singapore Limited

Annual Financial Statements
31 December 2024

Building a better
working world

Trust Bank Singapore Limited

General information

Directors

Judy Hsu Chung Wei	
Patrick Lee Fook Yau	
Jasmmine Wong	
Leonard Steven Robert	(Resigned on 21 September 2024)
Kee Teck Koon	
Elaine Heng YinXuan	(Resigned on 26 February 2024)
Yeoh Oon Jin	
Samir Subberwal	
Pattijn Elbert Jacobus	(Appointed on 22 September 2024)
Vipul Suren Chawla	(Appointed on 10 September 2024)

Company Secretaries

Chan Wan Mei
Matthew William Hunter

Registered Office

77 Robinson Road
#25-00 Robinson 77
Singapore 068896

Auditor

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Index

Directors' statement

The directors are pleased to present their statements to the members of Trust Bank Singapore Limited (the "Bank") together with the audited financial statements for the financial year ended 31 December 2024.

Opinion of the directors

In the opinion of the directors,

(a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Bank as at 31 December 2024 and the financial performance of the business, changes in equity and cash flows of the Bank for the financial year ended on that date; and

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

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

Directors

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

Judy Hsu Chung Wei
Pattijn Elbert Jacobus
Vipul Suren Chawla
Patrick Lee Fook Yau
Jasmmine Wong
Kee Teck Koon
Yeoh Oon Jin
Samir Subberwal

Directors' interests in shares and debentures

The directors declare that every member of the Company has consented to the directors' statement not containing the information set out in item 9 of the Twelfth Schedule to the Companies Act 1967. Full detailed information regarding directors' interests in shares or debentures of the Bank or of related corporations, either at the beginning of the financial period, or at date of appointment if later, or at the end of the financial period, can be obtained at the registered office of the Bank at 77 Robinson Road, #25-00 Robinson 77, Singapore 068896, in accordance with Section 164(8) and (9) of the Act.

Standard Chartered PLC (the "ultimate holding company") operates employee share plans, under which eligible employees including directors of the Bank were granted awards over ordinary Standard Chartered PLC shares. Details of Standard Chartered's PLC employee share plans can be found in Standard Chartered PLC annual report which is publicly available on the website.

Directors' interests in shares and debentures (cont'd)

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

Since the start of the financial year, other than as disclosed in Note 20, no director of the Bank has received or become entitled to receive a benefit by reason of a contract made by the Bank or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share options

During the financial year, there was:

(a) no option granted by the Bank to any person to take up unissued shares in the Bank; and

(b) no share issued by virtue of the exercise of options to take up unissued shares of the Bank.

At the end of the financial year, there was no unissued share of the Bank under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:

Patrick Lee Fook Yau
Director

Vipul Suren Chawla
Director

Singapore

17 March 2025

Independent auditors' report to the members of Trust Bank Singapore Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Trust Bank Singapore Limited (the "Bank"), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Bank for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Bank are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Bank as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Bank for the financial 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 Bank 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.

Other information

Management is responsible for the other information. The other information comprises the general information, directors' statement and supplementary information, but does not include the financial statements and our auditor's report thereon.

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

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

Independent auditors' report to the members of Trust Bank Singapore Limited

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 FRSs, 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 Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Bank'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 Bank'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 Bank'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 Bank to cease to continue as a going concern.

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

17 March 2025

Trust Bank Singapore Limited

Statement of financial position
As at 31 December 2024

	Notes	2024 S$'000	2023 S$'000
Assets			
Cash and balances with central bank	4	390,832	276,656
Loans and advances to customers	5	779,336	304,114
Singapore government treasury bills	6	2,799,484	1,339,041
Amounts due from immediate holding company	7(a)	12,948	20,522
Other assets	8	61,153	71,198
Right-of-use assets	9	6,097	3,787
Intangible assets	10	84,858	80,949
Total assets		4,134,708	2,096,267
Liabilities			
Deposits of non-bank customers	11	3,798,770	1,863,609
Amounts due to related companies and branches of the ultimate holding company	7(a)	9,174	14,247
Amounts due to related parties	7(b)	6,704	3,531
Other liabilities	12	60,282	46,811
Total liabilities		3,874,930	1,928,198
Equity			
Share capital	13	695,000	510,000
Fair value reserves		(203)	(311)
Accumulated losses		(435,019)	(341,620)
Total equity		259,778	168,069
Total equity and liabilities		4,134,708	2,096,267
Off-balance sheet items			
Undrawn credit facilities	23	7,448,558	5,488,484

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Trust Bank Singapore Limited

Statement of comprehensive income
For the financial year ended 31 December 2024

	Notes	2024 S$'000	2023 S$'000
Net Interest income	14	72,853	32,350
Net fee and commission income	15	19,613	6,782
Other income		4,395	2
Income before operating expenses		96,861	39,134
Staff costs	16	(49,730)	(43,237)
Finance costs for leases	9	(89)	(135)
Operating and administrative expenses	17	(107,227)	(107,843)
Total operating expenses before impairment		(157,046)	(151,215)
Impairment loss	18	(33,214)	(16,298)
Loss before taxation		(93,399)	(128,379)
Income tax expense	19	–	–
Loss for the year		(93,399)	(128,379)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Financial assets held at fair value through other comprehensive income ("FVOCI")			
Net change in fair value		108	(292)
Total comprehensive loss for the year		(93,291)	(128,671)

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Trust Bank Singapore Limited

Statement of changes in equity
For the financial year ended 31 December 2024

	Share capital S$'000	**Fair value Reserves** S$'000	**Accumulated losses** S$'000	**Total equity** S$'000
At 1 January 2023	400,000	(19)	(213,241)	186,740
Loss for the year	–	–	(128,379)	(128,379)
Net change in fair value of financial assets at FVOCI	–	(292)	–	(292)
Total comprehensive loss for the year	–	(292)	(128,379)	(128,671)
Issuance of shares (Note 13)	110,000	–	–	110,000
At 31 December 2023 and 1 January 2024	510,000	(311)	(341,620)	168,069
Loss for the year	–	–	(93,399)	(93,399)
Net change in fair value of financial assets at FVOCI	–	108	–	108
Total comprehensive loss for the year	–	108	(93,399)	(93,291)
Issuance of shares (Note 13)	185,000	–	–	185,000
At 31 December 2024	695,000	(203)	(435,019)	259,778

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Trust Bank Singapore Limited

Statement of Cash flows
For the financial year ended 31 December 2024

	Note	2024 S$'000	2023 S$'000
Cash flows from operating activities			
Loss before taxation		(93,399)	(128,379)
Adjustments for:			
Amortisation of intangible assets	10	17,382	17,274
Gain on modification of leases	9	(71)	–
Depreciation of right-of-use assets	9	2,660	2,234
Impairment loss		33,214	16,298
Finance cost	9	89	135
Operating cash flows before changes in working capital		(40,125)	(92,438)
Changes in working capital:			
Loans and advances to customers		(508,436)	(236,114)
Amounts due from immediate holding company		5,345	40,888
Other assets		10,045	(44,692)
Right-of-use assets		(4,970)	(2,059)
Deposit of non-bank customers		1,935,161	1,223,111
Amount due to related companies and branches of the ultimate holding company		(5,073)	(8,135)
Amount due to related parties		3,173	(2,277)
Other liabilities		16,313	14,855
Finance cost paid	9	(89)	(135)
Net cash flows generated from operating activities		1,411,344	893,004
Cash flows from investing activity			
Addition of intangible assets	10	(21,291)	(26,303)
Net investment in Treasury bills		(1,460,335)	(941,724)
Net cash flows used in investing activity		(1,481,626)	(968,027)
Cash flows from financing activity			
Proceeds from issuance of share capital		185,000	110,000
Repayment of principle portion of lease liability	9	(2,771)	(1,826)
Net cash flows generated from financing activity		182,229	108,174
Net change in cash and cash equivalents		111,947	33,151
Cash and cash equivalents at beginning of year		283,557	250,406
Cash and cash equivalents at end of year		395,504	283,557
Represented by:			
Cash and balances with central bank	4	390,832	276,656
Current account balances held with immediate holding company	7(a)	4,672	6,901
		395,504	283,557

Included in cash and cash equivalents is the minimum statutory cash balance of S$112,694,000 (2023: S$49,673,000) which is not available for use in the Bank's day-to-day operations.

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

1. Corporate information

Trust Bank Singapore Limited (the "Bank") is incorporated in the Republic of Singapore and has its registered office at 77 Robinson Road, #25-00 Robinson 77, Singapore 068896. The Bank operates in Singapore under a Full Bank license granted by the Monetary Authority of Singapore.

The Bank is a joint venture arrangement between Standard Chartered Bank (Singapore) Limited ("SCBSL") and BetaPlus Pte Ltd ("BP") with a shareholding of 60% and 40% respectively. The immediate holding company is SCBSL. The ultimate holding company for SCBSL is Standard Chartered PLC ("SC PLC") which is incorporated in the United Kingdom. The ultimate holding company for BP is NTUC Enterprise Cooperative Ltd which is incorporated in Singapore. The Bank is providing digital banking services.

2. Summary of material accounting policy information

2.1 *Basis of preparation*

The financial statements of the Bank have been prepared in accordance with Financial Reporting Standards in Singapore ("FRSs") as required by the Singapore Companies Act 1967 (the "Act").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The functional currency of the Bank as determined by management is the Singapore Dollar ("SGD" or "S$") which reflects the primary economic environment in which the Bank operates.

The preparation of financial statements in conformity with FRS requires management to make judgements, estimate and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 3.

2.2 *Adoption of new and amended standards and interpretations*

The Bank has adopted all the new and revised standards which are relevant to the Bank and are effective for annual periods beginning on or after 1 January 2024. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Bank.

2. Summary of material accounting policy information (cont'd)

2.3 *Standards issued but not yet effective*

The Bank has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual year beginning on or after
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Effective Date of Amendments to FRS 110 and FRS 28	-
Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to FRSs—Volume 11	1 January 2026
Amendments to FRS 109 and FRS 107: Contracts Referencing Nature-dependent Electricity	1 January 2026
Subsidiaries without Public Accountability: Disclosures	1 January 2027
FRS 118: Presentation and Disclosure in Financial Statements	1 January 2027

The Bank is assessing the impact from the adoption of standards above.

2.4 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and sales taxes or duties. The Bank assesses its revenue arrangements to determine if it is acting as a principal or an agent. The following specific recognition criteria must also be met before revenue is recognised:

(a) Interest income and expense are recognised over time in the profit and loss using the effective interest method.

The effective interest method is a method used to calculate the amortised cost of a financial asset or a financial liability and the allocation of the interest income or interest expense over a relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (e.g. prepayment options) but does not consider future credit losses. The calculation are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written-down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2. Summary of material accounting policy information (cont'd)

2.4 *Revenue recognition (cont'd)*

(a) (cont'd)

Interest income for financial assets that are either held at fair value through other comprehensive income or amortised cost that have become credit impaired subsequent to initial recognition (Stage 3) and have had amounts written off, is recognised using the credit adjusted effective interest rate. This rate is calculated in the same manner as the effective interest rate except that expected credit losses are included in the expected cash flows. Interest income is therefore recognised on the amortised cost of the financial asset including expected credit losses. Should the credit risk on a Stage 3 financial asset improve such that the financial asset is no longer considered credit impaired, interest income recognition reverts to a computation based on the rehabilitated gross carrying value of the financial asset.

(b) Fee and commission income comprises mainly of credit card and personal loan related fee income and is recognised at a point in time when the services are rendered or charged to customer. Fee and commission expenses are generally recognised on accrual basis when the service have been provided.

2.5 *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Bank becomes a party to the contractual provisions of the financial instrument.

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

Subsequent measurement

<u>Financial assets at amortised cost</u>

Subsequent measurement of debt instruments depends on the Bank's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

As at the end of the financial period, the Bank measures cash and balances with central bank, loans and advances to customers, amounts due from immediate holding company and other assets (excluding prepayments) at amortised cost.

2. Summary of material accounting policy information (cont'd)

2.5 *Financial assets(cont'd)*

Subsequent measurement (cont'd)

Financial assets at FVOCI

Financial assets are measured at FVOCI when both of the following conditions are met:

The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

As at the end of the financial period, the Bank measures Singapore government treasury bills at FVOCI.

FVOCI Singapore government treasury bills are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income ("OCI"). Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. The ECL calculation for Singapore government treasury bills measured at FVOCI is explained in Note 6. Where the Bank holds more than one investment in the same security, they are deemed to be disposed off on a first–in first–out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gains or losses that have been recognised in other comprehensive income are reclassified from equity to profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or de-recognised on the trade date i.e., the date that the Bank commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2. Summary of material accounting policy information (cont'd)

2.6 *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Bank becomes a party to the contractual provisions of the financial instruments. The Bank determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value less, in the case of financial liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial liabilities.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

Included in this classification are deposits of non-bank customers, other liabilities (excluding provisions) and amounts due to related companies and branches of the ultimate holding company and amounts due to related parties.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.7 *Reclassification of financial assets and liabilities*

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank acquires, disposes of, or terminates a business line.

Financial liabilities are never reclassified. The Bank did not reclassify any of its financial assets or liabilities in the period.

2.8 *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. Summary of material accounting policy information (cont'd)

2.9 *Impairment of financial assets*

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset or undrawn commitment. It is computed as unbiased, probability weighed amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information including that which is forward looking.

An expected credit loss allowance is recognised at the time of initial recognition in respect of default events that may occur over the next 12 months (stage 1 assets with allowances equivalent to 12-months expected credit losses). Expected credit loss continues to be determined on this basis until there is either a significant increase in credit risk or the asset becomes credit impaired.

Significant increase in credit risk is assessed by comparing the risk of default of any exposure at the reporting date to the risk of default at origination (after taking into account the passage of time). Whether a change in the risk of default is significant or not is assessed using a number of quantitative and qualitative factors, the weight of which depends on the type of product and counterparty. For credit exposures where there has been a significant increase in credit risk since initial recognition, an allowance for ECL is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (stage 2 assets with loss allowances equivalent to lifetime expected credit loss).

An asset is only considered credit impaired, and lifetime expected credit losses recognised, if there is observed objective evidence of impairment. These factors include, amongst other factors, assets in default, experiencing significant financial difficulty or subject to forbearance actions credit impaired (stage 3 assets).

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

While the above is the comprehensive definition of the ECL and its calculation philosophy, regulations (MAS 612) enables that a bank shall draw on its experience and exercise its expert judgement to derive a best estimate of the future cash flows that it expects to recover from credit exposures, if it has limited historical loss experience.

The Bank's ECL methodology was redeveloped in 2024. The new ECL methodology is a more structured approach to fit the current size of the Bank's lending portfolio and its growth outlook.

The Bank calculates the ECL on a customer-level basis by adopting a simplified Probability of Default (PD), Loss Given Default (LGD) Exposure at Default (EAD) approach. The key elements of this calculation are:

(a) *Probability of Default (PD)*

PD is an estimate of the likelihood of default over a given time horizon. The Bank's PD model has been developed at customer level, which is refreshed on a quarterly basis. The same PD value is used for all calculations within the quarter.

2. Summary of material accounting policy information (cont'd)

2.9 *Impairment of financial assets (cont'd)*

(b) *Exposure at Default (EAD)*

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including expected drawdowns on the credit facilities. The Bank's EAD model development has been performed at customer level. The EAD approach uses a k-factor based approach, which calculates the outstanding balance at default as a percentage of the credit limit provided at the time of observation.

(c) *Loss Given Default (LGD)*

LGD is an estimate of the loss arising in the case where a default occurs at a given time. Due to data limitations and a recovering trend at the time of model development, the Bank applies a conservative fixed LGD estimate of 100% for all accounts, both non-default and defaulted. This assumption is made at the individual account level.

The Bank determines whether there has been a significant increase in credit risk (SICR) since initial recognition by monitoring the day past due (DPD) information. A customer is classified as having experienced a significant increase in credit risk if their DPD has worsened relative to initial recognition, and the lifetime ECL approach is then applied.

The Bank incorporates forward-looking information into the determination of ECL by using macroeconomic variables (MEVs) and lifetime factor in the calculation. The Bank assumes that the risk component is correlated with changes in market conditions and therefore including the consideration of MEVs in its ECL model. Due to data limitations, the bank relies on proxies based on SCBSL's macroeconomic variables and lifetime factor values. Due to the similarity in customer, geographical and product demographics, the Bank deem the proxies to be appropriate for use until such a time that the Bank collects sufficient data to move away from the reliance of proxies.

The total ECL balance is derived by aggregating the ECL computed based on the model and management overlay adjustments, if any. The management overlay may be applied to the ECL model to account for circumstances not fully captured by the model's inherent assumptions. The use of management overlay ensures a more prudent and forward-looking estimation of credit losses in line with the principles of FRS 109 and is updated regularly based on emerging data and updated forecasts.

2.10 *Impairment of non-financial assets*

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Bank makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2. Summary of material accounting policy information (cont'd)

2.10 *Impairment of non-financial assets (cont'd)*

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.11 *Cash and cash equivalents*

Cash and cash equivalents comprise of balances with central bank and immediate holding company and are subject to an insignificant risk of changes in value. Cash and cash equivalents are accounted for at amortised cost.

2.12 *Provisions*

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 *Employee benefits*

Employee benefits are recognised as an expense.

(a) *Defined contribution plan*

Defined contribution plans are post-employment benefit plans under which the Bank pays fixed contributions to the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The Bank has no further payment obligations once the contributions have been paid.

The Bank's contributions to defined contribution plans are recognised as employee compensation expense in which the related service is performed.

2. Summary of material accounting policy information (cont'd)

2.13 *Employee benefits (cont'd)*

(b) *Short-term employee benefits*

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

(c) *Long Term Incentive Plan (LTIP)*

The Bank offers a cash-settled share-based payment award to selected group of employees.

Cash-settled awards are revalued at each balance sheet date and a liability recognised on the balance sheet for all unpaid amounts, with any changes in fair value charged or credited to staff costs in the income statement until the awards are exercised. Where forfeitures occur prior to vesting that are attributable to factors such as failure to satisfy service conditions, the cumulative charge incurred up to date of forfeiture is credited to the income statement.

The liability related to cash-settled award is measured by reference to the fair value of share price valuation of the Bank at the date they are granted and at each financial year end.

2.14 *Intangible assets*

(a) *Acquired intangibles*

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with the development of software are capitalised where it is probable that it will generate future economic benefits in excess of its cost.

These intangible assets are measured at cost less amortisation on the basis of expected useful life of 5 years, which is reviewed on an annual basis. Costs associated with maintaining software are recognised as an expense as incurred. At each reporting date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately.

2. Summary of material accounting policy information (cont'd)

2.14 *Intangible assets (cont'd)*

(b) Capitalised software

Internally generated software represents substantially all of the total software costs capitalised. Direct costs of the development of separately identifiable internally generated software are capitalised where it is probable that future economic benefits attributable to the asset will flow from its use. These costs include salaries and wages, service providers, contractors, and directly attributable overheads. Costs incurred in the ongoing maintenance of software are expensed immediately when incurred. Internally generated software is amortised over an estimated useful life of 7 years. On an annual basis software assets' residual values and useful lives are reviewed, including assessing for indicators of impairment. Indicators of impairment include loss of business relevance, obsolescence of asset, exit of the business to which the software relates, technological changes, change in use of the asset, reduction in useful life, plans to reduce usage or scope.

For capitalised software, judgement is required to determine which costs relate to research which are expensed, and which costs relate to development which are capitalised as intangible assets. Further judgement is required to determine the technical feasibility of completing the software such that it will be available for use. Estimates are used to determine how the software will generate probable future economic benefits, these estimates include: cost savings, income increases, balance sheet improvements, improved functionality or improved asset safeguarding.

(c) Work-in-progress

Work-in-progress intangible assets pertain to internally generated software which are undergoing further customisation / development. No amortisation is made against this balance until the customisation / development work is complete and the software is capable of operating in the manner intended by management.

2.15 *Deposits of non-bank customers*

These deposits are initially recognised at fair value, classified as liabilities held at amortised cost and subsequently stated at amortised cost using the effective interest method. These deposits include directly attributable acquisition costs that will be amortised to interest expense over the actuarial life of the deposits portfolio.

2.16 *Loans and advances to customers*

Loans and advances to customers comprises credit cards and unsecured personal loans. These are classified at amortised cost net of any applicable impairment allowances. Directly attributable incremental costs incurred to acquire new credit card clients are recognised in other assets and amortised to fee and commission expense over the actuarial life of the credit cards portfolio.

2. Summary of material accounting policy information (cont'd)

2.17 *Singapore government treasury bills*

Singapore government treasury bills are held for non-dealing purposes and classified as FVOCI.

2.18 *Leases*

(a) *Right-of-use assets*

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease term includes periods covered by an option to extend if the Bank is reasonably certain to exercise that option. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are subject to impairment assessment in line with the Bank's policy as described in Note 2.10.

(b) *Lease liabilities*

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating a lease, if the lease term reflects Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(c) *Short-term leases and leases of low-value assets*

The Bank applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2. Summary of material accounting policy information (cont'd)

2.19 *Taxation*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or recovered that reflects uncertainty related to income taxes, if any.

(b) *Deferred tax*

Deferred tax is recognised in respect of temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

2. Summary of material accounting policy information (cont'd)

2.19 *Taxation (cont'd)*

(b) *Deferred tax (cont'd)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.20 *Share capital*

Proceeds from issuance of ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.21 *Foreign currency transactions and balances*

Transactions in foreign currencies are measured in SGD, being the functional currency of the Bank and are recorded on initial recognition in SGD at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.22 *Foreign exchange (losses)/income*

Foreign exchange (losses)/income comprise gains/losses relating to dealing assets and liabilities and includes all realised and unrealised foreign exchange differences.

2.23 *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Bank if that person:

- (i) Has control or joint control over the Bank;
- (ii) Has significant influence over the Bank; or
- (iii) Is a member of the key management personnel of the Bank or of a parent of the Bank.

2. Summary of material accounting policy information (cont'd)

2.23 *Related parties (cont'd)*

(b) An entity is related to the Bank if any of the following conditions applies:

(i) The entity and the Bank are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
(iii) Both entities are joint ventures of the same third party;
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Bank or an entity related to the Bank. If the Bank is itself such a plan, the sponsoring employers are also related to the Bank;
(vi) The entity is controlled or jointly controlled by a person identified in (a);
(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Bank or to the parent of the Bank.

3. Use of estimates and judgements

Significant accounting judgements and estimates

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgements made in applying accounting policies

In the process of applying the Bank's accounting policies, the Bank's management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements are as follows:

(a) *Capitalisation criteria on capitalised software*

Capitalised software are intangible assets pertaining to installed IT software which are undergoing further customisation/ development in-house to enable them to operate in a manner intended by management. Management exercises judgement in determining that the intangible asset meets the criteria to be capitalised as intangible assets in accordance with applicable accounting framework. Management also exercises judgment in determining the proportion of internal costs that are directly attributable to the development of intangible assets.

3. Use of estimates and judgements (cont'd)

Judgements made in applying accounting policies (cont'd)

(b) *Amortisation of capitalised software*

Amortisation are provided to write down assets to their residual values over their estimated useful lives. The determination of these residual values and estimated lives, and any change to the residual values or estimated lives, requires the exercise of management judgement.

(c) *Impairment of capitalised software*

Intangible assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Where an impairment is required, the recoverable amount is determined based on value-in-use calculations prepared using management's assumptions and estimates.

(d) *Long Term Incentive Plan*

The liability related to long term incentive plan is measured by reference to the share price valuation and achievement factor. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Independent external valuation experts are engaged to advise on the fair value calculation. Assessment is also done to estimate the achievement factor of the award based on the evaluation of the performance against the scorecard.

(e) *Expected Credit Loss*

The Bank's ECL methodology was redeveloped in 2024. The ECL methodology used previously adopts a simplified loss rate approach to fit the bank's new portfolio classification and small portfolio size. The bank has been using SCB Credit Card AGCO (Adjusted Gross Charge Off) New Product approach, which is developed by SCB team. Under this approach, ECL is calculated by applying the SCB AGCO rate to the bank's loan outstanding balance as at the reporting date. The new ECL methodology used by the bank in 2024 is a more structured approach to fit the current size of the Bank's lending portfolio and its growth outlook.

3. Use of estimates and judgements (cont'd)

Judgements made in applying accounting policies (cont'd)

(f) *Expected Credit Loss (cont'd)*

Change in accounting estimate

The Bank's expected credit loss ("ECL") calculation is an output of a model with a number of underlying assumptions. The significant judgements and estimates in determining expected credit loss include:

- The Bank's criteria for assessing if there has been a significant increase in credit risk;
- Development of ECL models, including the choice of inputs relating to Probability of Default (PD), Exposure at Default (EAD), Loss Given Default (LGD), Lifetime factor, and macroeconomic variables;
- Due to data limitations and a recovering trend at the time of model development, the Bank applies a conservative fixed LGD estimate of 100% for all accounts, both non-default and defaulted.
- Due to data limitations, the bank relies on proxies based on SCBSL's macroeconomic variables and lifetime factor values.
- Evaluation of management overlays which includes assessment of credit risk that may not be covered in the model and based on credit risk trend observed in the industry.

4. Cash and balances with central bank

	2024 S$'000	**2023** S$'000
Cash held with central bank	278,138	226,983
Restricted Balances	112,694	49,673
Total	390,832	276,656

Cash and balances with central bank held at the end of the reporting period are non- interest bearing and are held for regulatory liquidity reserve purposes except for deposit with central bank amounting S$223,000,000 (2023: S$194,000,000).

All cash and balances with central bank are classified as Stage 1 and are entered into with counterparties of an investment grade. The loss allowance of these financial assets is measured at an amount equal to a 12-month ECL and is not considered material.

5. Loans and advances to customers

	2024 S$'000	2023 S$'000
At amortised cost	808,596	316,536
Impairment loss allowance	(29,260)	(12,422)
	779,336	304,114

Loans and advances to customers pertains solely to credit card facilities and unsecured personal loans granted to private individuals. Loans and advances presented above includes unamortised acquisition cost pertaining to personal loans which amounted to S$839,000 (2023: nil)

Credit card facilities are unsecured and outstanding balances all fall due within 30 days.

Maturity analysis:	2024 S$'000	2023 S$'000
Maturing within 7 days	310,676	183,972
Maturing after 7 days but within 1 month	112,420	62,821
Maturing after 1 month but within 3 months	26,330	4,518
Maturing after 3 months but within 1 year	82,328	10,747
Maturing after 1 year but within 3 years	105,166	25,290
Maturing after 3 years	171,676	29,188
	808,596	316,536

Movement in gross balance and impairment loss allowance as follow:

2024	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
Loans and advances to customers at amortised cost				
At 1 January 2024	310,960	2,694	2,882	316,536
Transfers to Stage 1	144	(144)	–	–
Transfers to Stage 2	(2,229)	2,229	–	–
Transfers to Stage 3	(11,591)	(2,216)	13,807	–
New assets originated, staged as at year end	583,044	4,440	10,711	598,195
Amount written off	–	–	(17,634)	(17,634)
Amount derecognised or repaid (excluding write offs)	(87,752)	(362)	(387)	(88,501)
At 31 December 2024	792,656	6,561	9,379	808,596

5. Loans and advances to customers (cont'd)

Movement in gross balance and impairment allowance as follow: (cont'd)

2024	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
Impairment loss allowance				
At 1 January 2024	9,395	153	2,874	12,422
Transfers to Stage 1	180	(180)	–	–
Transfers to Stage 2	(43)	43	–	–
Transfers to Stage 3	(308)	(159)	467	–
New assets originated, staged as at year end	11,583	3,721	10,711	26,015
Impact from change in ECL model and management overlay	(2,062)	232	–	(1,830)
Impact on year end ECL from transfers	(176)	1,743	13,348	14,915
Write-off	–	–	(17,634)	(17,634)
Amount derecognised or repaid (excluding write offs)	(3,882)	(359)	(387)	(4,628)
At 31 December 2024	14,687	5,194	9,379	29,260

2023	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
Loans and advances to customers at amortised cost				
At 1 January 2023	86,984	232	6	87,222
Transfers to Stage 1	–	–	–	–
Transfers to Stage 2	(732)	732	–	–
Transfers to Stage 3	(3,968)	(192)	4160	–
New assets originated, staged as at year end	260,096	2,020	5,690	267,806
Amount written off	(305)	(37)	(6,817)	(7,159)
Amount derecognised or repaid (excluding write offs)	(31,115)	(61)	(157)	(31,333)
At 31 December 2023	310,960	2,694	2,882	316,536

5. Loans and advances to customers (cont'd)

Movement in gross balance and impairment allowance as follow: (cont'd)

2023	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
Impairment loss allowance				
At 1 January 2023	2,891	27	6	2,924
Transfers to Stage 1	–	–	–	–
Transfers to Stage 2	(26)	26	–	–
Transfers to Stage 3	(138)	(6)	144	–
New assets originated, staged as at year end	7,895	144	5,691	13,730
Impact on year end ECL from transfers	–	2	4,007	4,009
Write-off	(157)	(37)	(6,817)	(7,011)
Amount derecognised or repaid (excluding write offs)	(1,070)	(3)	(157)	(1,230)
At 31 December 2023	9,395	153	2,874	12,422

6. Singapore government treasury bills

	2024 S$'000	2023 S$'000
Fair value through other comprehensive income		
Singapore Government Treasury bills	2,799,484	1,339,041

All treasury bills placed during the year are classified as Stage 1 and are entered into with a counterparty of an investment grade. These financial assets are not credit-impaired as at origination and as of year-end and there is no modification of contractual cash flows on these financial assets that resulted in a derecognition during the year. There are no transfers in ECL staging during the year and the loss allowance of these financial assets is measured at an amount equal to a 12-month ECL and it is deemed not material. All treasury bills are transacted through the immediate holding company in which the Bank has incurred transaction costs amounting to $696,000 (2023: $250,000). Transaction costs incurred are recognised in net interest income over the contractual term of the treasury bills based on the effective interest rate method.

7(a). Amounts due from immediate holding company/ amounts due to related companies and branches of the ultimate holding company

Amounts due from immediate holding company comprise of current accounts and time deposit placements. Included in the amounts due from immediate holding company are time deposit placements of S$8,258,000 (2023: S$13,559,000) with a fixed rate of 4.50% (2023: 5.52%) per annum. Current accounts are unsecured, non-interest bearing and repayable on demand and amounted to S$4,672,000 (2023: S$6,901,000) as at the end of the reporting period.

Amounts due to related companies and branches of the ultimate holding company comprise of the consideration payable for software assets, cost recharges pertaining to support services rendered to the Bank and reimbursement of expenses paid on behalf of the Bank. These amounts are unsecured and non-interest bearing.

Amounts due from immediate holding company as at 31 December 2024:

	2024 S$'000	**2023** S$'000
Non-trade	12,948	20,522

Amounts due to related companies and branches of the ultimate holding company as at 31 December 2024:

	2024 S$'000	**2023** S$'000
Trade	667	858
Non-trade	8,507	13,389
Total	9,174	14,247

7(b). Amounts due to related parties

Amounts due to related parties relate mainly to marketing services rendered to the Bank under a collaboration agreement with a related party. These amounts are unsecured and non-interest bearing.

8. Other assets

	2024 S$'000	2023 S$'000
Prepayments	3,913	4,089
GST input tax recoverable - net	15	1,496
Acquisition costs*	10,926	10,089
Unsettled receivable, settlement and clearing balances	42,126	52,637
Others	4,173	2,887
	61,153	71,198

Included under prepayments is a balance of $2,257,000 (2023: $2,765,000) relating to services rendered under a marketing collaboration agreement with a related party.

*Acquisition costs comprise mainly incentives given to new credit card accounts. These are incremental costs incurred for the acquisition of new credit card accounts.

9. Right-of-use assets

The movement in right-of-use assets are as follows:

	Right-of-use asset S$'000
Cost	
At 1 January 2023	4,919
Additions	2,059
Disposals	–
At 31 December 2023 and as at 1 January 2024	6,978
Additions	4,970
Disposals	–
At 31 December 2024	11,948
Accumulated depreciation	
At 1 January 2023	957
Depreciation charge for the year	2,234
At 31 December 2023 and at 1 January 2024	3,191
Depreciation charge for the year	2,660
At 31 December 2024	5,851
Net book value	
At 31 December 2024	6,097
At 31 December 2023	3,787

9. Right-of-use assets (cont'd)

The movement in lease liabilities are as follows:

	2024 S$'000	2023 S$'000
At beginning of year	3,794	3,812
Additions	4,941	1,808
Disposals	–	–
Repayment	(2,860)	(1,961)
Modification gain	(71)	–
Finance cost	89	135
At end of year	5,893	3,794

The impact of the application of FRS 116 to the statement of comprehensive income for the financial year ended 31 December 2024 and 2023 is shown as below:

	2024 S$'000	2023 S$'000
Depreciation of right-of-use assets	2,660	2,234
Finance cost	89	135
Total expense recognised in statement of comprehensive income	2,749	2,369

The impact of the application of FRS 116 on the disclosure in the cash flow statement for the financial year ended 31 December 2024 and 2023 is shown as below:

	2024 S$'000	2023 S$'000
Total cash outflows for leases :		
Payment of principal portion of lease liabilities	2,771	1,826
Finance cost paid	89	135
	2,860	1,961

10. Intangible assets

	Work-in-progress S$'000	Capitalised software S$'000	IT software S$'000	Total S$'000
Cost				
At 1 January 2023	–	54,883	27,217	82,100
Additions	26,303	–	–	26,303
Disposals	–	–	–	–
Transfers	(21,296)	21,296	–	–
At 31 December 2023 and at 1 January 2024	5,007	76,179	27,217	108,403
Additions	21,291	–	–	21,291
Disposals	–	–	–	–
Transfers	(18,837)	18,837	–	–
At 31 December 2024	7,461	95,016	27,217	129,694
Accumulated amortisation				
At 1 January 2023	–	(2,922)	(7,258)	(10,180)
Amortisation charge for the year	–	(11,831)	(5,443)	(17,274)
Disposals	–	–	–	–
At 31 December 2023 and at 1 January 2024	–	(14,753)	(12,701)	(27,454)
Amortisation charge for the year	–	(11,938)	(5,444)	(17,382)
Disposals	–	–	–	–
At 31 December 2024	–	(26,691)	(18,145)	(44,836)
Net book value				
At 31 December 2024	7,461	68,325	9,072	84,858
At 31 December 2023	5,007	61,426	14,516	80,949

11. Deposits of non-bank customers

	2024 S$'000	2023 S$'000
At amortised cost	3,798,770	1,863,609

Deposits pertains solely to savings accounts placed by private individuals and are repayable on demand.

Maturity analysis:	2024 S$'000	2023 S$'000
Maturing within 7 days	3,798,770	1,863,609

Deposit of non-bank customers presented above includes acquisition cost capitalised which amounted to S$8,932,000 (2023: S$9,030,000).

12. Other liabilities

	2024 S$'000	2023 S$'000
Accrued operating expenses	15,850	14,004
Provision for employee related expenses	15,713	12,996
Provision for short-term accumulated compensated absences	707	719
Provision for professional fees	887	688
Sundry creditors	7,255	5,491
Lease liabilities (Note 9)	5,893	3,794
Provision for reinstatement costs	670	670
Provision for operational loss	397	–
Unsettled payable, settlement and clearing balances	10,278	8,189
Accrued rewards cost	2,034	–
Others	598	260
	60,282	46,811

13. Share capital

	2024		2023	
	No. of shares	S$'000	No. of shares	S$'000
Issued and fully paid shares:				
At beginning of year	510,000	510,000	400,000	400,000
Issuance of shares	185,000	185,000	110,000	110,000
At end of year	695,000	695,000	510,000	510,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Bank. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

14. Interest income and expense

	2024	2023
	S$'000	S$'000
Interest income:		
Amounts due from immediate holding company	727	1,639
Cash and balances with central bank	11,374	9,489
Loans and advances to customers	54,963	20,112
Singapore government treasury bills	79,829	30,247
	146,893	61,487
Interest expense:		
Deposits of non-bank customers	(74,003)	(29,137)
Others	(37)	–
Net interest income	72,853	32,350

Interest income and expense derived from each class of financial instruments were as follows:

	2024	2023
	S$'000	S$'000
Financial assets at FVOCI	79,829	30,247
Financial assets at amortised cost	67,063	31,240
Financial liabilities at amortised cost	(74,039)	(29,137)
	72,853	32,350

15. Fee and commission income and expense

	2024 S$'000	2023 S$'000
Fee and commission income earned from providing services at a point in time:		
Interchange fees received	57,515	32,064
Credit card fees charged	5,601	4,834
Other fees	487	283
	63,603	37,181
Fee and commission expense:		
Rewards cost incurred from a related party	(35,447)	(24,449)
Network charges	(4,693)	(3,240)
Acquisition cost	(3,850)	(2,710)
	(43,990)	(30,399)
Net fee and commission income	19,613	6,782

16. Staff costs

	2024 S$'000	2023 S$'000
Salaries, allowances and bonuses	41,226	33,090
Share-based payment expense	1,840	2,059
Contribution to defined contribution plan	3,690	4,041
Recruitment expenses	440	897
Other staff costs	2,534	3,150
	49,730	43,237

17. Operating and administrative expense

	2024 S$'000	2023 S$'000
Amortisation of intangible assets	17,382	17,274
Depreciation of right-of-use assets	2,660	2,234
Rental expense	131	130
Professional fees	6,817	5,198
Marketing expenses	14,696	14,843
Information technology related costs	39,554	49,475
Subscriptions	2,621	1,478
Share of recharges from related companies and branches of the ultimate holding company	8,053	6,224
Irrecoverable GST	3,342	2,766
Directors fees	339	289
Others	11,632	7,932
	107,227	107,843

18. Allowances for/(write-back) impairment losses on loans and advances

	2024 S$'000	2023 S$'000
Loans and advances to customers	16,838	9,498
Bad debts recovered	(1,258)	(211)
Bad debts written-off	17,634	7,011
	33,214	16,298

19. Taxation

The major components of income tax expense for the financial year ended 31 December 2024 and 2023 were:

	2024 S$'000	2023 S$'000
Current income tax	–	–

19. Taxation (cont'd)

A reconciliation between the tax expense and the product of accounting loss multiplied by the applicable tax rate are as follows:

	2024 S$'000	2023 S$'000
Loss before taxation	(93,399)	(128,379)
Tax at the applicable tax rate of 17%	(15,878)	(21,825)
Adjustment:		
- Expenses not deductible for tax purposes	265	55
- Tax effect of unrecognised tax losses and unabsorbed capital allowances	15,613	21,770
Income tax expense recognised in profit or loss	–	–

International tax reform - Pillar Two Model Rules

The Bank will be in scope of the new Pillar Two global minimum tax rules which were substantively enacted in Singapore and will be effective for financial years starting on or after 1 January 2025. The FRS 102 exception to recognise and disclose information about deferred taxes related to Pillar Two legislation has been applied.

The Bank has assessed and determined that there is no Pillar Two top-up tax liability for 2024.

Unrecognised tax losses and unabsorbed capital allowances

As at balance sheet date, the Bank has tax losses and unabsorbed capital allowances of approximately S$358,144,000 (2023: S$296,245,000) that could be available for offset against future taxable profits, subject to meeting the relevant conditions as stipulated in the Singapore Income Tax Act. No deferred tax asset has currently been recognised on these tax losses and unabsorbed capital allowances on the basis that there is no certainty in the timing in which these items can be utilised at this juncture.

20. Employee benefits

Trust Long Term Incentive Plan

The Bank operates a Long Term Incentive Plan ("LTIP"), which is a share-based payment award to a certain group of eligible employees. The award was approved by Remuneration Committee and Board of Directors of the Bank in September 2022. LTIP units were granted with vesting period of three years from the time of grant. The award when exercised, are settled in cash, based on the valuation of the shares and subject to performance measures of the Bank.

20. Employee benefits (cont'd)

Valuation

The award is measured at fair value, which is based on the share price valuation of the Bank conducted by independent external valuation experts. The cost approach is primarily used to determine the fair value, corroborated by range of estimated equity values using market and discounted cash flow approach.

	2024	2023
Outstanding units as at 1 January	3,850,000	5,600,000
Granted	2,445,000	800,000
Forfeited	(2,738,330)	(2,550,000)
Outstanding units as at 31 December	3,556,670	3,850,000

The value per unit as at 31 December 2024 is S$1 (2023: S$1).

21. Related party transactions

In the normal course of its banking business, the Bank has undertaken transactions with its immediate holding company, related parties, related companies and branches of the ultimate holding company on terms as agreed between the parties. Material related party transactions that took place between the Bank and related parties during the financial year ended are separately disclosed in the relevant notes to the financial statements.

	Note	2024 S$'000	2023 S$'000
Net Interest Income	14	726	1,639
Net fee and commission expense		(30,250)	(24,167)
Other income		3,763	–
Staff costs		(72)	(459)
Operating and administrative expenses		(16,691)	(24,577)

Key management remuneration

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank. The key management compensation includes fees, salary, bonus, and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Bank, and where the Bank did not incur any costs, the value of the benefit.

The remuneration of key management personnel of S$10,064,000 (2023: S$9,290,000) comprises short term employee benefits of S$7,754,000 (2023: S$7,599,000), share-based compensation benefits of S$2,162,000 (2023: S$1,548,000) and contribution to defined contribution plan of S$148,000 (2023: S$143,000).

Share-based compensation benefits is from key management personnel's participation in a number of share-based payment plans operated by Standard Chartered PLC. Key management personnel also participate in Trust Long Term Incentive Plan, with the same terms and conditions as described in Note 20.

22. Non-current assets and liabilities

The following table shows the non-current assets and liabilities (not expected to be settled or recovered within the next 12 months).

	2024 S$'000	**2023** S$'000
Liabilities		
Amount due to related companies and branches of the ultimate holding company	–	6,325
Lease liabilities	3,513	1,011
	3,513	7,336
Assets		
Loans and advances to customers	276,841	54,478
Other assets	6,434	7,471
Intangible assets	66,378	65,159
Right-of-use assets	3,574	1,114
	353,227	128,222

Other than the items disclosed above, all other balances are current.

23. Undrawn credit facilities

Undrawn credit facilities comprise agreements to extend credit card facilities to customers. The credit facilities under this arrangement are unsecured and unconditionally cancellable by the Bank.

	2024 S$'000	**2023** S$'000
Undrawn credit facilities	7,448,558	5,488,484

The Bank takes into account undrawn credit facilities as part of the EAD in its ECL calculation supported by estimates of future credit utilisation. The ECL on undrawn credit facilities is presented together with the ECL on loans and advances to customers in Note 5.

24. Risk management

The Bank's Risk Management Framework ("RMF") defines the Principal Risk Types ("PRTs") and sets out the principles and standards for risk management for the entity. The RMF is supported by distinct Risk Type Frameworks ("RTF"), Policies and Standards.

The Bank has identified and defined in its RMF 11 PRTs; namely Technology, Information and Cyber Security ("ICS"), Third Party, Operational, Financial Crime, Compliance, Credit, Capital and Liquidity, Reputational and Sustainability, Model and Traded. For each PRT, Policies and Standards have also been formulated and approved by the appropriate authority.

The Bank's Board of Directors ("BoD") approves the Risk Appetite Statement, which defines the maximum amount and type of risk the Bank is willing to assume in pursuit of its strategy. The Board has approved the RMF, RTFs, and Risk Appetite Metrics. The Board is also responsible for approving the Corporate plan and Strategy.

Risk governance

The Bank's Board is primarily responsible for approving and overseeing the implementation of risk management. The Chief Risk Officer ("CRO") has been delegated authority by the Board to implement the RMF and manage the PRTs. The CRO appoints Risk Framework Owners ("RFOs") for the management of each of the PRTs and further delegates authority to the RFOs to discharge their responsibilities through the approval of the RTFs. The Framework reinforces clear accountability for managing risk through the Three Lines of Defence ("LOD") model.

The CRO has established and chairs the Executive Risk Committee ("ERC"). The ERC is responsible for the effective management of risks (excluding Traded and Capital and Liquidity) in support of the strategy; including effective implementation of the RMF and RTFs. The ERC also recommends the RMF and overall Risk Appetite Statements/Metrics for approval by the Board. The CRO, as chair of the ERC, approves the use of sub-committees to support the ERC in overseeing risk at a PRT level.

The Asset and Liabilities Committee ("ALCO") appointed by the Executive Committee is co-chaired by the Chief Executive Officer and Chief Financial Officer and is responsible for the management of Traded and Capital and Liquidity PRT as well as maintaining a strong balance sheet to support business objectives and comply with policies and regulatory requirements.

(a) *Credit risk*

Management of Credit risk is defined by the Credit RTF along with, policies and procedures which lay down the conditions and guidelines for the identification, measurement, evaluation, monitoring, reporting, control or mitigation of credit risk both at an individual level as well as portfolio level. The Credit RTF is also the formal mechanism through which the delegation of Credit authorities is made.

The Bank's maximum exposure to credit risk of on-balance sheet financial assets and off-balance sheet exposure exclude any collateral held or other credit enhancements. For on-balance sheet financial assets, the maximum exposure to credit risk equals their gross carrying amount at the end of the reporting period. For off-balance sheet items, the maximum exposure to credit risk is limited to the commitments to undrawn credit line. The maximum credit exposures related to unsecured credit card facilities granted to its clients which are presented under loans and advances to customers (Note 5) and undrawn credit facilities (Note 22).

24. Risk management (cont'd)

Risk governance (cont'd)

(b) *Credit quality*

Amounts due from immediate holding company, cash and balances with central bank and Singapore government treasury bills are placed with counterparties which are of an investment grade as determined by international credit-rating agencies.

Credit classification for financial assets

The Bank also classifies its credit portfolios according to the delinquency of the borrower. All accounts are categorised into 'Pass', 'Special Mention' or 'Impaired' categories. Impaired accounts are further categorised as 'Substandard', 'Doubtful' or 'Loss' in accordance with Notice to Bank No. 612 "Credit Files, Grading and Provisioning" issued by the MAS.

Performing

Pass represents credit facilities where timely repayment is not in doubt and which do not exhibit any potential weakness in repayment capability, business, cash flow or financial position of the borrower. Loans and advances which are current to 59 days past due fall under this category.

Special mention represents credit facilities which require closer monitoring. These facilities exhibit potential weakness that, if not corrected in a timely manner, may adversely affect repayment at a future date. Loans and advances which are 60 days to 89 days past due under this category.

Classified or Non-Performing

Substandard represents credit facilities that require special attention. The facilities exhibit definable weakness, either in respect of the business, cash flow or financial position of the borrower, which may jeopardise repayment on existing terms. Loans and advances which exhibit these weaknesses and/or are 90 days to 119 days past due fall under this category.

Doubtful represents credit facilities that demonstrate severe weaknesses, such that the prospects of full recovery of the amounts outstanding are questionable and prospects of a loss are high. Loans and advances which are 120 days past due or more fall under this category.

Loss represents credit facilities that are not collectable and little or nothing can be done to recover the amounts outstanding from any collateral or from the borrower's assets generally.

24. Risk management (cont'd)

Risk governance (cont'd)

(b) *Credit quality (cont'd)*

The following table provides a breakdown of the loans and advances gross carrying amount according to the MAS Notice to Bank No. 612 "Credit Files, Grading and Provisioning":

2024	**Stage 1** S$'000	**Stage 2** S$'000	**Stage 3** S$'000	**Total** S$'000
Performing				
Pass	792,656	3,899	–	796,555
Special Mention	–	2,662	–	2,662
Classified or Impaired				
Substandard	–	–	5,229	5,229
Doubtful	–	–	4,121	4,121
Loss	–	–	29	29
	792,656	6,561	9,379	808,596

2023	**Stage 1** S$'000	**Stage 2** S$'000	**Stage 3** S$'000	**Total** S$'000
Performing				
Pass	310,960	1,794	–	312,754
Special Mention	–	900	–	900
Classified or Impaired				
Substandard	–	–	1,676	1,676
Doubtful	–	–	1,206	1,206
Loss	–	–	–	–
	310,960	2,694	2,882	316,536

In order to determine whether an instrument is subject to 12-month ECL or lifetime ECL, the Bank assesses whether there has been a significant increase in credit risk ("SICR") since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date. The Bank monitors SICR based on its delinquency status of its credit exposures which is based on 30 days past due trigger.

The Bank considers its credit exposures defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

24. Risk management (cont'd)

Risk governance (cont'd)

(b) *Credit quality (cont'd)*

Concentration risk

Specifically in the area of country or industry exposure, concentration of credit risk exists when changes in geographic or industry factors affect groups of counterparties whose aggregate credit exposure is significant in relation to the Bank's total credit exposures. Other than Singapore, the Bank is not exposed to concentration risk from any other countries. As at 31 December 2024, the Bank has only granted credit facilities to private individuals.

(c) *Market risk*

Market risk is the risk that the fair value or future cash flows of the Bank's financial instruments will fluctuate because of changes in market variables interest rate and foreign exchange rates:

(i) Interest rate risk

The Bank defines interest rate risk in the banking book ("IRRBB") as the potential for a reduction in earnings or economic value due to movements in interest rates on banking book assets, liabilities and off-balance sheet items. This risk arises from differences in the re-pricing profile, interest rate basis, and optionality of these exposures. The Bank monitors IRRBB in line with Standardised Approach for Interest Rate Risk in the Banking Book under MAS Notice 637. As at 31 December 2024, the IRRBB metric remained within threshold with a maximum impact of S$10,193,000 (2023: S$2,443,000).

(ii) Foreign exchange risk

Foreign exchange risk is the risk to earnings and value of financial instruments caused by fluctuations in foreign exchange rates.

The Bank's business is conducted and recorded in Singapore Dollars (S$). The Bank monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. At present, the Bank's foreign exchange activities are mainly derived from share of cost recharges from related entities and technology license fee payable to a related company. Since majority of the Bank's transactions are in SGD, the Bank considers the impact of foreign exchange exposure to be minimal.

The following table summarises the SGD equivalent amount of the Bank's exposures to foreign currencies including SGD as at 31 December:

24. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

(ii) Foreign exchange risk (cont'd)

2024	**USD** S$'000	**SGD** S$'000	**Total** S$'000
Financial assets			
Cash and balances with central bank	–	390,832	390,832
Loans and advances to customers	–	809,510	809,510
Amounts due from immediate holding company	8,258	4,690	12,948
Other assets (excluding prepayments)	1,226	45,073	46,299
	9,484	1,250,105	1,259,589
Financial liabilities			
Deposits of non-bank customers	–	3,807,702	3,807,702
Amounts due to related companies and branches of the ultimate holding company	8,766	408	9,174
Amounts due to related parties	–	6,704	6,704
Other liabilities (excluding provisions)	–	41,908	41,908
	8,766	3,856,722	3,865,488
Net exposure	718	(2,606,617)	(2,605,899)

24. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

(ii) Foreign exchange risk (cont'd)

2023	USD S$'000	SGD S$'000	Total S$'000
Financial assets			
Cash and balances with central bank	–	276,656	276,656
Loans and advances to customers	–	316,536	316,536
Amounts due from immediate holding company	13,621	6,901	20,522
Other assets (excluding prepayments)	804	56,216	57,020
	14,425	656,309	670,734
Financial liabilities			
Deposits of non-bank customers	–	1,872,639	1,872,639
Amounts due to related companies and branches of the ultimate holding company	13,840	407	14,247
Amounts due to related parties	–	3,531	3,531
Other liabilities (excluding provisions)	–	31,740	31,740
	13,840	1,908,317	1,922,157
Net exposure	585	(1,252,008)	(1,251,423)

Foreign exchange risk is measured using sensitivity analysis that estimates the potential impact resulting from a 10% change in the foreign exchange rates for USD against the SGD at the reporting date. The estimated impact on profit or loss before tax for the Bank are as follows:

	2024 S$'000	2023 S$'000
Increase/(decrease) in profit before tax		
USD (+/-10%)	+/- 72	+/- 59

24. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk*

Liquidity and Funding Risk is the risk that the Bank may not have sufficient stable or diverse sources of funding to meet its obligations as they fall due. The Bank's policy is to maintain adequate liquidity and funding at all times. Liquidity risk is managed in conjunction with set liquidity policies and practices and local regulatory requirements. The Bank's ALCO is chaired by the Chief Executive Officer and Chief Financial Officer. The ALCO is responsible for determining the Bank's approach to balance sheet management, recovery and resolution planning and ensuring that, in executing the Bank's strategy, the Bank operates within internally approved risk appetite and external requirements relating to capital, liquidity, leverage, interest rate risk in the banking book, and meets internal and external recovery and resolution planning requirements (where applicable).

Liquidity and Funding Risk is a risk sub-type under the Capital and Liquidity PRT.

The table below summarises the maturity profile of the Bank's financial liabilities as at 31 December based on contractual cashflows. The balances of the accounts in the below tables will approximate the balances on the statement of financial position due to the short term nature of the accounts and/or immaterial impact of discounting.

2024	**On demand** S$'000	**Less than 3 months** S$'000	**3 to 12 months** S$'000	**1 year to 5 years** S$'000	**Total** S$'000
Financial liabilities					
Amounts due to related companies and branches of the ultimate holding company	–	2,646	6,528	–	9,174
Deposits of non-bank customers	3,807,702	–	–	–	3,807,702
Amounts due to related parties	–	6,704	–	–	6,704
Other liabilities (excluding provisions)	–	36,780	1,616	3,512	41,908
	3,807,702	46,130	8,144	3,512	3,865,488

2023	**On demand** S$'000	**Less than 3 months** S$'000	**3 to 12 months** S$'000	**1 year to 5 years** S$'000	**Total** S$'000
Financial liabilities					
Amounts due to related companies and branches of the ultimate holding company	–	1,597	6,325	6,325	14,247
Deposits of non-bank customers	1,872,638	–	–	–	1,872,638
Amounts due to related parties	–	3,531	–	–	3,531
Other liabilities (excluding provisions)	242	28,436	2,051	1,011	31,740
	1,872,880	33,564	8,376	7,336	1,922,156

25. Fair value measurements

The carrying amounts of cash and balances with central bank, loans and advances to customers, amounts due from immediate holding company, other assets (excluding prepayments), right-of-use assets, deposit of non-bank customers, other liabilities (excluding provisions), amounts due to related companies and branches of the ultimate holding company, amount due to related parties are measured at amortised cost. The carrying value of these financial instruments is an approximation of the fair value because they are either (i) short term in nature or (ii) are receivable or payable on demand.

The Singapore government treasury bills are measured at fair value based on quoted market prices in active markets and is classified as level 1 in the fair value hierarchy as at the end of the reporting period.

As at the end of 31 December 2024 and 2023, the Bank does not have any financial assets or financial liabilities that can be offset within the associated balance sheet line.

26. Capital management

The Bank's capital management strategy is based on guidelines set out in the Capital and Liquidity Risk Type framework, which has been formally approved by the Board. The capital requirements are mapped out on an annual basis as part of the Bank's corporate plan with the key objective to optimise and to maintain a strong capital position to meet ongoing regulatory requirements and the expectation of various stakeholders. Capital is managed in conjunction with set capital policies and practices and local regulatory requirements.

	2024 S$'000	**2023** S$'000
Share capital	695,000	510,000
Accumulated losses	(435,019)	(341,620)
	259,981	168,380

The Board maintains oversight of the regulatory capital of the Bank in line with regulatory requirements under the Monetary Authority of Singapore Notice to Banks No. 637 "*Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore*" that sets out the requirements relating to the minimum capital adequacy ratios for banks incorporated in Singapore and the methodology the banks shall use in calculating these ratios.

The Bank has complied with all externally imposed regulatory capital requirements for the financial period.

27. Geographical analysis

The Bank's total assets, income before operating expenses and net loss for the year are booked in Singapore.

28. Events after the reporting period

On 20 January 2025, the Bank received a total capital of S$25,000,000 from its shareholders as part of the scheduled capital injection in year 2025.

29. Authorisation of financial statements for issue

The financial statements of the Bank were authorised for issue by the Board of Directors on 17 March 2025.

Company Registration No.: 202039712G

Trust Bank Singapore Limited

Supplementary information
31 December 2024

(The following supplementary information does not form part of the financial statement of the Bank)

Trust Bank Singapore Limited

Supplementary information
For the financial year ended 31 December 2024

Capital adequacy ratios

The capital adequacy ratio and capital components of the Bank are:

	2024 %	2023 %
Common Equity Tier 1 capital	16.7%	23.8%
Tier 1 capital	16.7%	23.8%
Total capital	17.8%	24.9%

	2024 S$'million	2023 S$'million
Common Equity Tier 1 capital	175	87
Tier 1 capital	175	87
Tier 2 capital	12	4
Total capital	187	91
Risk weighted assets:		
Credit risk	942	322
Operational risk	107	44
Market risk	1	–*
Total risk weighted assets	1,050	366

* Market risk weighted assets amount to 200k.

Financial Review

Trust Bank continued its rapid growth during 2024, with customer numbers reaching 974,000, equivalent to 18% share of the adult population in Singapore. Customer referrals remain the main source of this growth, keeping customer acquisition costs low.

Alongside this customer growth, Trust Bank significantly expanded its customer proposition during the year, launching several innovative products. This included split purchase and balance transfer loans, a cashback credit card, savings pots, additional payment capabilities and a proposition for mass affluent customers called Trust+. The bank now has a wide range of products covering savings, transfers, payments, loans, insurance and rewards. This has helped it achieve strong engagement levels, with a monthly active user rate of over 65% and credit card customers making an average of 21 transactions each month.

The resulting financial progress has been strong, with deposit balances doubling to S$3.8bn and customer lending balances increasing 149% to S$0.8bn. 2024 revenue increased 160% compared with 2023 while costs rose only 5%, demonstrating the scalability of Trust Bank's modern, highly automated platform. Loan impairments remained well controlled.

During the year, Trust Bank received extensive industry awards and recognition, including the best digital bank in Singapore by The Asian Banker and was named the best mobile banking app globally by The Digital Banker. It remains a top-rated bank in Singapore on the Apple App Store.

Building on the success of Trust+, Trust Bank is building its first investment solutions product called TrustInvest which it plans to launch in the first quarter of 2025.