Trafigura

2024

Half Year Report

Trafigura Group Pte. Ltd.

Performance highlights[1]

Group revenue

$124.2bn

$131.3bn in H1 2023[1]
$170.6bn in H1 2022[1]

Underlying EBITDA

$4.3bn

$8.1bn in H1 2023[1]
$4.7bn in H1 2022[1]

Net profit

$1.5bn

$5.5bn in H1 2023[1]
$2.7bn in H1 2022[1]

Total Group equity

$17.3bn

$16.5bn in 2023[2]
$15.1bn in 2022[2]

Total assets

$84.4bn

$83.4bn in 2023[2]
$98.6bn in 2022[2]

Total non-current assets

$15.6bn

$15.7bn in 2023[2]
$19.4bn in 2022[2]

The companies in which Trafigura Group Pte. Ltd. directly or indirectly owns investments are each separate legal entities and should not be considered or construed otherwise.

This report refers to: (i) certain subsidiaries over which Trafigura Group Pte. Ltd. has direct or indirect control; and (ii) certain joint venture entities and arrangements where Trafigura Group Pte. Ltd. has direct or indirect joint control; and (iii) certain other investments where Trafigura Group Pte. Ltd. has neither control nor joint control and may or may not have influence. For the avoidance of doubt, references to "Trafigura", "Trafigura Group", "the company", "the Group", "we", "us", "our" and "ourselves" may be used for convenience (not for legal) purposes to refer to Trafigura Group Pte. Ltd., its subsidiaries, and/or its joint ventures.

1. For the six-month period ended 31 March.
2. As at year end 30 September.

Contents

Management review

Financial statements

A robust performance in calmer markets

Jeremy Weir
Executive Chairman and
Chief Executive Officer

"The strength of our business was evident in the six months to the end of March 2024 with robust performances from our core divisions."

I am pleased to report results for the six months to the end of March 2024 that highlight the strength and diversity of our business.

There were robust performances from all of our core divisions – Oil and Petroleum Products, Metals and Minerals, Gas, Power and Renewables, as well as Shipping and Chartering.

In a less stressed environment than the same period a year ago, demand for our services remained strong and the Group recorded a net profit of USD1,474 million for the period – one of our best first half-year results on record.

During the half year, there were notable performances from our non-ferrous metals business, which is benefiting from powerful global trends such as decarbonisation and from our shipping and chartering teams.

As well as supporting our in-house commercial activities, Trafigura's Shipping and Chartering business has emerged as a provider of services to a growing number of third-party customers.

Oil and Petroleum Products had another high-performing period with the efforts to expand its footprint in markets including biofuels and petrochemicals yielding results. There was also continued momentum from our Gas, Power and Renewables division.

The period was not without its challenges, however. Nyrstar's metals processing operations continued to face lower commodity prices and high energy costs, together with significant global competition.

Acquisitions

Group equity was in excess of USD17 billion at the end of March 2024. That strong financial position means that we are able to make disciplined investments that position the Group to benefit from and contribute to a changing global energy system.

To that end, we recently announced plans to purchase the European assets of Greenergy, a UK-based supplier of road fuels and a major producer of biodiesel, as well as Greenergy's Canadian supply operations.

This acquisition, which is subject to regulatory approval, will help strengthen our fuel supply operations and add physical production of renewable fuels to our growing biofuels business.

After the half year closed, Rhône Energies – a consortium formed by Trafigura and refinery investor Entara – announced exclusive negotiations to purchase the Fos-sur-Mer refinery in the south of France from Esso, also subject to regulatory and other approvals.

Collectively these acquisitions highlight our commitment to supply the resources society demands today.

Investing for the future

We are also continuing to invest for the future. During the half-year period, we reached an agreement to increase our shareholding in H2 Energy Europe and became its majority owner as we work towards a final investment decision on a large-scale renewable hydrogen project in Denmark and a 20MW project in South Wales, United Kingdom.

In Africa, Trafigura is part of a consortium that has been awarded a 30-year concession to operate a 1,300km rail corridor and mineral port in Angola.

The Lobito Atlantic Railway offers a more efficient and competitive route to market to the Atlantic coast of Africa for minerals and metals (in particular copper) produced in the Copperbelt region.

The consortium's investment programme has commenced with major contracts signed for the acquisition of rolling stock and infrastructure.

In battery metals, we have agreed to invest in a new state-of-the-art nickel refinery that Korea Zinc is building in Ulsan, South Korea. We will also be supplying feedstock to the plant and marketing a portion of its production.

Another highlight of the 2024 half-year period was an agreement to purchase carbon dioxide removal credits from a new direct air capture facility currently under construction in Texas.

We are also actively involved in efforts to improve the sustainability of the shipping industry, which remains almost entirely dependent on fossil fuels. In May 2024, we announced the order of four medium-sized gas carriers capable of running on low-carbon ammonia, supporting our commitment to reduce the carbon intensity of our shipping fleet.

Management changes

Shortly after the close of the half-year period, Executive Director, Jose Maria Larocca, and Group Chief Financial Officer, Christophe Salmon, announced their intention to retire in the coming months.

I would like to thank both of them for the pivotal roles they have played in driving Trafigura's success. Stephan Jansma, currently CFO, Asia Pacific, will assume the role of Group Chief Financial Officer from the start of July 2024. Ben Luckock continues in his role as Global Head of Oil.

Legal matters

In March 2024, we resolved a previously disclosed investigation by the US Department of Justice into the conduct of former employees or agents in Brazil, which took place 10 or more years ago.

Since the period in question, we have significantly enhanced our compliance policies and procedures, a point acknowledged by the Department of Justice in the resolution agreement and in its decision not to appoint a monitor.

Outlook

In the near term, supply chain disruptions continue to persist, including due to ongoing threats in the Red Sea and commodity markets remain vulnerable to sudden shocks and price spikes.

Looking ahead, we believe the breadth of our portfolio, spanning energy, metals, power and renewables, means we are well positioned to continue to supply the vital resources the world needs today and into the future.

Ultimately, our business is about pivoting to supply what the world needs, as it needs it – and we are well prepared and ready to do that.

Strong financial results in less turbulent markets

Christophe Salmon
Chief Financial Officer

Group revenue

$124.2bn

2024[1] 124.2bn
2023[1] 131.3bn

Total assets

$84.4bn

2024[1] 84.4bn
2023[2] 83.4bn

Underlying EBITDA

$4.3bn

2024[1] 4.3bn
2023[1] 8.1bn

Total non-current assets

$15.6bn

2024[1] 15.6bn
2023[2] 15.7bn

Net profit

$1.5bn

2024[1] 1.5bn
2023[1] 5.5bn

Group equity

$17.3bn

2024[1] 17.3bn
2023[2] 16.5bn

1. For the six-month period ended 31 March.
2. As at year end 30 September.

The six-month period to the end of March 2024 saw a continuation of the less turbulent market conditions that prevailed during the second half of the 2023 financial year.

But even in this calmer environment, demand for our services remained high as customers continued to rely on Trafigura to source and supply the resources needed to support economic growth and the energy transition.

As a result, the Group registered a net profit of USD1,474 million. It is important to note that these results were achieved in comparison to an exceptional first-half period in 2023, when the Group recorded a net profit of USD5,544 million in highly volatile energy markets.

Over the period, revenue fell five percent to USD124,197 million, reflecting the impact of lower commodity prices, partially offset by higher trading volumes. The Group reported underlying earnings before interest, tax, depreciation and amortisation (EBITDA) of USD4,284 million compared to USD8,136 million in 2023. The solid performance in the first half of 2024 demonstrates the Group's ability to adapt to changing market dynamics.

Total traded volumes of oil and petroleum products, including natural gas and LNG, were around 7.2 million barrels per day, 15 percent above the previous year's level. This was mainly due to higher trading volumes in crude oil, driven by our supply and marketing agreements with refineries in Europe.

In non-ferrous metals, volumes were almost unchanged year-on-year at 10.4 million tonnes, while bulk mineral volumes rose 25 percent to 54.7 million tonnes due to an increase in iron ore. This was driven by higher throughput at the Porto Sudeste joint venture terminal in Brazil as the Tico-Tico mine scaled up, as well as increased trade of iron ore from Australia and India.

← Transportation of iron ore at the Porto Sudeste export facility joint venture in Brazil.

Income statement

As mentioned previously, revenue fell five percent to USD124,197 million. Our operating profit before depreciation and amortisation was USD4,237 million, down 48 percent compared to the first six months of 2023, a period notable for exceptionally strong demand for our supply chain services.

In our Energy segment, which also includes Trafigura's gas, power and renewables businesses, operating profit before depreciation and amortisation was USD3,348 million, versus USD7,284 million a year earlier, as market disruptions eased, resulting in more customary margin levels.

In Metals and Minerals, divisional operating profit before depreciation and amortisation rose to USD901 million, against USD813 million in the first six months of 2023. Overall, the segment accounted for around 21 percent of Group operating profit before depreciation and amortisation in the half-year period.

Lower commodity prices resulted in the cost of materials, transportation and storage declining to USD117,968 from USD121,597 million.

Depreciation of right-of-use assets increased to USD1,130 million from USD779 million, mainly relating to shipping leases.

Impairments of fixed and financial assets totalled USD356 million, relating notably to Puma Energy's fixed assets in Papua New Guinea and provisions made for credit exposures.

Our net finance expense decreased to USD616 million from USD995 million, primarily reflecting the impact of higher interest income.

The income tax charge for the first half was USD362 million.

Balance sheet

At the end of the half-year period, our total balance sheet was USD84,437 million, marginally up from USD83,383 million at the end of September 2023.

Non-current assets remained broadly stable at USD15,559 million, versus USD15,702 million at the end of September 2023.

Total current assets were two percent higher at USD68,837 million, mainly reflecting an increase in deposits which rose to USD1,242 million from USD209 million, as well as growth in trade and other receivables due to higher trading activity. This was partly offset by lower derivatives, decreasing from USD4,153 million to USD2,349 million.

Group equity at the end of the half-year period was USD17,294 million, a near five percent increase compared with USD16,495 million at the end of our 2023 financial year, while Trafigura declared a USD661 million dividend.

Total loans and borrowings were USD36,393 million, slightly up from USD34,367 million.

Our ratio of adjusted debt to Group equity remained significantly below our target of up to 1 times Group equity, standing at minus 0.30.

↑ Crude oil storage at the Midland West Texas Intermediate facility.

Cashflow statement

Our performance over the first half of 2024 resulted in operating cash flow before working capital changes of USD4,392 million, down from USD8,112 million as market volatility eased.

We believe operating cash flow before working capital changes is the most reliable measure of Trafigura's financial performance because the level of working capital is predominantly driven by prevailing commodity prices and is financed under the Group's self-liquidating finance lines. Net cash from operating activities (after working capital changes) was USD689 million.

Investing activities resulted in a net cash use of USD568 million, compared to a cash outflow of USD763 million in the first half of 2023, primarily reflecting Trafigura's investments in fixed assets. Net cash used in financing activities was a net inflow of USD211 million, with the overall balance of cash and cash equivalents standing at USD12,719 million as at 31 March 2024, a similar level to 30 September 2023.

Liquidity and financing

Trafigura continued to secure increased access to financing lines throughout the half-year period, further strengthening our liquidity buffer. Total credit lines reached a record level of USD77 billion, excluding Puma Energy, from a network of around 150 financial institutions. Our funding position leaves us very well prepared to serve our customers in all market conditions.

Most of our day-to-day trading activity is financed through uncommitted, self-liquidating trade finance lines, while we use corporate credit facilities to finance other short-term liquidity requirements, such as margin calls or bridge financing. This funding model gives us the necessary flexibility to cope with periods of enhanced price volatility as utilisation of the trade finance facilities increases or decreases to reflect the volumes traded and underlying prices. We also maintain a debt capital markets presence to secure longer-term finance in support of our investments.

In October 2023, we announced the closing of two Export Credit Agency (ECA) facilities, for a total combined amount of USD400 million, with insurance from the Export-Import Bank of the United States (US EXIM). These ECA facilities will be used by Trafigura to purchase LNG cargoes from US exporters for supply to customers primarily located in Europe.

In October 2023, we also refinanced our Asian syndicated revolving credit facility (RCF) and term-loan facilities (TLF) at USD2.7 billion equivalent, with 30 banks participating in the transaction, including four new lenders. The new facilities comprised a 365-day USD RCF (USD620 million), a one-year CNH TLF (c. USD1,177 million equivalent) and a three-year USD TLF (USD930 million). This represented more than USD500 million in additional liquidity for the Group, thanks to the record three-year USD TLF closing amount. As per our previous European and Asian RCFs, we implemented a sustainability-linked loan structure in these new facilities.

In March 2024, we refinanced our flagship 365-day European multi-currency syndicated revolving credit facilities (ERCF) totalling USD1.9 billion, while extending and increasing our USD3.7 billion three-year RCF. In line with recent years, we structured these facilities as sustainability-linked loans.

Also in March 2024, we returned to the Japanese domestic syndicated bank loan market for the seventh time and refinanced and increased our Japanese Yen-denominated term loan credit facilities (Samurai loan) with a total value of JPY123.45 billion (USD821 million equivalent at closing exchange rate). The Samurai loan comprises a JPY82.95 billion three-year credit facility and a significantly increased JPY40.5 billion five-year credit facility. Twenty-eight financial institutions joined the Samurai loan during syndication, including eight new lenders. In line with the ERCF, the Samurai loan was structured as a sustainability-linked loan.

Finally, in late March 2024, we signed a USD390 million loan agreement with Japan Bank for International Cooperation (JBIC) together with a commercial facility, bringing the total to approximately USD560 million. The loan is intended to provide the funds required for a Japanese utility company to import LNG from Trafigura on a term basis.

Outlook

The robust performance of the Group in the first half of the 2024 financial year highlights our ability to adapt to changing market conditions and generate robust profits in calmer markets.

In addition, our strong financial position enables us to seize strategic opportunities as they arise, such as the Greenergy and Fos-sur-Mer transactions.

Our disciplined approach to acquisitions and capital expenditure will continue to be a key focus for the Group. We will only invest in assets that support our core supply chain activities and deliver an acceptable rate of return, while also maintaining leverage at an appropriate level.

We are optimistic about the Group's future growth prospects and ability to deliver value for our stakeholders and more than 1,400 employee shareholders.

This positive view reflects the ongoing strength of our financial position and the support we enjoy from a broad range of financial institutions globally.

↓ The Repauno LPG collection and export terminal in New Jersey on the US East Coast.

Fed versus fundamentals

Saad Rahim
Chief Economist

The return to stable market conditions noted in our 2023 Annual Results persisted through the six months ending in March 2024, as commodity prices declined from recent highs. Economic growth was strong despite global interest rates remaining at seemingly restrictive levels.

The US economy continued to power ahead since the start of our financial year in October 2023. This has kept inflation elevated, as consumers utilise high savings, wage growth and low debt levels to keep spending on discretionary purchases, especially on services.

Significantly, US growth has been strong even with one of its most important sectors, housing, still in the doldrums. As is the case with other areas of potential weakness, such as rising auto loan and credit card delinquencies, if the Federal Reserve does decide to cut rates, those pressures will be alleviated and can serve as a further tailwind to growth.

More broadly, we are now seeing a turn in the industrial cycle across the globe as new orders start to outpace inventories and exports from manufacturing bellwethers such as Korea and Taiwan start to rebound.

This is different from the 2023 fiscal year when what we would term “thematic” areas spurred industrial growth rather than more traditional, cyclical drivers such as property and manufacturing.

By way of context, thematic areas are those focused on the energy transition (this includes renewables and electric vehicles); technology (including semiconductors, datacentres and artificial intelligence); and manufacturing investment (retooling industry for new growth markets).

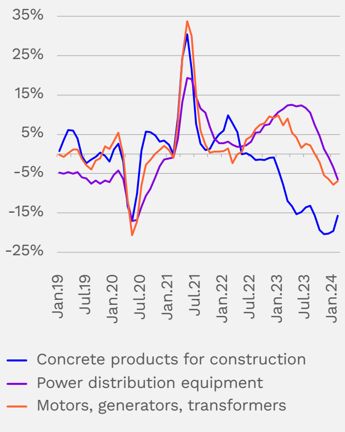
In the US, both thematic and most cyclical drivers are forging ahead, while in Europe both areas are lagging. Thematics have also been the main growth driver in China, partly offsetting weakness in property and manufacturing.

Certainly, China’s economic scorecard in the latter half of 2023 and so far in 2024 has been uneven, with some strong months followed by weak ones.

The Chinese property sector is still struggling, although this is specific to new starts and sales of new homes. The secondary/existing home market on the other hand has seen record strength, indicating that the current malaise is not all due to a lack of demand for housing, but rather a lack of confidence that purchasing a yet-to-be built home will result in delivery. However, the government is engaging in steps to boost growth with new stimulus measures, including central government-backed purchasing of excess housing inventory, lowering of down payment requirements and a mortgage rate floor.

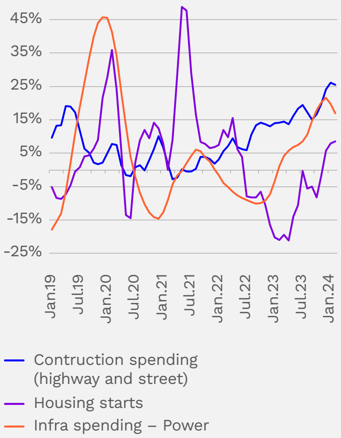
Turning to commodity markets, again we saw a period where prices became disconnected from physical market fundamentals.

Output of energy infrastructure and construction products, Europe



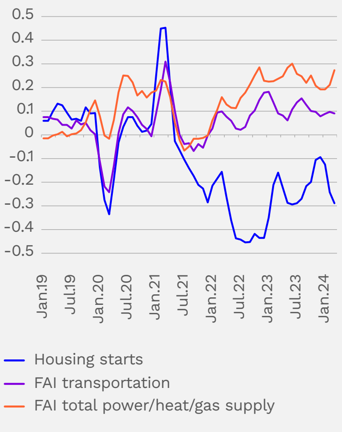
Source: Bloomberg, Trafigura Research

Power infrastructure spending and housing starts, US



Source: Bloomberg, Trafigura Research

Power infrastructure spending and housing starts, China



Source: Bloomberg, Trafigura Research

Take Brent crude oil. It started our fiscal year trading above USD90 per barrel but then slumped to the low USD70s in December 2023. This drop occurred even as product cracks rebounded by 40 percent, backwardation in the front month spread remained relatively elevated, and other physical markers indicated a balanced, if not tight, market, driven in part by the OPEC+ cuts that were extended during this period.

Watching the price action, it might then have appeared that global demand was weak. In fact, the International Energy Agency estimated that global demand growth was around 2.2 million barrels per day (mmb/d) in 2023, the second year in a row where growth exceeded 2mmb/d and historically seen as a very strong demand level.

What perhaps explains the disconnect between price and physical market fundamentals is the fact that elevated oil prices in the early part of our fiscal year raised fears that inflation would remain elevated and the Federal Reserve would be forced to hold interest rates at a high level for an extended period. Indeed, those concerns, in turn, pushed interest rates much higher, with the yield on 10-year US Treasuries moving up from 4.2 percent to 5.0 percent.

Copper saw a similar dynamic, in as much as low inventories and reasonably robust demand growth did not translate into higher prices, which remained stuck in a range of USD8,200-USD8,600 per tonne before the turn of the year.

That dynamic changed sharply in the first few months of 2024 even as Chinese growth slowed. The prospect of Federal Reserve cuts at some point in the future, even if later and fewer than previously anticipated, changed the narrative and investment flows started to pick up.

The result is that prices of non-ferrous metals have moved much higher than fundamentals in the physical spot market might indicate or justify, especially for copper. In March 2024, copper broke out of its tight trading range to hit USD9,500 per tonne before moving to an all-time high of USD11,100 per tonne before retreating to just below USD10,000 at the time of writing.

Looking forward, the discussion around cuts – whether they are OPEC+ cuts, smelter cuts or Federal Reserve cuts – will continue to influence the direction of markets.

OPEC+'s recent decision to phase out some of its production cuts from October, combined with strong supply in the products market, has driven oil prices below USD80/bbl at the time of writing.

However, demand is holding up and product inventories remain relatively low. As such, if demand accelerates in line with normal seasonal trends it could result in tighter markets going forward.

Mine supply for both copper and zinc has been disappointing since October 2023, including unforeseen issues such as the sudden closure of a very large copper mine in Panama. That, in turn, has led to a significant concentrates shortage, resulting in smelters having to cut production, and pointing to tighter inventories of refined metal even if demand is lacklustre.

Finally, while the Federal Reserve maintains a bias in favour of cuts, US growth remains strong and may delay that process. If inflation continues to come down on a credible path towards the Federal Reserve's target, and if the employment sector does cool off further, then it may be able to start cutting rates.

Regardless of the short-term moves, long-term demand for commodities remains intact. India continues to emerge as a larger force in commodities demand, and if its per capita demand mirrors the trajectory of any other major economy as it develops, then the potential additions to demand will be world-scale, whether it is copper, steel or oil.

New sources of demand also continue to emerge, with the latest being in the form of the need of datacentres and AI. These were not a factor in most forecasts when we began our fiscal year, but increasingly are becoming a major driver. We estimate power consumption requirements in AI alone are likely to overtake those for electric vehicles. Delivering and transporting the commodities needed to fuel and power these growth areas remains a critical component of the world economy.

Unaudited half year consolidated financial statements

For the six-month period ended 31 March 2024

Half Year Consolidated Statement of Income

For the six-month period ended 31 March 2024

	Note	2024 USD'M	2023 USD'M
Revenue	4	124,197.1	131,334.5
Materials, transportation and storage		(117,968.1)	(121,597.0)
Employee benefits	33	(802.7)	(734.8)
Services and other		(1,189.1)	(914.9)
Operating profit or (loss) before depreciation and amortisation	4	**4,237.2**	8,087.8
Depreciation (right-of-use assets)	13	(1,129.8)	(778.5)
Depreciation and amortisation (PP&E and intangible assets)	11/12	(299.8)	(305.6)
Impairments (fixed assets)	7	(50.1)	(19.9)
Impairments (financial assets and prepayments)	7	(305.8)	12.0
Operating profit or (loss)		**2,451.7**	6,995.8
Share of profit/(loss) of equity-accounted investees	8	(40.7)	31.2
Disposal results and impairments of equity-accounted investees	8	3.9	127.8
Income/(expenses) from investments	8	36.1	10.7
Result from equity-accounted investees and investments		**(0.7)**	169.7
Finance income		1,358.0	957.2
Finance expense		(1,973.8)	(1,952.5)
Result from financing activities		**(615.8)**	(995.3)
Profit before tax		**1,835.2**	6,170.2
Income tax	9	(361.6)	(626.5)
Profit for the period		**1,473.6**	5,543.7
Profit attributable to			
Owners of the Company		1,470.5	5,534.5
Non-controlling interests		3.1	9.2
Profit for the period		**1,473.6**	5,543.7

See accompanying notes.

Supplementary Statement of Income Information

For the six-month period ended 31 March 2024

	Note	2024 USD'M	2023 USD'M
Operating profit or (loss) before depreciation and amortisation	4	**4,237.2**	8,087.8
Adjustments	10	47.0	47.9
Underlying EBITDA	10	**4,284.2**	8,135.7

See accompanying notes.

Half Year Consolidated Statement of Other Comprehensive Income

For the six-month period ended 31 March 2024

	Note	2024 USD'M	2023 USD'M
Profit for the period		**1,473.6**	5,543.7
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Gain/(loss) on cash flow hedges	31	(21.3)	1.5
Effect from hyperinflation adjustment		15.8	21.0
Tax on other comprehensive income		8.9	13.6
Exchange gain/(loss) on translation of foreign operations		23.9	67.8
Share of comprehensive income/(loss) from associates		12.8	11.7
Recycling of FCTR on disposal of equity-accounted investee		–	(176.7)
Recycling of CFHR on disposal of equity-accounted investee		–	55.1
Items that will not be reclassified to profit or loss:			
Net change in fair value through other comprehensive income, net of tax		17.2	15.5
Defined benefit plan actuarial gains/(losses), net of tax		(0.3)	(0.5)
Other comprehensive income for the period, net of tax		**57.0**	9.0
Total comprehensive income for the period		**1,530.6**	5,552.7
Total comprehensive income attributable to:			
Owners of the Company		1,518.1	5,546.5
Non-controlling interests		12.5	6.2
Total comprehensive income for the period		**1,530.6**	5,552.7

See accompanying notes.

Half Year Consolidated Statement of Financial Position

As at 31 March 2024

	Note	31 March 2024 USD'M	30 September 2023 USD'M
Assets			
Property, plant and equipment	11	4,419.2	4,375.3
Intangible assets and goodwill	12	1,463.5	1,544.5
Right-of-use assets	13	4,435.7	4,668.2
Equity-accounted investees	14	1,193.2	969.5
Prepayments	15	810.9	1,107.8
Loans receivable	15	887.0	791.6
Other investments	15	977.2	997.5
Derivatives	31	871.9	410.2
Deferred tax assets		70.9	120.3
Other non-current assets	16	429.0	716.6
Total non-current assets		**15,558.5**	**15,701.5**
Inventories	17	22,382.6	22,969.7
Trade and other receivables	18	26,285.3	23,413.8
Derivatives	31	2,348.5	4,153.3
Prepayments	15	2,720.4	2,930.6
Income tax receivable		337.7	296.1
Other current assets	20	801.4	1,148.4
Deposits	21	1,242.2	208.7
Cash and cash equivalents	21	12,719.0	12,387.0
Total current assets		**68,837.1**	**67,507.6**
Assets classified as held for sale	22	41.6	173.4
Total assets		**84,437.2**	**83,382.5**
Equity			
Share capital	23	1,503.7	1,503.7
Capital securities	23	674.2	666.3
Reserves	23	(628.9)	(661.0)
Retained earnings	23	15,655.9	14,833.9
Equity attributable to the owners of the Company		**17,204.9**	**16,342.9**
Non-controlling interests		89.1	152.5
Total Group equity		**17,294.0**	**16,495.4**
Liabilities			
Loans and borrowings	24	8,498.8	9,314.3
Long term lease liabilities	13	2,799.7	3,085.9
Derivatives	31	412.0	283.6
Provisions	25	667.6	567.6
Other non-current liabilities		870.0	632.7
Deferred tax liabilities		305.4	295.7
Total non-current liabilities		**13,553.5**	**14,179.8**
Loans and borrowings	24	27,893.7	25,052.8
Short term lease liabilities	13	1,790.8	1,705.4
Trade and other payables	26	21,148.6	21,734.4
Current tax liabilities		674.8	1,019.6
Other current liabilities	27	1,056.2	1,201.2
Derivatives	31	1,015.7	1,785.2
Total current liabilities		**53,579.8**	**52,498.6**
Liabilities classified as held for sale	22	9.9	208.7
Total Group equity and liabilities		**84,437.2**	**83,382.5**

See accompanying notes.

Half Year Consolidated Statement of Changes in Equity

For the six-month period ended 31 March 2024

USD'M	Note	Share capital	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Capital securities	Retained earnings	Profit for the period	Total	Non-controlling interest	Total Group equity
		Equity attributable to the owners of the Company									
Balance as at 1 October 2023		1,503.7	(644.2)	(73.1)	56.3	666.3	7,440.7	7,393.2	**16,342.9**	152.5	**16,495.4**
Profit for the period		–	–	–	–	–	–	1,470.5	1,470.5	3.1	1,473.6
Other comprehensive income		–	29.1	17.2	(14.2)	–	15.5	–	47.6	9.4	57.0
Total comprehensive income for the period		–	29.1	17.2	(14.2)	–	15.5	1,470.5	**1,518.1**	12.5	**1,530.6**
Profit appropriation		–	–	–	–	–	7,393.2	(7,393.2)	–	–	–
Dividend	23	–	–	–	–	–	(661.1)	–	(661.1)	–	(661.1)
Acquisition of non-controlling interest in subsidiary	5	–	–	–	–	–	(20.2)	–	(20.2)	(11.4)	(31.6)
Share-based payments	33	–	–	–	–	–	47.0	–	47.0	–	47.0
Capital securities (currency translation)	23	–	–	–	–	5.5	(5.5)	–	–	–	–
Capital securities dividend	23	–	–	–	–	–	(24.8)	–	(24.8)	–	(24.8)
Divestment and deconsolidation of subsidiary		–	–	–	–	–	–	–	–	(64.5)	(64.5)
Other		–	–	–	–	2.4	0.6	–	3.0	–	3.0
Balance as at 31 March 2024		1,503.7	(615.1)	(55.9)	42.1	674.2	14,185.4	1,470.5	**17,204.9**	89.1	**17,294.0**

USD'M	Note	Share capital	Currency translation reserve	Revaluation reserve	Cash flow hedge reserve	Capital securities	Retained earnings	Profit for the period	Total	Non-controlling interest	Total Group equity
		Equity attributable to the owners of the Company									
Balance as at 1 October 2022		1,503.7	(420.2)	(79.9)	(37.4)	654.1	6,294.2	6,994.2	**14,908.7**	169.9	**15,078.6**
Profit for the period		–	–	–	–	–	–	5,534.5	5,534.5	9.2	5,543.7
Other comprehensive income		–	(93.7)	15.5	69.8	–	20.5	–	12.1	(3.1)	9.0
Total comprehensive income for the period		–	(93.7)	15.5	69.8	–	20.5	5,534.5	**5,546.6**	6.1	**5,552.7**
Profit appropriation		–	–	–	–	–	6,994.2	(6,994.2)	–	–	–
Dividend	23	–	–	–	–	–	(2,985.0)	–	(2,985.0)	(17.5)	(3,002.5)
Acquisition of non-controlling interest in subsidiary	5	–	–	–	–	–	(1.3)	–	(1.3)	(6.0)	(7.3)
Share-based payments	33	–	–	–	–	–	47.9	–	47.9	–	47.9
Repayment of capital securities	23	–	–	–	–	(5.0)	–	–	(5.0)	–	(5.0)
Capital securities (currency translation)	23	–	–	–	–	27.6	(27.6)	–	–	–	–
Capital securities dividend	23	–	–	–	–	–	(24.0)	–	(24.0)	–	(24.0)
Divestment and deconsolidation of subsidiary		–	–	–	–	–	–	–	–	13.0	13.0
Other		–	0.1	–	–	(5.2)	6.0	–	0.9	(0.1)	0.8
Balance as at 31 March 2023		1,503.7	(513.8)	(64.4)	32.4	671.5	10,324.9	5,534.5	**17,488.8**	165.4	**17,654.2**

See accompanying notes.

Half Year Consolidated Statement of Cash Flows

For the six-month period ended 31 March 2024

	Note	2024 USD'M	2023 USD'M
Cash flows from operating activities			
Profit before tax		1,835.2	6,170.2
Adjustments for:			
Depreciation and amortisation	11/12/13	1,429.6	1,084.1
Impairments (included in operating profit or loss)	7	355.9	7.9
Result from equity-accounted investees and investments	8	0.7	(169.7)
Result from financing activities		615.8	995.3
Equity-settled share-based payment transactions		47.0	47.9
Provisions		109.3	(10.7)
(Gain)/loss on sale of fixed assets (included in services and other)		(1.5)	(13.3)
Operating cash flows before working capital changes		**4,392.0**	8,111.7
Changes in:			
Inventories	17	587.1	182.2
Trade and other receivables and derivatives	18	(2,320.8)	10,797.3
Prepayments	15	481.8	(85.2)
Trade and other payables and derivatives	26	(1,183.5)	(11,819.3)
Cash generated from/(used in) operating activities		**1,956.6**	7,186.7
Interest paid		(1,935.9)	(1,939.2)
Interest received		1,343.2	936.2
Dividends (paid)/received		8.8	6.6
Tax (paid)/received		(683.5)	(495.7)
Net cash flows from/(used in) operating activities		**689.2**	5,694.6
Cash flows from investing activities			
Acquisition of property, plant and equipment	11	(361.6)	(354.4)
Proceeds from sale of property, plant and equipment	11	44.9	26.7
Disposal of assets/liabilities held for sale	22	–	166.1
Acquisition of intangible assets	12	(36.1)	(112.7)
Proceeds from sale of intangible assets	12	–	0.2
Acquisition of equity-accounted investees	14	(150.1)	(22.6)
Loans receivable and advances granted	15	(178.3)	(279.6)
Repayment of loans receivable and advances granted	15	36.0	4.0
Acquisition of other investments	15	(109.0)	(225.1)
Disposal of other investments	15	186.6	71.0
Acquisition of subsidiaries, net of cash acquired	5	(0.6)	(36.8)
Net cash flows from/(used in) investing activities		**(568.2)**	(763.2)
Cash flows from financing activities			
Payment of capital securities dividend	23	(24.8)	(18.6)
Dividend and payments in relation to the share redemption by the direct parent company	23	(651.7)	(2,985.0)
Repayment of capital securities	23	–	(5.0)
Acquisition of non-controlling interest		(2.8)	(3.9)
Dividend non-controlling interest		–	(16.4)
Increase in long-term loans and borrowings	24	563.7	3,278.6
(Decrease) in long-term loans and borrowings	24	(1,411.4)	(566.3)
Payment of leases	13	(1,113.6)	(772.4)
Net increase/(decrease) in short-term bank financing		2,851.6	(2,043.2)
Net cash flows from/(used in) financing activities		**211.0**	(3,132.2)
Net increase/(decrease) in cash and cash equivalents		**332.0**	1,799.2
Cash and cash equivalents as at 1 October		12,387.0	14,881.3
Cash and cash equivalents as at 31 March	21	**12,719.0**	16,680.5

See accompanying notes.

Notes to the Half Year Consolidated Financial Statements

1. Corporate information

The principal business activities of Trafigura Group Pte. Ltd. ('Trafigura' or the 'Company') and together with its subsidiaries (the 'Group') are trading in crude oil and petroleum products, gas and power, renewables, non-ferrous concentrates, refined metals and bulk commodities such as coal and iron ore. The Group also invests in assets, including through investments, which have strong synergies with its core trading activities. These include storage terminals, service stations, metal warehouses, industrial facilities and mines.

The Company is incorporated in Singapore and its principal business office is at 10 Collyer Quay, Ocean Financial Centre, #29-01/05, Singapore, 049315.

The Company's immediate holding company is Trafigura Beheer B.V., a company incorporated in the Netherlands. Trafigura Beheer B.V. is ultimately controlled by Farringford Foundation, which is established under the laws of Panama.

The half year consolidated financial statements for the six-month period ended 31 March 2024 were authorised for issue by the Board of Directors on 6 June 2024.

2. Basis of preparation

2.1 Statement of compliance

The Company's half year consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The half year consolidated financial statements have not been audited.

2.2 Basis of measurement

The half year consolidated financial statements have been prepared under the historical cost convention except for inventories, derivatives and certain other financial instruments that have been measured at fair value. The consolidated financial statements have been prepared on a going concern basis.

Certain reclassifications have been made to the prior period half year presentation to conform to that of the current financial period. Changes on the classification have been made to increase clarity of the presentation.

2.3 Functional and presentation currency

The Group's presentation currency is the US dollar (USD) and all values are rounded to the nearest tenth of a million (USD'M 0.1) unless otherwise indicated. The US dollar is the functional currency of most of the Group's principal operating subsidiaries. Most of the markets in which the Group is involved are US-denominated.

2.4 Accounting policies

The half year consolidated financial statements for the first half of the 2024 financial year follow the same accounting policies of the Group's consolidated financial statements for the financial year ended 30 September 2023, except for any new, amended, or revised accounting standard and interpretations endorsed by the IASB, effective for the accounting period beginning on 1 October 2023.

Any new or amended standards and interpretations that may impact Trafigura are presented in the next section.

These half year financial statements contain selected accounting policies and should therefore be read in conjunction with the Group's consolidated financial statements for the financial year ended 30 September 2023.

2.5 Key accounting estimates and judgements

Preparing the half year consolidated financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the half year consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, and are used to judge the carrying amount of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from those estimates. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

For the areas the Group identified as being critical to understanding its financial position, reference is made to the 2023 Annual Report.

2.6 Going concern

Trafigura assessed the going-concern assumptions, during the preparation of the Group's consolidated financial statements. The Group believes that no events or conditions give rise to doubt about the ability of the Group to continue in operation in the next reporting period. This conclusion is drawn based on the knowledge of the Group, the estimated economic outlook and identified risks and uncertainties in relation thereto.

Furthermore, this conclusion is based on review of the current cash balance, and expected developments in liquidity and capital. The Group has sufficient cash and headroom in its credit facilities. Therefore, it expects that it will be able to meet contractual and expected maturities and covenants. Consequently, it has been concluded that it is reasonable to apply the going-concern concept as the underlying assumption for the financial statements.

Notes to the Half Year Consolidated Financial Statements

3. Adoption of new and revised standards

3.1 New and amended standards or interpretations adopted

In the current period, the Group adopted the following new and amended standards or interpretations:

Standard/Interpretation	Name of standard/interpretation or amendments	Date of publication	Effective as of
Amendments to IFRS 17	Insurance Contracts (including amendments to the standard)	25 June 2020	1 January 2023
Amendments to IAS 1	Presentation of Financial Statements (Classification of Liabilities as Current or Noncurrent) (including Deferral of Effective Date)	23 January 2020 (15 July 2020)	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Presentation of Financial Statements and Making Materiality Judgements (Presentation of Key Accounting Policies)	12 February 2021	1 January 2023
Amendments to IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Changes in Accounting Policies and Accounting Estimates)	12 February 2021	1 January 2023

The amendments shown in the table had no material effect on the half year consolidated financial statements.

3.2 New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 2024 financial year reporting periods and have not been early adopted by the Group:

Standard/Interpretation	Name of standard/interpretation or amendments	Date of publication	Expected date of initial application (financial years starting on or after)
Amendments to IAS 12	Income Taxes (Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction)	7 May 2021	1 January 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	22 September 2022	1 January 2024
Amendments to IAS 1	Non-current liabilities with Covenants	31 October 2022	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	25 May 2023	1 January 2024
Amendments to IAS 21	Lack of Exchangeability	15 August 2023	1 January 2025
IFRS 18	Presentation and Disclosure in Financial Statements	9 April 2024	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	9 May 2024	1 January 2027
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instrument	30 May 2024	1 January 2026

The Group does not expect that these new standards, amendments and interpretations not yet adopted will have a material effect on its reporting.

4. Operating segments

	First half of financial year 2024				First half of financial year 2023			
	Energy	Metals and Minerals	Corporate and Other	Total	Energy	Metals and Minerals	Corporate and Other	Total
	USD'M	USD'M	USD'M	USD'M	USD'M	USD'M	USD'M	USD'M
Sales revenue from external customers	87,873.9	34,295.2	–	122,169.1	87,061.3	41,861.3	–	128,922.6
Service revenue from external customers	1,722.9	305.1	–	2,028.0	2,100.6	311.3	–	2,411.9
Revenue	89,596.8	34,600.3	–	**124,197.1**	89,161.9	42,172.6	–	**131,334.5**
Operating expenses	(86,249.2)	(33,699.6)	(11.1)	(119,959.9)	(81,878.4)	(41,359.3)	(9.0)	(123,246.7)
Operating profit or (loss) before depreciation and amortisation	3,347.6	900.7	(11.1)	**4,237.2**	7,283.5	813.3	(9.0)	**8,087.8**

The basis of the segmentation of the Company has not changed compared to the annual consolidated financial statements.

5. Business combinations and non-controlling interests

5.1 First half of financial year 2024

5.1.1 H2 Energy Europe

In October 2023, Trafigura increased its shareholding in H2 Energy Europe AG to become majority owner. Neither the acquisition accounting, nor the subsequent consolidation of H2 Energy Europe's financial information, had a material impact on the Half Year Consolidated Financial Statements of the Group.

5.1.2 Greenergy

In March 2024, Trafigura announced that it will acquire Greenergy, one of Europe's suppliers of biofuels with manufacturing plants in the UK and the Netherlands, and a leading distributor of road fuels in the UK. The acquisition will strengthen Trafigura's fuel operations in Europe and will expand the growing biofuels business of Trafigura. The acquisition is subject to customary closing conditions and regulatory approvals. The acquisition is expected to be completed in the second half of the financial year. There is no impact on the Half Year Consolidated Financial Statements.

5.2 Financial year 2023

5.2.1 Acquisition of Ecobat Resources Stolberg GmbH

In February 2023, the Group completed the acquisition of the Ecobat Resources Stolberg GmbH (ERS) business following the satisfaction of the customary conditions precedent including the receipt of regulatory approvals. ERS is a multi-metals processing plant and was acquired for a purchase price of EUR34 million (USD36.8 million). Neither the acquisition accounting, nor the subsequent consolidation of both the balance sheet and the statement of income of ERS, had a material impact on the consolidated financial statements the Group.

6. Deconsolidation of subsidiaries

6.1 First half of financial year 2024

The Group deconsolidated Puma Energy Tanzania Limited and started applying equity accounting to reflect changes in the assessment of joint venture governance. There was no change in the ownership.

6.2 Financial year 2023

There was no significant deconsolidation of subsidiaries and non-controlling interest during the financial year ended 30 September 2023.

7. Impairments

	2024 USD'M	2023 USD'M
(Reversal of) Impairments of property, plant and equipment	49.7	20.6
(Reversal of) Impairments of right-of-use assets	(1.0)	(0.7)
Impairments of intangible assets	1.4	–
Impairments of fixed assets	**50.1**	**19.9**
(Reversal of) Impairments of financial assets	287.1	(1.8)
(Reversal of) Impairments of prepayments	18.7	(10.2)
(Reversal of) Impairments of financial assets and prepayments	**305.8**	**(12.0)**
Total (reversal of) impairments – included in operating profit or loss	**355.9**	**7.9**
(Reversal of) Impairments of equity-accounted investees	0.2	(6.3)
Impairments of equity-accounted investees	**0.2**	**(6.3)**
Total (reversal of) impairments	**356.1**	**1.6**

7.1 First half of financial year 2024

7.1.1 Puma Energy

The Company recognised an impairment charge of USD39.5 million in Papua New Guinea during the reporting period. This impairment on Property, Plant and Equipment was triggered by a reduction in the business plan outlook, driven by a shortage of access to foreign exchange required to purchase oil products. The Company continues to closely monitor the financial projections for this operation and will re-evaluate the impairment if there are any material changes to the business plan in the future.

The specific pre-tax discount rate used within the value-in-use calculation is 10.7 percent per annum. Sensitivities of the recoverable amount from changes in key assumptions are as follows:

- An increase of the discount rate by 1 percentage points would result in:
  - No change on the goodwill impairment; and
  - An increase in the impairment on PP&E by USD6.7 million, all related to Papua New Guinea.
- A decrease of the discount rate by 1 percentage points would result in:
  - No change on the goodwill impairment; and
  - A decrease in the impairment on PP&E by USD7.1 million, all related to Papua New Guinea.

7.1.2 Impairments of financial assets

Please refer to note 15.1 for the loss provision on prepayments, note 15.2 for the loss provision on loans receivable and note 18 for the loss provision on trade receivables.

7.2 First half of financial year 2023

There were no significant impairments or reversals of impairments during the six-month period ended 31 March 2023.

Notes to the Half Year Consolidated Financial Statements

8. Result from equity-accounted investees and investments

	2024 USD'M	2023 USD'M
Share of profit/(loss) of equity-accounted investees	**(40.7)**	31.2
Disposal result of equity-accounted investees	4.1	121.5
(Impairments)/reversal of impairments	(0.2)	6.3
Disposal results and impairments of equity-accounted investees	**3.9**	127.8
Income/(expenses) from equity-accounted investees	**(36.8)**	159.0
Gain/(loss) on fair value through profit and loss instruments	39.7	(2.2)
Gain/(loss) from disposal of other investments	(4.7)	7.8
Dividend income	1.1	5.1
Income/(expenses) from investments	**36.1**	10.7
Result from equity-accounted investees and investments	**(0.7)**	169.7

8.1 First half of financial year 2024

The gain on fair value through profit and loss instruments includes various fair value movements on other investments, including a positive fair value movement on equity securities related to the investment in Italian refinery Saras S.p.A.

8.2 First half of financial year 2023

In January 2023, the Group completed the sale of its investment in Tendril Ventures Pte. Ltd. to Hara Capital Sarl for a consideration of USD168.9 million. Upon the disposal of the investment, the Group recycled the related FCTR and cashflow hedge reserve balances from Other Comprehensive Income to the Income Statement. Although the net impact on equity is nil this resulted in a USD121.5 million gain on the income statement for the first half of financial year 2023.

9. Income tax

	2024 USD'M	2023 USD'M
Current income tax expense	249.3	630.9
Adjustments in relation to current income tax of previous periods	8.2	6.1
Deferred tax expense/(income)	87.0	(12.6)
Withholding tax in the current period	17.1	2.1
Total	**361.6**	626.5

10. Underlying EBITDA

Accounting policy

The Group believes that the supplemental presentation of underlying EBITDA provides useful information on the Group's financial performance, its ability to service debt and its ability to fund capital expenditures as well as providing a helpful measure for comparing its operating performance with that of other companies.

Underlying EBITDA, when used by Trafigura, means operating profit or loss before depreciation and amortisation excluding share-based payments and other adjustments. In addition to share-based payments, the adjustments made to arrive at underlying EBITDA are considered exceptional and/or non-operational from a management perspective based on their size or nature. They can be either favourable or unfavourable. These items include, for example:

- Significant restructuring costs and other associated costs arising from significant strategy changes that are not considered by the Group to be part of the normal operating costs of the business;
- Significant acquisition and similar costs related to business combinations such as transaction costs;
- Provisions that are considered to be exceptional and/or non-operational in nature and/or size to the financial performance of the business; and
- Various legal settlements that are significant to the result of the Group.

From time to time, it may be appropriate to disclose further items as exceptional or non-operational items in order to reflect the underlying performance of the Group.

Underlying EBITDA is not a defined term under IFRS and may therefore not be comparable with similarly titled profit measures and disclosures reported by other companies. It is not intended to be a substitute for, or superior to, GAAP measures.

	2024 USD'M	2023 USD'M
Operating profit or (loss) before depreciation and amortisation	**4,237.2**	8,087.8
Adjustments		
Share-based payments	47.0	47.9
Adjustments	**47.0**	47.9
Underlying EBITDA	**4,284.2**	8,135.7
As percentage of revenue	3.4%	6.2%

Share-based payments have been excluded because of their non-cash nature.

11. Property, plant and equipment

USD'M	Land and buildings	Machinery and equipment	Barges and vessels	Mine property and development	Other fixed assets	Total
Cost						
Balance as at 1 October 2023	2,845.7	3,233.7	720.7	175.5	1,394.0	**8,369.6**
Additions	9.2	31.1	70.1	–	252.6	**363.0**
Acquired in business combination	2.5	–	–	–	24.2	**26.7**
Reclassifications	45.0	122.5	4.3	6.1	(158.5)	**19.4**
Effect of movements in exchange rates, including hyperinflation adjustment	(5.3)	17.6	0.1	(0.5)	9.2	**21.1**
Divestment of subsidiaries	(82.3)	(30.0)	–	–	(17.3)	**(129.6)**
Disposals	(5.3)	(27.2)	(64.7)	–	(14.2)	**(111.4)**
Balance as at 31 March 2024	**2,809.5**	**3,347.7**	**730.5**	**181.1**	**1,490.0**	**8,558.8**
Depreciation and impairment losses						
Balance as at 1 October 2023	1,330.3	1,539.7	343.8	94.1	686.4	**3,994.3**
Depreciation	42.5	125.4	20.8	5.3	50.2	**244.2**
Impairment losses	35.3	4.7	–	–	9.7	**49.7**
Reclassifications	5.1	(1.3)	(4.5)	0.5	(3.1)	**(3.3)**
Effect of movements in exchange rates, including hyperinflation adjustment	(2.4)	(8.2)	0.1	–	(2.1)	**(12.6)**
Divestment of subsidiaries	(27.9)	(15.2)	–	–	(5.1)	**(48.2)**
Disposals	(2.6)	(25.6)	(43.8)	–	(12.5)	**(84.5)**
Balance as at 31 March 2024	**1,380.3**	**1,619.5**	**316.4**	**99.9**	**723.5**	**4,139.6**
Net book value as at 31 March 2024	**1,429.2**	**1,728.2**	**414.1**	**81.2**	**766.5**	**4,419.2**

Total additions for the period (USD363.0 million) mainly relate to investments in the Nyrstar industrial facilities (USD103.8 million), Puma Energy assets (USD77.0 million), vessels (USD70.1 million) and various individual smaller projects. The investments in Nyrstar and Puma Energy predominantly relate to sustaining capital expenditures, with investments split across their global operations.

Included in the 'Other fixed assets' category are assets under construction and some Nyrstar-related assets. Net book value as at 31 March 2024 amounted to USD435.2 million (30 September 2023: USD343.2 million). Once the assets under construction come into operation they are reclassified to the appropriate asset category and from that point they are depreciated.

Depreciation is included in depreciation and amortisation. Impairment charges are separately disclosed in the Consolidated Statement of Income.

Please refer to note 6.1 for divestment of subsidiaries.

Please refer to note 7 for details on impairments.

Notes to the Half Year Consolidated Financial Statements

12. Intangible assets and goodwill

USD'M	Goodwill	Brand name & customer relationships	Other intangible assets	Total
Cost				
Balance as at 1 October 2023	1,183.4	412.9	1,039.1	**2,635.4**
Additions	–	–	50.0	50.0
Acquired in business combination	11.9	–	–	11.9
Reclassifications	–	–	26.2	26.2
Effect of movements in exchange rates, including hyperinflation adjustment	3.4	(4.9)	2.8	1.3
Disposals	–	–	(235.1)	(235.1)
Divestment of subsidiaries	(55.0)	(26.4)	(0.3)	(81.7)
Balance as at 31 March 2024	1,143.7	381.6	882.7	**2,408.0**
Amortisation and impairment losses				
Balance as at 1 October 2023	228.1	75.7	564.5	**868.3**
Amortisation	–	16.3	39.3	55.6
Impairment losses	–	–	1.4	1.4
Effect of movements in exchange rates, including hyperinflation adjustment	(0.1)	(0.5)	0.2	(0.4)
Reclassifications	–	–	22.9	22.9
Disposals	–	–	(3.1)	(3.1)
Divestment of subsidiaries	–	(4.1)	(0.5)	(4.6)
Balance as at 31 March 2024	228.0	87.4	624.7	**940.1**
Net book value as at 31 March 2024	915.7	294.2	258.0	**1,467.9**
Non-current	915.7	294.2	253.6	1,463.5
Current (Note 20)	–	–	4.4	4.4
Balance as at 31 March 2024	915.7	294.2	258.0	**1,467.9**

Additions in the six-month period ended 31 March 2024 amounted to USD50 million, mainly relating to investments in IT development.

Disposals of other intangible assets are predominantly made up of the retirement of certain environmental emission credits and allowances (USD232.0 million). These credits and allowances are derecognised based on usage in operations or as per the regulatory requirements.

Please refer to note 6.1 for divestment of subsidiaries.

13. Leases

The Group leases various assets including land and buildings, storage facilities, vessels and service stations. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions, including termination and renewal rights. The Group, as a lessor, only has finance leases.

The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

13.1 Right-of-use assets

	2024 USD'M	2023 USD'M
Freight	2,998.9	3,105.7
Storage	717.5	799.8
Land and buildings	303.2	303.0
Service stations	177.6	179.4
Other	238.5	280.3
Total	**4,435.7**	4,668.2

USD'M	Freight	Storage	Land and buildings	Service stations	Other	Total
Balance as at 1 October 2023	3,105.6	799.8	303.0	179.4	280.4	**4,668.2**
Additions/remeasurements	878.5	5.8	27.8	16.3	23.0	951.4
Disposals	(41.6)	–	–	–	–	(41.6)
Reversal of/(Impairment losses)	–	–	–	–	1.0	1.0
Depreciation	(941.2)	(88.3)	(20.5)	(14.5)	(65.3)	(1,129.8)
Effect of movement in exchange rates	–	0.1	(1.3)	(0.1)	0.5	(0.8)
Other	(2.4)	0.1	(5.8)	(3.5)	(1.1)	(12.7)
Balance as at 31 March 2024	2,998.9	717.5	303.2	177.6	238.5	**4,435.7**

During the six-month period ended 31 March 2024, both the additions and disposals in the Freight category primarily related to vessels.

The 'Other' category mainly includes assets located in Corpus Christi, Texas, that enable transportation, storing, processing, and vessel loading of crude oil and crude oil products.

Notes to the Half Year Consolidated Financial Statements

13.2 Lease liabilities

	2024 USD'M	2023 USD'M
Opening balance	**4,791.3**	3,987.2
Interest	135.9	235.5
Additions/remeasurements	962.5	2,920.9
Disposals	(43.3)	(316.5)
Payments	(1,256.6)	(2,044.8)
Effect of movement in exchange rate	4.7	6.7
Other	(4.0)	2.3
Closing balance	**4,590.5**	4,791.3
Current	1,790.8	1,705.4
Non-current	2,799.7	3,085.9
Closing balance	**4,590.5**	4,791.3

The following table sets out a maturity analysis of the lease liabilities as at 31 March 2024 and 30 September 2023, indicating the undiscounted lease amounts to be paid:

	2024 USD'M	2023 USD'M
Less than one year	2,041.6	1,986.3
Later than one year and less than five years	2,675.1	2,864.2
Later than five years	715.2	808.9
Total undiscounted lease payable	**5,431.9**	5,659.4
Future finance costs	(841.4)	(868.1)
Lease liabilities included in the statement of financial position	**4,590.5**	4,791.3

14. Equity-accounted investees

	2024 USD'M	2023 USD'M
Opening balance	**969.5**	979.6
Effect of movements in exchange rates	4.4	(3.0)
Additions	150.1	93.9
Fair value of retained interest in deconsolidated subsidiaries	118.7	–
Disposals	–	(8.1)
(Impairments)/reversals	(0.2)	6.2
Share of net profit/(loss)	(40.7)	(11.8)
Dividends/Repayment of capital	(7.7)	(86.1)
Effect of business combination	(4.3)	–
Other	3.4	(1.2)
Total	**1,193.2**	969.5

Corporate guarantees in favour of associates and joint ventures as at 31 March 2024 amount to USD84.3 million (30 September 2023: USD87.8 million).

14.1 First half of financial year 2024

Additions for the first half of the 2024 financial year consist of various investments including a further investment of USD54.2 million in ITG S.à r.l. and USD37.5 million in the Lobito corridor project.

The share of net loss from investments amounts to USD40.7 million. This is predominantly the result of losses in Mineração Morro do Ipê S.A. (USD20.4 million), ITG S.à r.l. (USD19.8 million) and Nala Lux HoldCo S.à.r.l. (USD12.6 million) and partly offset by Guangxi Jinchuan (profit of USD17.9 million).

For more information on fair value of retained interest in deconsolidated subsidiaries, please refer to note 6.1.

14.2 Financial year 2023

Additions for the year consist of an investment of USD50.0 million in the joint venture for the Lobito corridor project in Angola, a further investment in Nala Lux Holdco S.à r.l of USD35.0 million and various other investments.

During the year, Nala Lux Holdco S.à r.l transferred its stake in Swift Current Energy to Trafigura which was settled via repayment of capital (USD69.7 million). Trafigura's pro-rata share of Swift Current Energy was subsequently sold to Buckeye Partners, L.P., the majority owner of Swift Current Energy.

During the 2023 financial year, the Group received USD14.5 million in dividends from various equity-accounted investees.

15. Prepayments and financial assets

15.1 Prepayments

	2024 USD'M	2023 USD'M
Current	2,720.4	2,930.6
Non-current	810.9	1,107.8
Total	**3,531.3**	4,038.4

Prepayments relate to prepayments of commodity deliveries and are split into non-current prepayments (due > 1 year) and current prepayments (due < 1 year). A significant portion of the non-current prepayments, as well as current prepayments, are either financed on a non-recourse basis or insured.

Out of the total current prepayments balance, an amount of USD1.3 billion (30 September 2023: USD1.6 billion) relates to prepayments which are made for specifically identified cargos.

The contractually outstanding prepayments amount decreases in size with each cargo that is delivered, until maturity. Once the contractually agreed total cargo has been fully delivered, the prepayment agreement falls away leaving no remaining contractual obligations on Trafigura or the supplier.

The Group monitors the commodity prices in relation to the prepayment contracts and manages the credit risk together with its financial assets as described in note 30. A portion of the long-term prepayments, as well as short-term prepayments, is on a limited recourse basis. Interest on the prepayments is added to the prepayment balance.

The Group has calculated expected credit losses on the outstanding prepayments as from the 2020 financial year onwards. The methodology of the expected credit loss calculation is similar to the methodology used in the expected credit loss calculations on loans receivable.

Based upon the individual analysis of the prepayments, the cumulated expected credit losses on these prepayments recorded by the Group amount to USD362.1 million (30 September 2023: USD343.4 million). The following table explains the movements of the expected credit loss between the beginning and the end of the reporting period and the gross carrying amounts of the prepayments by credit risk category:

	31 March 2024			30 September 2023		
	Performing 12-months ECL USD'M	Underperforming Lifetime ECL USD'M	**Total USD'M**	Performing 12-months ECL USD'M	Underperforming Lifetime ECL USD'M	**Total USD'M**
Expected credit loss (ECL) provision						
Opening balance – 1 October	52.0	291.4	**343.4**	44.0	89.3	**133.3**
Transfer to under-performing	–	–	–	–	11.0	11.0
ECL on prepayments recognised during the period	2.9	33.9	36.8	2.5	–	2.5
ECL on prepayments derecognised during the period	(1.9)	(0.8)	(2.7)	(0.4)	(24.6)	(25.0)
Changes in PD/LGD/EAD	2.8	(18.2)	(15.4)	5.9	215.7	221.6
Closing balance	55.8	306.3	**362.1**	52.0	291.4	**343.4**
Carrying amount						
Current	2,471.6	248.8	2,720.4	2,663.2	267.4	2,930.6
Non-current	133.5	677.4	810.9	379.7	728.1	1,107.8
Total	2,605.1	926.2	**3,531.3**	3,042.9	995.5	**4,038.4**

Notes to the Half Year Consolidated Financial Statements

15.2 Loans and other receivables

	2024 USD'M	2023 USD'M
Loans to associates and related parties	558.6	465.5
Other non-current loans receivable	328.4	326.1
Total	**887.0**	791.6

Other non-current loans receivables include various loans that are granted to counterparties. This line also includes the debt agreement with the Ministry of Finance of Angola. The gross amount outstanding at 31 March 2024 was USD173.1 million (30 September 2023: USD198.9 million), of which USD121.3 million is non-current.

Loans to associates and related parties also includes a series of financial instruments provided to Wolverine Fuels LLC (Wolverine) with a carrying value of USD528.0 million (30 September 2023: USD412.6 million).

Based upon the individual analysis of these loans, the recorded expected credit losses on these loans amount to USD235.1 million (30 September 2023: USD229.9 million). The following table explains the movements of the expected credit loss between the beginning and the end of the reporting period and the gross carrying amounts of the loan receivables by credit risk category:

	31 March 2024			30 September 2023		
	Performing 12-months ECL USD'M	Underperforming Lifetime ECL USD'M	**Total USD'M**	Performing 12-months ECL USD'M	Underperforming Lifetime ECL USD'M	**Total USD'M**
Expected credit loss (ECL) provision						
Opening balance – 1 October	15.9	214.0	**229.9**	3.1	279.6	**282.7**
Transfer to under-performing	–	–	**–**	–	4.9	**4.9**
ECL on new loans originated during the period	3.2	0.3	**3.5**	11.7	20.2	**31.9**
ECL on loans derecognised during the period	–	–	**–**	(1.2)	–	**(1.2)**
Changes in PD/LGD/EAD	(1.1)	2.8	**1.7**	2.3	(90.7)	**(88.4)**
Closing balance as at 30 September	18.0	217.1	**235.1**	15.9	214.0	**229.9**
Carrying amount						
Current (note 18)	186.6	144.3	**330.9**	198.9	134.7	**333.6**
Non-current (note 15)	561.0	326.0	**887.0**	487.2	304.4	**791.6**
Total	747.6	470.3	**1,217.9**	686.1	439.1	**1,125.2**

15.3 Other investments

Investments included in the Consolidated Statement of Financial Position as at 31 March 2024 and 30 September 2023 can be broken down as follows:

	2024 USD'M	2023 USD'M
Listed equity securities – Fair value through OCI	0.3	0.5
Listed equity securities – Fair value through profit or loss	286.1	361.8
Listed debt securities – Fair value through profit or loss	205.4	247.4
Unlisted equity investments – Fair value through profit or loss	238.8	182.0
Unlisted equity investments – Fair value through OCI	246.6	205.8
Total	**977.2**	997.5

The Group's long-term investments consist of listed equity securities, listed debt securities and unlisted equity securities. The listed equity securities have no fixed maturity or coupon rate. The fair values of listed equity investments are based on quoted market prices, while the fair value of the unlisted equity securities is determined based on a level 3 valuation as prepared by management.

As at 31 March 2024, the Group has remaining commitments of investments in unlisted equity funds of USD239 million.

16. Other non-current assets

	2024 USD'M	2023 USD'M
Non-financial hedged items	15.1	275.9
Restricted deposits	26.0	34.8
Other	387.9	405.9
Total	**429.0**	716.6

For further information on the non-financial hedged items, please refer to note 31.2. The restricted deposits mainly represent amounts placed on deposit accounts relating to Nyrstar mining operations.

17. Inventories

	2024 USD'M	2023 USD'M
Storage inventories	13,981.9	12,697.7
Floating inventories	7,399.9	9,031.3
Work-in-progress inventories	678.5	707.2
Supplies and other	322.3	533.5
Total	**22,382.6**	22,969.7

Trafigura policy provides that the inventory (except the item Supplies and other) has either been pre-sold or hedged. Part of the inventory has been pledged for securitisation purposes.

Work-in-progress inventories predominantly relate to intermediate inventories being processed at the Nyrstar smelters.

18. Trade and other receivables

	2024 USD'M	2023 USD'M
Trade debtors	10,499.4	11,000.4
Provision for bad and doubtful debts	(465.0)	(125.4)
Accrued turnover	10,761.2	7,581.6
Broker balances	2,423.1	2,664.7
Other debtors	1,095.3	921.0
Loans to third parties	182.0	209.4
Loans to related parties	148.9	124.2
Other taxes	660.0	823.2
Related parties	980.4	214.7
Total	**26,285.3**	23,413.8

All financial instruments included in trade and other receivables are held to collect the contractual cash flows. Furthermore, the cash flows that the Group receives on these instruments are solely payments of principal and interest except for trade and other receivables related to contracts including provisional pricing features.

The Group entered into a number of dedicated financing facilities, which finance a portion of its receivables. Part of these facilities meet the criteria of derecognition of the receivables according to IFRS.

As at 31 March 2024, an amount of USD4,453.6 million (30 September 2023: USD4,987.9 million) of trade debtors was discounted. Of this amount, USD3,789.6 million (30 September 2023: USD4,451.6 million) was derecognised, as the Group transferred substantially all the risks and rewards of ownership of the financial asset with non-recourse. The remaining part of discounted receivables that does not meet the criteria for derecognition amounting to USD664.0 million (30 September 2023: USD536.3 million) continues to be recognised as trade debtors. For the received amount of cash of these items the Group recognised a liability under current loans and borrowings.

Of USD10,499.4 million trade debtors (30 September 2023: USD11,000.4 million), USD3,060.7 million was sold on a non-recourse basis under the securitisation programme (30 September 2023: USD3,448.9 million). Of the USD980.4 million receivables from related parties (30 September 2023: USD214.7 million), no balance was sold on a non-recourse basis under the securitisation programme (30 September 2023: USD11.9 million). Please refer to note 19.

As at 31 March 2024, 12.6 percent (30 September 2023: 10.9 percent) of receivables were between 1-60 days overdue and 15.8 percent (30 September 2023: 5.4 percent) were greater than 60 days overdue. Trafigura applied the simplified method in assessing expected credit losses. The account receivables were divided into aging buckets and based on an analysis of historical defaults and recovery rates, and considering forward looking information, a percentage for expected credit losses was determined. Trafigura aims to limit credit losses by renegotiating contracts in the case of a default. In certain circumstances a specific expected credit loss may be determined.

From the above analysis, expected credit losses as at 31 March 2024 amounting to USD330.2 million (30 September 2023: USD3.3 million) have been recorded. The loss allowance provisions further relate to demurrage claims and commercial disputes with our clients. Accrued turnover represents receivable balances for sales which have not yet been invoiced. They have similar risks and characteristics as trade debtors. Trade debtors and accrued turnover have similar cash flow characteristics and are therefore considered to be a homogeneous group of financial assets.

Total trade and other receivables related to contracts including provisional pricing features amount to USD8.6 billion as at 31 March 2024 (30 September 2023: USD7.0 billion).

Other debtors primarily relate to collateral for OTC derivatives.

Notes to the Half Year Consolidated Financial Statements

19. Securitisation programmes

The Group operates various securitisation programmes: Trafigura Securitisation Finance plc. (TSF) and Argonaut Receivables Company S.A. (Argonaut) enable the Group to sell eligible receivables, and an inventory securitisation programme, through Trafigura Commodities Funding Pte. Ltd. (TCF), and Trafigura Global Commodities Funding Pte. Ltd. (TGCF), enables Trafigura to sell and repurchase eligible inventories. These securitisation vehicles are consolidated and consequently the securitised receivables and inventories are included within the consolidated trade debtor and inventory balances.

19.1 Receivables securitisation

Since inception, the external funding of TSF has increased significantly in size, mostly through Variable Funding Notes (VFN) purchased by bank sponsored conduits, while incorporating a longer-term committed funding element, in the form of Medium Term Notes (MTN). Total funding is adjusted dynamically based on commodities prices and trading volumes fluctuations.

Argonaut is funded through short-term VFN only.

The available external funding of the receivables securitisation programmes consists of:

	Interest rate	Maturity	2024 USD'M	2023 USD'M
TSF AAA MTN	SOFR + 0.53%	2024 – July	139.5	139.5
TSF AAA MTN	1.09%	2024 – July	139.5	139.5
TSF BBB MTN	1.79%	2024 – July	21.0	21.0
TSF AAA VFN	Various	Various throughout the year	3,471.9	3,757.9
TSF BBB VFN	Various	Various throughout the year	261.3	282.8
Argonaut Receivables Securitisation	Various	Various throughout the year	300.0	300.0
TSF senior subordinated debt		2026 – March	240.5	240.5
Total			**4,573.7**	4,881.2

The rate of interest applied to the TSF AAA and BBB VFN is principally determined by the demand for commercial paper issued by nine bank-sponsored conduits and the liquidity of the interbank market. The Group benchmarks the rate provided against SOFR rates. The maturity of the TSF AAA and BBB VFNs has been staggered to diversify the maturity profile of the notes. This is aimed at mitigating the 'liquidity wall' risk associated with a single maturity date for a significant funding amount.

19.2 Inventory securitisation

The available external funding of the inventory securitisation programmes consists of:

	Interest rate	Maturity	2024 USD'M	2023 USD'M
TCF/TGCF VFN	SOFR + 1.0%	2024 – November	290.0	355.0
TCF/TGCF MLF	SOFR + 0.5%	2024 – November	35.0	45.0
Total			**325.0**	400.0

20. Other current assets

	2024 USD'M	2023 USD'M
Non-financial hedged items	436.4	591.8
Prepaid expenses	336.8	329.2
Current intangible assets	4.4	222.6
Other	23.8	4.8
Total	**801.4**	1,148.4

Please refer to note 31.2 for further information on the non-financial hedged items. Prepaid expenses relate to prepayments other than those made for physical commodities.

21. Cash and cash equivalents, and deposits

	2024 USD'M	2023 USD'M
Cash at bank and in hand	11,150.8	10,351.2
Short-term deposits	1,568.2	2,035.8
Cash and cash equivalents	**12,719.0**	12,387.0

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents approximates the carrying value.

An amount of USD52.8 million (30 September 2023: USD34.5 million) of cash at bank is restricted, including restrictions that require the funds to be used for a specified purpose and restrictions that limit the purpose for which the funds can be used, unless fixed asset construction invoices are presented to the banks.

As at 31 March 2024, the Group had USD16.6 billion (30 September 2023: USD15.5 billion) of committed unsecured syndicated loans, of which USD7.3 billion (30 September 2023: USD6.5 billion) remained unutilised. The Group had USD7.6 billion (30 September 2023: USD7.5 billion) of immediately (same day) available cash in liquidity funds. Therefore, the Group had immediate access to available liquidity balances from liquidity funds and corporate facilities in excess of USD14.9 billion (30 September 2023: USD14.0 billion).

21.1 Deposits

Short-term deposits made for periods longer than three months are shown separately in the Consolidated Statement of Financial Position and earn interest at the respective short-term deposit rates.

22. Assets classified as held for sale and discontinued operations

	2024 USD'M	2023 USD'M
Assets classified as held for sale	41.6	173.4
Liabilities classified as held for sale	(9.9)	(208.7)
Net assets classified as held for sale	**31.7**	(35.3)

The change in amount classified as net assets held for sale is on account of reclassification of balances from the above category to continued operations.

23. Capital and reserves

23.1 Share capital

As at 31 March 2024 and 30 September 2023, the share capital of the Company comprises 25,000,000 issued ordinary shares with a total paid up capital of USD1,503.7 million. During the six-month period ended 31 March 2024, no changes took place in the outstanding and issued share capital.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

23.2 Capital securities

As part of the financing of the Company and its subsidiaries, the Company has two capital securities instruments with a total carrying value of USD674.2 million as at 31 March 2024 (30 September 2023: two capital securities instruments with a total carrying value of USD666.3 million). These two capital securities have a par value of EUR262.5 million and USD400.0 million respectively (30 September 2023: EUR262.5 million and USD400.0 million respectively).

These two capital securities are perpetual in respect of which there is no fixed redemption date. The distribution on the capital securities is payable semi-annually in arrears from the date of issue. The Company may elect to defer (in whole but not in part except for the USD400.0 million capital security where partial interest deferral is allowed) any distribution in respect of these capital securities by providing no more than 30 or less than five business days' notice, unless a compulsory interest payment event has occurred, including amongst others the occurrence of a dividend payment in respect of subordinated obligations of the Company. Any interest deferred shall constitute arrears of interest and shall bear interest.

In the event of a winding-up, the rights and claims of the holders in respect of the capital securities shall rank ahead of claims in respect of the Company's shareholders, but shall be subordinated in right of payment to the claims of all present and future senior obligations, except for obligations of the Company that are expressed to rank pari passu with, or junior to, its obligations under the capital securities.

The EUR262.5 million capital security was issued on 31 July 2019 and is listed on the Singapore Stock Exchange. The distribution on the capital security is 7.5 percent per annum until the distribution payment date in July 2024. The capital security may be redeemed at the Company's option in whole, but not in part, in the period starting 90 calendar days before, and ending at, the distribution payment date in July 2024 or any distribution date thereafter upon giving not less than 30 nor more than 60 days' notice to the holders. The early redemption amount payable by the Company shall be the principal amount of the capital security, together with any interest accrued to the date fixed for redemption, all arrears of interest and all additional interest amounts.

The USD400.0 million capital security was issued on 24 September 2021 and is listed on the Singapore Stock Exchange. The distribution on the capital security is 5.875 percent per annum until the distribution payment date in September 2027. The capital security may be redeemed at the Company's option in whole, but not in part, in the period starting 90 calendar days before, and ending at, the distribution payment date in September 2027 or any distribution date thereafter upon giving not less than 30 nor more than 60 days' notice to the holders. The early redemption amount payable by the Company shall be the principal amount of the capital security, together with any interest accrued to the date fixed for redemption, all arrears of interest and all additional interest amounts.

Notes to the Half Year Consolidated Financial Statements

23.3 Currency translation reserve

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Group's net investments in foreign operations.

23.4 Revaluation reserve

The revaluation reserve comprises the movements in fair value measurements of the equity investments that are accounted for at fair value through other comprehensive income. On realisation of these gains or losses (for example, the sale of an equity instrument), the cumulative amounts of this reserve are transferred to retained earnings. Included in the revaluation reserve is a loss of USD55.9 million (30 September 2023: a loss of USD73.1 million) related to the mark-to-market valuation of equity investments.

23.5 Cash flow hedge reserve

The Group has elected not to apply the cost of a hedging option. A change in the fair value of derivatives designated as a cash flow hedge is initially recognised as a cash flow hedge reserve in other comprehensive income. The deferred amount is then released to the Consolidated Statement of Income in the same period during which the hedged transaction affects the Consolidated Statement of Income.

Included in the cash flow hedge reserve is a gain of USD42.1 million (30 September 2023: a gain of USD56.3 million) related to the effective portion of the changes in fair value of cash flow hedges, net of tax. These cash flow hedges predominantly relate to hedging of interest and currency exposure on corporate loans, currency exposure on future capital and operational expenditures, expected electricity consumption, and price exposure on highly probable future production, purchases and sales of commodities. The cash flow hedge positions on hedging derivatives currently shown in the cash flow hedge reserve will be recycled to the Consolidated Statement of Income in the period where the hedged item are recognised. Over time, the overall net impact of the hedged items and hedging instruments together to the Consolidated Statement of Income and Consolidated Statement of Other Comprehensive Income will be minimal.

The cash flow hedge reserves as at 31 March 2024 include a positive reserve of USD1.2 million relating to the Group's share in the cash flow hedge reserves of equity-accounted investees (30 September 2023: USD3.0 million positive).

23.6 Dividends

The value of the dividends declared on the ordinary shares amount to USD661.1 million (USD2,985.0 million for six months ending 31 March 2023), representing USD26.4 per share (USD119.4 per share). Dividend payments are mostly made in relation to the share redemption by the direct parent company.

24. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk, refer to note 30.

	2024 USD'M	2023 USD'M
Non-current		
Committed unsecured syndicated loans	4,624.8	5,204.1
Private placements	1,237.8	1,223.5
Listed bonds	1,112.6	1,100.8
Securitisation programmes	240.5	240.5
Puma Energy financing*	896.4	1,053.0
Other loans	386.7	492.4
Total non-current	**8,498.8**	9,314.3
Current		
Committed unsecured syndicated loans	3,644.1	2,408.9
Private placements	139.6	107.4
Listed bonds	61.0	60.1
Securitisation programmes	3,748.3	4,101.1
Puma Energy financing*	179.8	88.2
Other loans	1,710.2	2,134.7
Current bank borrowings	18,410.7	16,152.4
Total current	**27,893.7**	25,052.8
Total	**36,392.5**	34,367.1
Outstanding debt	17,981.8	18,214.7
Current bank borrowings	18,410.7	16,152.4
Total	**36,392.5**	34,367.1

* Loans and borrowings issued by Puma Energy have not been guaranteed by other Trafigura entities.

During the six-month period ended 31 March 2024, a number of important transactions for the Group were completed:

- Closing of two Export Credit Agency facilities, for a total combined amount of USD400 million, with insurance from the Export-Import Bank of the United States (US EXIM) in October 2023.
- Refinancing of its Asian syndicated revolving credit and term loan facilities of USD2.7 billion-equivalent in October 2023. As per previous years, the facilities include a sustainability-linked loan structure.
- Refinancing of its 365-day European multi-currency syndicated revolving credit facility totalling USD1.9 billion as well as the extension and increase of its USD3.7 billion three-year facility in March 2024. The facilities include a sustainability-linked loan structure.
- Refinancing of the three-year and the five-year JPY-denominated term loan facilities totalling JPY123.45 billion (equivalent to USD821 million at closing exchange rate) in March 2024. In line with the European RCF, the facilities include a sustainability-linked loan structure.
- Closing a USD390 million loan agreement with Japan Bank for International Cooperation (JBIC) together with a commercial facility, bringing the total to approximately USD560 million in March 2024.

The Group was in compliance with all its corporate and financial covenants as at 31 March 2024.

24.1 Terms and debt repayment schedule

The terms and conditions of the outstanding debt (excluding short-term bank borrowings) as at 31 March 2024 are as follows:

Principal		Interest rate	Maturity	Floating/fixed rate debt	< 1 year USD'M	1-5 years USD'M	> 5 years USD'M	Total USD'M
CNH	1,799.9	CNH Hibor + 0.85%	2024 – October	Floating	249.2	–	–	249.2
CNH	6,827.8	3.10%	2024 – October	Fixed	940.8	–	–	940.8
USD	810.5	SOFR + 1.20%	2024 – October	Floating	810.5	–	–	810.5
USD	135.0	SOFR + 1.15%	2025 – January	Floating	135.0	–	–	135.0
USD	120.0	SOFR + 0.80%	2025 – January	Floating	120.0	–	–	120.0
USD	30.0	SOFR + 0.45%	2025 – January	Floating	30.0	–	–	30.0
USD	135.0	SOFR + 1.25%	2025 – January	Floating	135.0	–	–	135.0
USD	15.0	SOFR + 0.95%	2025 – January	Floating	15.0	–	–	15.0
USD	469.0	SOFR + 1.20%	2025 – October	Floating	–	469.0	–	469.0
USD	3,000.0	SOFR + 1.50%	2026 – October	Floating	750.0	1,500.0	–	2,250.0
USD	930.0	SOFR+1.10%	2026 – October	Floating	–	930.0	–	930.0
JPY	82,950.0	JPY TONA + 0.80%	2027 – March	Floating	–	548.2	–	548.2
USD	800.0	SOFR + 1.15%	2027 – September	Floating	160.0	400.0	–	560.0
USD	375.0	SOFR + 1.40%	2027 – September	Floating	–	375.0	–	375.0
EUR	125.0	EURIBOR + 0.90%	2027 – September	Floating	–	134.9	–	134.9
USD	500.0	SOFR +0.50%	2027 – October	Floating	298.6	–	–	298.6
JPY	40,500.0	JPY TONA + 1.00%	2029 – March	Floating	–	267.7	–	267.7
Committed unsecured syndicated loans					3,644.1	4,624.8	–	**8,268.9**
CNH	700.0	5.00%	2024 – December	Fixed	96.5	–	–	96.5
USD	35.0	4.01%	2025 – March	Fixed	35.0	–	–	35.0
USD	67.0	5.72%	2025 – May	Fixed	–	67.0	–	67.0
EUR	8.5	4.00%	2026 – February	Fixed	–	9.2	–	9.2
USD	37.5	3.87%	2026 – April	Fixed	–	37.5	–	37.5
USD	83.0	4.17%	2027 – March	Fixed	–	83.0	–	83.0
USD	48.5	4.41%	2028 – April	Fixed	–	48.5	–	48.5
USD	20.0	5.86%	2028 – May	Fixed	–	20.0	–	20.0
USD	400.0	6.00%	2030 – January	Fixed	–	–	400.0	400.0
USD	85.0	4.60%	2030 – March	Fixed	–	–	85.0	85.0
USD	81.0	7.21%	2030 – March	Fixed	–	–	81.0	81.0
USD	117.5	4.89%	2031 – April	Fixed	–	–	117.5	117.5
USD	144.0	7.34%	2033 – March	Fixed	–	–	144.0	144.0
USD	200.0	6.33%	2036 – January	Fixed	8.1	29.7	115.4	153.2
Private placements					139.6	294.9	942.9	**1,377.4**
CHF	55.0	3.25%	2024 – September	Fixed	61.0	–	–	61.0
USD	500.0	5.88%	2025 – September	Fixed	–	493.0	–	493.0
EUR	500.0	3.88%	2026 – February	Fixed	–	538.5	–	538.5
USD	130.6	–	2026 – July	Fixed	–	81.1	–	81.1
Listed bonds					61.0	1,112.6	–	**1,173.6**
USD	139.5	SOFR +0.53%	2024 – July	Floating	139.5	–	–	139.5
USD	139.5	1.09%	2024 – July	Fixed	139.5	–	–	139.5
USD	21.0	1.79%	2024 – July	Fixed	21.0	–	–	21.0
USD	290.0	SOFR + 1.00%	2024 – November	Floating	173.5	–	–	173.5
USD	35.0	SOFR + 0.50%	2024 – November	Floating	10.4	–	–	10.4
USD	4,273.7	Various	Various	Floating	3,264.4	240.5	–	3,504.9
Securitisation programmes					3,748.3	240.5	–	**3,988.8**
EUR	2.0	2.65%	2024 – May	Fixed	2.0	–	–	2.0
USD	175.0	SOFR + 2.00%	2025 – May	Floating	–	175.0	–	175.0
USD	750.0	5.00%	2026 – January	Fixed	–	721.4	–	721.4
Other short term loans					177.8	–	–	177.8
Puma Energy financing (no guarantee from Trafigura entities)					179.8	896.4	–	**1,076.2**
Other loans					1,710.2	291.5	95.2	2,096.9
Total					9,483.0	7,460.7	1,038.1	**17,981.8**

Notes to the Half Year Consolidated Financial Statements

25. Provisions

	2024 USD'M	2023 USD'M
Decommissioning, rehabilitation and restoration	264.9	253.6
Employee benefits	39.6	40.5
Other	363.1	273.5
Total	**667.6**	567.6

26. Trade and other payables

	2024 USD'M	2023 USD'M
Trade creditors	4,875.8	4,413.8
Accrued costs and expenses	14,690.0	15,129.9
Broker balances	38.4	43.7
Related parties	142.2	65.5
Other creditors	1,402.2	2,081.5
Total	**21,148.6**	21,734.4

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 30.

Total trade and other payables related to contracts including provisional pricing features amount to USD10.4 billion (30 September 2023: USD8.0 billion).

Other creditors primarily relate to collateral for OTC derivatives.

27. Other current liabilities

	2024 USD'M	2023 USD'M
Non-financial hedged items	194.6	167.8
Deferred revenue	394.2	454.9
Other	467.4	578.5
Total	**1,056.2**	1,201.2

Please refer to note 31.2 for further information on the non-financial hedged items.

As per 31 March 2024 and 30 September 2023, Other includes payables relating to the receipt of certain commodities that are due to be repaid within one year.

28. Offsetting of financial assets and liabilities

In accordance with IAS 32, the Group reports financial assets and liabilities on a net basis in the Consolidated Statement of Financial Position only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements as at 31 March 2024 and 30 September 2023 were as follows:

	Amounts eligible for set-off under netting agreements				
31 March 2024	Gross amount USD'M	Amounts offset USD'M	Net amount USD'M	Amounts not subject to netting agreements USD'M	Total presented in the Consolidated Statement of Financial Position USD'M
Related parties	980.4	–	980.4	–	980.4
Derivative assets	3,622.2	(998.4)	2,623.8	596.6	3,220.4
Related parties	(142.2)	–	(142.2)	–	(142.2)
Derivative liabilities	(2,061.1)	998.4	(1,062.7)	(365.0)	(1,427.7)

	Amounts eligible for set-off under netting agreements				
30 September 2023	Gross amount USD'M	Amounts offset USD'M	Net amount USD'M	Amounts not subject to netting agreements USD'M	Total presented in the Consolidated Statement of Financial Position USD'M
Related parties	361.4	(146.7)	214.7	–	214.7
Derivative assets	5,444.1	(1,848.6)	3,595.5	968.0	4,563.5
Related parties	(212.2)	146.7	(65.5)	–	(65.5)
Derivative liabilities	(3,191.4)	1,848.6	(1,342.8)	(726.0)	(2,068.8)

For the financial assets and liabilities subject to enforceable master netting or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities in the ordinary course of business. Where practical reasons may prevent net settlement, financial assets and liabilities may be settled on a gross basis. However, each party to the master netting or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

29. Commitments and contingencies

The Company and its subsidiaries are party to a number of legal claims and proceedings arising out of their business operations. The Company believes that the ultimate resolution of these claims and proceedings will not, in the aggregate, have a material adverse effect on the Group's financial position, income or cash flows. Such legal claims and proceedings, however, are subject to inherent uncertainties and the outcome of individual matters is unpredictable. It is possible that the Group could be required to make expenditures, in excess of established provisions, in amounts that cannot be reasonably estimated.

The total contingent liabilities related to trade finance instruments, such as letters of credit and guarantees, as at 31 March 2024 amount to USD5,636.5 million (30 September 2023: USD7,579.4 million).

The Group had outstanding commitments at the end of 31 March 2024 and 30 September 2023 as follows:

	2024 USD'M	2023 USD'M
Service arrangement contracts	1,459.3	1,512.6
Long-term lease commitments – not yet started	548.4	394.7
Short-term lease contracts	381.5	480.1
Subtotal commitments	**2,389.2**	**2,387.4**
Assets under construction	116.9	84.5
Total commitments	**2,506.1**	**2,471.9**

	2024 USD'M	2023 USD'M
Less than one year	972.7	1,003.5
Greater than one year and less than five years	996.2	1,008.1
Greater than five years	420.3	375.8
Commitments excluding assets under construction	**2,389.2**	**2,387.4**

Guarantees include guarantees to trading partners in the normal course of business.

30. Financial risk management objectives and policies

The Group is exposed to a number of different financial risks arising from normal business exposures as well as its use of financial instruments, including market risks relating to commodity prices, foreign currency exchange rates, interest rates and equity prices; credit risk; and liquidity risk.

Prudently managing these risks is an integral element of the Group's business and has been institutionalised since the Group's foundation. Risk management guidelines are established at senior management level. The various risks the Group is exposed to are managed through a combination of internal procedures, such as strict control mechanisms and policies, as well as external third parties such as the derivative, insurance and bank markets. As a rule, the Group actively manages and lays off where possible a large majority of the risks inherent to its activity. The Group's conservative risk management process is designed to:

- Provide a full and accurate awareness of risks throughout the Group;
- Professionally evaluate and monitor these risks through a range of risk metrics;
- Limit risks via a dynamic limit setting framework;
- Manage risks using a wide range of hedging instruments and strategies; and
- Ensure a constant dialogue between trading desks, risk managers and senior management.

The three main reinforcing components of the Group's risk management process are the Chief Risk Officer, the Risk and Compliance Committee and the trading teams.

The Chief Risk Officer is independent of the revenue-producing units and is a member of the Executive Committee. The Chief Risk Officer has primary responsibility for assessing and monitoring the Group's market risks. The Chief Risk Officer's team liaises directly with the trading teams to analyse new opportunities and ensure that risk assessments adapt to changing market conditions. The Chief Risk Officer's team also ensures the Group's risk management capabilities incorporate ongoing advances in technology and risk management modelling capabilities.

The Risk and Compliance Committee, which comprises two Executive Directors of the Board, two Non-executive Directors, the Chief Risk Officer, the Chief Financial Officer and the Chief Compliance Officer, is responsible for assisting the Board of Directors to seek assurance on the Group's risk management capabilities and policy, and the implementation and development of the Group's compliance programme. In the reporting period, the Risk and Compliance Committee met at least weekly to discuss and set risk and concentration limits, review changing market conditions and analyse new market risks and opportunities.

The Group's trading teams provide deep expertise in hedging and risk management in the specific markets each team operates in. While the trading teams have front line responsibility for managing the risks arising from their activities, the Group's process ensures a strong culture of escalation and accountability, with well-defined limits, automatic notifications of limit overages and regular dialogue with the Chief Risk Officer and the Risk and Compliance Committee.

Notes to the Half Year Consolidated Financial Statements

30.1 Market risk

Market risk is the risk of loss in the value of the Group's positions as a result of changes in market prices. The Group holds positions primarily to ensure the Group's ability to meet physical supply commitments to the Group's customers, to hedge exposures arising from these commitments and to support the Group's investment activities. The Group's positions change due to changing customer requirements and investment opportunities. The value of the Group's positions is accounted for at fair value and therefore fluctuates on a daily basis due to changes in market prices. Categories of market risk the Group is exposed to include:

- Commodity price risk, resulting from exposures to changes in spot prices, forward prices and volatilities of commodities, such as crude oil, petroleum products, natural gas, base metals, coal and iron ore.
- Currency rate risk, resulting from exposures to changes in spot prices, forward prices and volatilities of currency rates.
- Interest rate risk, resulting from exposures to changes in the level, slope and curvature of yield curves, the volatilities of interest rates, and credit spreads.
- Equity price risk, resulting from exposures to changes in prices and volatilities of individual equities and equity indices.

The Group hedges a large majority of price risks arising from its activities. When there is a difference in the characteristics of available hedging instruments and the corresponding commodity price exposures, the Group remains exposed to a residual price risk referred to as basis risk. Dynamically managing the basis risk that arises from the Group's activities requires specialist skills and is a core focus of the Group's trading and risk management teams.

Value at Risk

Value at Risk (VaR) is a statistical estimate of the potential loss in value of the Group's positions and unsold in-transit material due to adverse market movements. The Group calculates VaR over a one-day time horizon with a 95 percent confidence level. The Group uses an integrated VaR model that captures risks including commodity prices, interest rates, equity prices and currency rates. The Group's integrated VaR model facilitates comparison of VaR across portfolios comprised of a range of different risk exposures. The Group believes average VaR over the year reflects the most representative understanding of the Group’s sensitivity to such risks.

Average market risk VaR (one-day 95 percent) during the six-month period was USD73.6 million (0.43 percent of Group equity) compared to USD85.1 million in the previous full financial year (0.52 percent of Group equity). The Group's Executive Committee has set a target of maintaining VaR (one-day 95 percent) below one percent of Group equity.

The Group is aware of the inherent limitations to VaR and therefore uses a variety of risk measures and risk management techniques to create a robust risk management process. Limitations of VaR include:

- VaR does not estimate potential losses over longer time horizons where the aggregate moves may be extreme.
- VaR does not take account of the liquidity of different risk positions and therefore does not estimate the losses that might arise if the Group liquidated large positions over a short period of time.
- VaR is based on statistical analysis of historical market data. If this historical data is not reflective of the futures market price movements, VaR may not provide accurate predictions of future possible losses.

The Group's VaR calculation covers its trading businesses in the crude oil, refined oil products, petrochemical, natural gas, metals, concentrates, coal, iron ore and freight markets, and assesses the open-priced positions that are those subject to price risk, including inventories of these commodities. The Group's VaR model is based on historical simulations, with full valuation of more than 5,000 market risk factors.

VaR is calculated based on simultaneously shocking these risk factors. More recent historical price data is more heavily weighted in these simulations, which enables the VaR model to adapt to more recent market conditions and improves the accuracy of the Group's estimates of potential losses.

The Group's VaR model utilises advanced statistical techniques that incorporate the non-normal price dynamics that are an important feature of commodity markets. The Group's VaR model is continuously and automatically calibrated and back-tested with the aim of ensuring that its out-of-sample performance adheres to well-defined targets. In addition, the Group's VaR model is regularly updated to reflect the current observed dynamics of the markets the Group is active in.

The Group has made significant, ongoing investments in risk management systems, including a reporting system that automatically distributes customised risk reports throughout the Group on a daily basis. These reports provide up-to-date information on each team’s risk position using industry standard measures, including 95 percent and 99 percent VaR and performance indicators such as Sharpe ratios.

All trading books have well-defined VaR risk limits. Management and the trading teams are automatically notified whenever a book nears its risk limit, as well as whenever a VaR limit breach occurs. In addition, the Group's deals desk management team is automatically notified whenever statistically anomalous changes occur in the profit and loss of any deal.

For senior management, the daily reports provide a comprehensive view of the Group's risk, classified according to various risk factors. These reports emphasise the risk diversification created by the Group’s varied activities and highlight any excessive risk concentrations.

30.2 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument or physical contract fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in debt and equity securities.

The Group has a formalised credit process with credit officers in key locations around the world. Strict credit limits are set up for each counterparty on the basis of detailed financial and business analysis. These limits are monitored and revised in light of counterparty or market developments and the amount of exposure relative to the size of the Group's Consolidated Statement of Financial Position. The Group makes extensive use of the banking and insurance markets to help cover counterparty or country risks that are in excess of its credit limits.

The risk management monitoring and decision-making functions are centralised with the aim of managing risk appropriately. The Group conducts transactions with the following major types of counterparties:

- Physical commodity counterparties spread across the vertical chains for both oil, metals and bulk (e.g. producers, refiners/smelters and end-users). Sales to investment grade and non-investment grade counterparties are made on open terms up to internally approved credit limits. Exposures above such limits are subject to payment guarantees.
- Payment guarantee counterparties (e.g. prime financial institutions from which the Group obtains payment guarantees).
- Hedge counterparties comprising a number of prime financial institutions and physical participants in the relevant markets. There is no significant concentration of risk with any single counterparty or group of counterparties. Collateral is obtained from counterparties when the Group's exposure to them exceeds approved credit limits. It is the Group's policy to have ISDA Master Agreements or ISDA-based Long-Form Confirmation Agreements in place with all hedging counterparties.

The Group trades in all major geographic regions. Where appropriate, guarantees, insurance and letters of credit are used to help reduce payment or performance risk. The Group has gross credit exposure in locations across the world with a concentration in emerging markets. Most of this exposure is transferred to third parties, while the Group retains between 10 percent and 20 percent on average of the individual exposures.

The Group's maximum exposure to credit risk, without considering netting agreements or without taking into account any collateral held or other credit enhancements, is equal to the carrying value of its financial assets as indicated in the Consolidated Statement of Financial Position plus the guarantees to third parties and associates.

The Group has amounts and guarantees outstanding related to countries that are affected by sanctions currently imposed by the United States and the European Union. The Group analysed the sanctions and exposures and concluded that these do not materially impact the Group's positions.

30.2.1 Concentration of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographical factors similarly affect the Group's counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The carrying amount of financial assets represents the maximum credit exposure. The Group seeks to determine concentrations of credit risk by monitoring the country profile of its third-party trade receivables on an on-going basis.

The Group has a diverse customer base, with no customer representing more than 2.9 percent of its revenues over the six-month period ended 31 March 2024 (30 September 2023: 2.2 percent of its revenue over financial year 2023).

Please refer to note 18 for the aging of trade and other receivables at the reporting date.

30.2.2 Financial assets that are not past due

Trade and other receivables that are not past due are creditworthy debtors with good payment records with the Group. Cash and cash equivalents and derivatives that are not past due are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default. The credit quality of trade and other receivables is assessed based on a strict credit policy. The Group has monitored customer credit risk by grouping trade and other receivables based on their characteristics.

Based on the Group's monitoring of customer credit risk, the Group believes that, except as indicated in note 18, no material expected credit loss allowance is necessary in respect of trade receivables not past due.

30.2.3 Impairment of financial assets

Information regarding impairment of financial assets is disclosed in note 7 (Impairment), note 15 (Prepayments and financial assets) and note 18 (Trade and other receivables).

30.2.4 Guarantees

The Group's policy is to provide financial guarantees only to wholly owned subsidiaries and trading partners in the normal course of business. As part of the Group's ordinary physical commodity trading activities, Trafigura Group Pte. Ltd. may act as guarantor by way of issuing guarantees accepting responsibility for subsidiaries' contractual obligations.

Notes to the Half Year Consolidated Financial Statements

30.3 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations when due or that it is unable, on an on-going basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash and cash equivalents and ready sources of committed funding available to meet anticipated and unanticipated funding needs. Sound financial management with a focus on liquidity has been instrumental to the Group's success. The Group has demonstrated the ability to raise the appropriate types of financing to match the needs of the business and to tap various investor bases (e.g. syndicated loan markets, trade finance markets, bond markets, private placement markets, securitisation), maturities and geographies.

The Group manages its treasury and liquidity risks maintaining a strong liquidity position through the following:

- Targeting immediately available cash on hand of a minimum of USD2.0 billion under normal conditions (higher in the case of extreme volatility);
- Maintaining transactional lines which allow the Group to mark-to-market financings to the value of the underlying physical assets. Mark-to-market financing is performed weekly (or intra-weekly in the case of extreme volatility) and provides an additional source of liquidity that is not available to competitors, which are financed purely from revolving credit facilities and/or capital markets securities;
- Committed unsecured credit facilities;
- Maintaining headroom under transactional trade finance lines and committed revolving credit facilities; and
- Reasonable distribution of profit (in order to generate retained earnings) and subordination of repurchased, but not yet paid, equity.

The maturity analysis of the Group's financial liabilities based on the contractual terms is as follows:

31 March 2024	< 1 year USD'M	1-5 years USD'M	> 5 years USD'M	Total USD'M
Financial liabilities				
Current and non-current loans and borrowings	27,893.7	7,460.7	1,038.1	36,392.5
Trade and other payables	21,148.6	–	–	21,148.6
Derivative financial liabilities	1,015.7	393.5	18.5	1,427.7
Total financial liabilities	50,058.0	7,854.2	1,056.6	**58,968.8**

30 September 2023	< 1 year USD'M	1-5 years USD'M	> 5 years USD'M	Total USD'M
Financial liabilities				
Current and non-current loans and borrowings	25,052.8	8,462.5	851.8	34,367.1
Trade and other payables	21,734.4	–	–	21,734.4
Derivative financial liabilities	1,785.2	272.9	10.7	2,068.8
Total financial liabilities	48,572.4	8,735.4	862.5	**58,170.3**

30.4 Interest rate risk

Despite borrowing mostly floating rate debt, the Group is not exposed to significant interest rate risk because most of its debt is short term (ranging from a few weeks to a few months) and each new commercial transaction is priced based on current interest rate levels. Interest rate risk of the Group is mainly applicable to the long-term debt of the Group, which is mostly floating rate.

From time to time, the Group enters into interest rate derivative transactions to lock in current interest rate levels. For instance, interest rate swaps provide a method of reducing the Group's exposure to floating interest rates. To realise the desired matching of derivative results with the hedged interest rate payments, cash flow hedge accounting is applied and the derivatives are designated as hedging instruments. The derivatives are carried on balance and their effectiveness is tested on a quarterly basis.

30.5 Currency risk

The Group has few exposures to foreign currency risk on its trading activities and those that do exist are hedged out. The Group does not use financial instruments to hedge the translation risk related to equity and earnings of foreign subsidiaries and non-consolidated companies.

The Group uses cross-currency swaps to hedge currency risk on the principal and related payments of foreign currency denominated loans and bonds for which cash flow hedge accounting is applied. The hedge relationship is expected to be highly effective due to the matching of critical terms between the underlying hedged item and the associated hedge instrument.

The periods when the cash flows are expected to occur are similar to the periods when the cash flows on the foreign currency denominated loans and bonds occur as indicated in notes 23 and 30.3. Ineffectiveness may arise (i) if the underlying interest reference rate is divergent to the underlying reference rate in the Group's debt agreements; (ii) to the extent that the hedging instrument is already in the money or out of the money at the point of designation (compared to the hypothetical derivative that must be created on market); (iii) when the timing of the hedging instrument goes beyond the hedged item and it is not considered highly probable that the hedged item will be refinanced beyond its current maturity date; or (iv) if the hedging instrument is for an amount greater than the hedged item.

30.6 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company's immediate parent, Trafigura Beheer B.V., is exclusively owned by employees of the Group. This shareholding arrangement leads to an alignment of the long-term interests of the Group and its management team. By virtue of having its own capital at risk, senior and middle management are incentivised to take a long-term view of the Group's overall performance and to protect its capital.

The Group's capital management aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

The Group monitors its capital adequacy using an adjusted debt-to-equity ratio, which is adjusted debt divided by the Group's equity. For this purpose, the adjusted debt metric represents the Group's total non-current and current debt less cash, deposits, readily marketable inventories (including purchased and pre-paid inventories which are being released), debt related to the Group's receivables securitisation programme and the non-recourse portion of loans from third parties.

The Company's long-term average target adjusted debt-to-equity ratio is up to 1.0x. A negative adjusted debt figure means that the combined adjustments are larger than the debt amount. The Company's adjusted net debt-to-equity ratio at the end of the reporting period was as follows:

	2024 USD'M	2023 USD'M
Non-current loans and borrowings	8,498.8	9,314.3
Current loans and borrowings	27,893.7	25,052.8
Total debt	**36,392.5**	34,367.1
Adjustments		
Cash and cash equivalents	12,719.0	12,387.0
Deposits	1,242.2	208.7
Inventories (including purchased and pre-paid inventories)	23,651.3	24,617.3
Receivables securitisation debt	3,804.7	4,157.1
Non-recourse debt	175.8	118.0
Adjusted total debt	**(5,200.5)**	(7,121.0)
Group equity	**17,294.0**	16,495.4
Adjusted debt to Group equity ratio at the end of the period	**(0.30x)**	(0.43x)

31. Hedging activities and derivatives

The Group utilises derivative financial instruments (shown separately in the Consolidated Statement of Financial Position) to hedge its primary market risk exposures, which are primarily risks related to commodity price movements and, to a lesser extent, exposure to foreign currency exchange rates and interest rate movements. Commodity derivative contracts may be utilised to hedge against commodity price risk exposures in relation to physical purchase and sales contracts, including inventory. Commodity swaps, options and futures are used to manage price and time risks in conformity with the Group's risk management policies.

	2024 USD'M	2023 USD'M
Physical forwards	1,622.2	2,803.3
OTC derivatives	858.8	818.0
Futures, cleared swaps, cleared options	138.2	85.1
Interest-rate swaps	207.3	289.1
Cross-currency swaps	14.1	12.9
Foreign-exchange swaps and forwards	223.6	429.4
Other financial derivatives	156.2	125.7
Derivative assets	**3,220.4**	4,563.5
Non-current	871.9	410.2
Current	2,348.5	4,153.3
Derivative assets	**3,220.4**	4,563.5

	2024 USD'M	2023 USD'M
Physical forwards	317.1	725.7
OTC derivatives	737.9	565.2
Futures, cleared swaps, cleared options	34.7	108.6
Interest-rate swaps	15.3	4.2
Cross-currency swaps	79.9	290.4
Foreign-exchange swaps and forwards	147.9	271.8
Other financial derivatives	94.9	102.9
Derivative liabilities	**1,427.7**	2,068.8
Non-current	412.0	283.6
Current	1,015.7	1,785.2
Derivative liabilities	**1,427.7**	2,068.8

Notes to the Half Year Consolidated Financial Statements

31.1 Cash flow hedge accounting

In some instances, the Group has applied cash flow hedge accounting to certain highly probable cash flows. These cash flows relate to the following hedged items:

- Purchases of electricity consumed in the smelting process and redelivery for electricity not consumed;
- Sales of mining production; and
- Operating expenditure, interest payments, repayment of foreign currency corporate loans and other forecasted purchases and sales.

The designated hedge derivatives are recognised at fair value. Movements in the fair value of the hedge derivatives are being deferred through other comprehensive income to the extent that they are deemed to be entered in an effective hedge relationship with cash flows that are yet to be reflected in the Consolidated Statement of Income. Any fair value movements that are not considered to be an effective hedge are recognised directly through the Consolidated Statement of Income.

The effectiveness of the economic relationship between the hedging instruments and the hedged item has been assessed at the inception of the hedge accounting designation and is reassessed at least on an annual basis. The hedge ratio is determined by the ratio that provides a strong relationship between movements in the fair value of the hedged item and hedging instruments at the inception of the hedge accounting relationship and reassessed at least annually. Ineffectiveness will occur due to time spread between the hedged item and the hedging instrument as well as due to the basis risk.

The overview of the cash flow hedges is as follows:

	Maturity	Equivalent	Notionals 2024	Notionals 2023	Fair values 2024 USD'M	Fair values 2023 USD'M
Cross-currency/interest swaps hedging interest payments	0-5 years	USD'M	11,488.6	11,307.3	(30.0)	(192.2)
Fx swaps hedging future non-USD loan transaction and opex payments	0-3 years	USD'M	2,677.4	3,364.1	(40.7)	(128.5)
Fx swaps hedging future non-USD Capex payments	0-1 year	USD'M	78.9	78.6	(2.0)	(2.8)
LME futures hedging future sales and mining production	0-2 years	DMT	7,558.2	12,413.5	1.1	8.3
Commodity swaps hedging future sales of metals	0-3 years	DMT	2,370.0	2,568.0	(17.9)	(28.0)
Electricity swaps hedging future purchase of electricity	0-1 year	EUR'M	10.2	30.9	(1.7)	(13.3)
Electricity swaps hedging future purchase of electricity	0-6 years	AUD'M	377.4	408.8	11.4	20.3
Total					**(79.8)**	(336.2)

	Ineffectiveness recognised through statement of income		Reclassification from other comprehensive income to the statement of income		Gain/(loss) on cash flow hedges through other comprehensive income	
	2024 USD'M	2023 USD'M	**2024 USD'M**	2023 USD'M	**2024 USD'M**	2023 USD'M
Cross-currency/interest swaps hedging interest payments	4.6	(1.2)	(65.8)	(32.0)	(24.5)	(74.9)
Commodity futures hedging future purchases and sales of Refinery	–	–	–	–	–	(2.2)
FX swaps hedging future non-USD loan transaction and opex payments	(0.7)	(0.3)	24.1	32.4	40.9	134.1
FX swaps hedging future non-USD Capex payments	(0.3)	–	–	–	1.0	–
LME futures hedging future sales and mining production	0.1	0.1	(8.6)	(3.1)	0.8	12.9
Commodity swaps hedging future sales of metals	(0.2)	–	1.7	(4.1)	7.0	(3.5)
Electricity swaps hedging future redelivery of electricity	(0.3)	(2.5)	10.7	(107.3)	1.9	88.5
Electricity swaps hedging future purchase of electricity	–	(0.2)	(15.2)	(3.2)	4.7	(36.1)
Total	**3.2**	(4.1)	**(53.1)**	(117.3)	**31.8**	118.8

	2024	2023
Reclassification from other comprehensive income to the statement of income	(53.1)	(117.3)
Gain/(loss) on cash flow hedges	(21.3)	1.5
Cash flow hedge reserve on equity-accounted investees	(1.8)	54.7
Tax on cash flow hedge reserve	8.9	13.6
Cash flow hedge reserve movement in statement of changes in equity	**(14.2)**	69.8
Cash flow hedge reserve as at 1 October	56.3	(37.4)
Cash flow hedge reserve at closing in statement of changes in equity	**42.1**	32.4

All material reclassifications from other comprehensive income to the statement of income from prior year balance designated for hedge accounting were aligned to the expected recognition of the hedged item.

31.2 Fair value hedge accounting

In some instances, the Group elects to apply fair value hedge accounting to certain physical forward contracts described in the table below (the hedged items). Under the strict rules of hedge accounting, the Group is required to match each financial hedge contract with the corresponding physical contract hedged item. The intention is that a movement in fair value of a physical contract is accounted against the corresponding (and opposite) movement in fair value of the related financial hedges: both movements (increase and decrease) are recorded in the Consolidated Statement of Income (specifically to the line materials, transportation and storage), leading to an offsetting result. It is important to note that the fair value of the physical contracts does not include unobservable day one margin of the physical contracts.

The Group has elected to apply fair value hedge accounting to non-financial hedged items or certain risk components of non-financial hedged items. These non-financial hedged items relate to firm commitments with respect to a transportation agreement, offtake agreements and bareboat charter and time charter agreements, among others.

	Transportation agreements	Offtake agreements	Bareboat and Time charter agreements	Metals processing inventory
Nature of forward contract (=hedged item)	Transport crude from Permian Basin to Gulf Coast	Offtake LNG in the US, Middle East and Asia	Freight lease agreement	Inventory held by the Group's metals processing division, Nyrstar
Main counterparty of forward contract/Types of contracts	Cactus II Pipeline LLC	Cheniere Marketing LLC; Freeport LNG Marketing LLC; Brunei Energy Services and Trading SDN BHD; Oman LNG LLC; Petronas LNG LTD; and others	Asset classes: Very Large Crude Carriers, Suexmax, Aframax and Long Range vessels	Zinc and lead inventory held for transformation from concentrate to refined metal
Maturity of forward contract	Ranging from FY2024 to FY2025	Ranging from FY2024 to FY2033	Ranging from FY2024 to FY2035	All within FY2024
Trading strategy	Transport crude from Permian Basin to Gulf Coast	Purchase LNG, transport, transform back into natural gas, and/or sell natural gas in Europe/Asia	Freight lease agreement to generate freight income from external counterparties	Inventory purchased as concentrate and subsequently sold as refined metal
Nature of paper hedge (=hedging instrument)	Hedging spread exposure (Permian Basin crude vs Gulf Coast crude) with futures and swaps	1) Hedging spread exposure (LNG in the US vs natural gas in Europe/Asia) with futures and swaps 2) Hedging Gas Slope with futures and swaps	Hedging freight routes with Freight Forward Agreements	Zinc and lead futures and swaps

Notes to the Half Year Consolidated Financial Statements

31.2.1 Hedged items

The Group previously applied fair value hedge accounting on its tolling agreements as non-financial hedged items, which the Group had entered into for fractionation services to convert crude feedstock into various crude refined products. The derivative hedging instruments (hedges consisting of futures and swaps) were entered into to hedge the spread exposures, referred to as the hedged risk, between the purchase of crude feedstock and the sale of crude refined products. Following the decline in volume of hedged tolling agreements due to change in market structure, the fair value hedge accounting was discontinued during last year.

The Group's transportation agreement represents a non-financial hedged item, which the Group has entered into for the transportation of crude oil from the Permian Basin of Texas to the Gulf Coast. The derivative hedging instruments (hedges consisting of futures and swaps) are entered into to hedge the spread exposures, referred to as the hedged risk, between the purchase of inland crude oil barrels and the sale of those barrels on the Gulf Coast.

The Group's offtake agreements represent a non-financial hedged item, which the Group has entered into for the purchase of liquefied natural gas (LNG) from the US with a number of counterparties. The derivative hedging instruments (hedges consisting of futures and swaps) are entered into to hedge the spread exposures, referred to as the hedged risk, between purchasing LNG from the US and selling LNG to its expected destination markets. Additionally, some Asian and Middle East LNG supply contracts that also represent a non-financial hedged item are further covered in the scope of hedge accounting. The LNG price in these contracts is indexed to Brent against a coefficient. The coefficient is referred to as the Gas Slope and is driven by the correlation between Brent and Asian LNG market. The derivative hedging instruments (hedges consisting of futures and swaps) are entered into to hedge the Gas Slope, referred to as the hedged risk.

The Group's bareboat and time charter agreements represent non-financial hedged items, which the Group has entered into for the purpose of transporting commodities and generating freight revenue. The derivative hedging instruments are entered to hedge freight exposure on the different bareboat and time charter contracts.

Inventory held by the Group's metals processing division, Nyrstar, would not qualify as trading-related inventory held at fair value less costs to sell but would instead normally be valued at the lower of cost and net realisable value. The Group hedges the exposure to future changes in the metal price on this inventory as a non-financial hedged item and applies fair value hedge accounting.

The identified hedged items are accounted for at fair value and recognised in materials, transport and storage within the Consolidated Statement of Income. The fair value is reflected in the Consolidated Statement of Financial Position as either a recognised asset or liability. The fair value is determined using benchmarks best representing the designated hedged item. Specifically, in the case of LNG, the fair value of the hedged item also considers unobservable inputs.

Hedging instruments

When applicable, the Group designates derivative hedging instruments as fair value hedges in relationship to the associated hedged items. The maturity profiles of the hedging instruments are as follows:

- Transportation agreement: varies from one month to two years.
- Offtake agreements: varies from one month to five years.
- Bareboat and time charter agreements: varies from one month to four years.

The designated hedge derivatives are accounted for at fair value through profit and loss.

Economic relationship

IFRS 9 requires the existence of an economic relationship between the hedged item and the hedging instrument. At designation and at the start of each reporting period, critical terms of both hedged items and hedging instruments in a hedge relationship are reviewed to ascertain the expectation that the value of the hedging instrument and the value of the hedged item would move in opposite directions as a result of the common underlying exposure and therefore meet the risk management objective of the hedge relationship.

31.2.2 Hedge effectiveness assessment

At each reporting date or on significant changes in circumstances a quantitative hedge effectiveness assessment is performed. The fair values of both hedged items and hedging instruments are measured and the net difference of the changes is the hedge ineffectiveness amount. The hedge ineffectiveness amount is analysed by its various sources (for example: basis differences, location differences, timing differences, quantity or notional amount differences, currency basis and forward points, credit risk or other risks) where applicable. Specific factors that may affect ineffectiveness are a mismatch in the designated hedge period and the maturity period of the hedging instrument and a differential of the various benchmarks for the pricing of the hedging instruments and the hedged items.

In the case of LNG specifically, a material portion of last year's hedge ineffectiveness can be attributed to the release from the realisation of positions on which large ineffectiveness was recognised in the prior year due to fact that physical LNG was pricing at a higher discount against the TTF price index than compared to the historic trend. This difference in pricing was driven by the relative lower liquidity of the TTF index since the war in Ukraine, which led to significant price moves, sometimes decorrelated with the underlying physical market. Further in LNG, the hedged item designated includes foreign currency exposure. However, the foreign currency hedges have not been designated into the hedge relationship, giving rise to additional ineffectiveness. The fair value of the foreign exchange hedges that have not been designated can be seen in the table below. The ineffectiveness in the six-month period ended 31 March 2024 amounted to a gain of USD82.0 million (FY2023: gain of USD554.9 million).

The fair value adjustment on the non-financial hedged items is presented in the Consolidated Statement of Financial Position under the following categories:

	31 March 2024 USD'M		30 September 2023 USD'M	
	Other non-current assets (note 16)	**Other current assets (note 20)**	Other non-current assets (note 16)	Other current assets (note 20)
Non-financial hedged items – Transportation agreement	–	0.2	–	–
Non-financial hedged items – Offtake agreements	8.0	387.8	266.8	558.6
Non-financial hedged items – Bareboat charter agreements	7.1	35.9	9.1	33.2
Non-financial hedged items – Metals processing inventory	–	12.5	–	–
Closing balance of the hedged item	**15.1**	**436.4**	275.9	591.8

	31 March 2024 USD'M		30 September 2023 USD'M	
	Other non-current liabilities	**Other current liabilities (note 27)**	Other non-current liabilities	Other current liabilities (note 27)
Non-financial hedged items – Transportation agreement	0.9	–	0.7	5.6
Non-financial hedged items – Offtake agreements	215.7	173.1	–	144.0
Non-financial hedged items – Bareboat charter agreements	6.6	21.5	1.6	18.2
Non-financial hedged items – Metals processing inventory	–	–	–	–
Closing balance of the hedged item	**223.2**	**194.6**	2.3	167.8
Net balance of the hedged item (+ = asset / - = liability)	**33.7**		697.5	

The following table summarises the movements in the non-financial hedged items and the related derivatives recognised in the Consolidated Statement of Income:

	31 March 2024 USD'M	30 September 2023 USD'M
Opening balances of the derivatives marked as hedges	**(519.8)**	(7,464.1)
Fair value movement included in the hedge relationship	624.0	4,997.6
Hedges for which hedge relationship matured	255.3	1,868.6
Hedges not designated in hedge relationship	(118.9)	78.1
Closing balance of the derivatives marked as hedges	**240.6**	(519.8)
Opening balance of the hedged item	**697.5**	6,791.6
Fair value movement included in the hedge relationship	(542.0)	(4,442.7)
Release of fair value adjustment due to matured hedge relationship	(121.8)	(1,651.4)
Closing balance of the hedged item	**33.7**	697.5
Lifetime to date net gain/(loss)	274.3	177.7
Year to date net gain/(loss)	96.6	850.2

Notes to the Half Year Consolidated Financial Statements

32. Fair value

32.1 Fair values versus carrying amounts

The carrying values of inventories, financial assets and liabilities shown in the Consolidated Statement of Financial Position, along with their basis of valuation, are as follows:

	Amortised cost USD'M	FVTPL USD'M	FVOCI USD'M	31 March 2024 USD'M	Amortised cost USD'M	FVTPL USD'M	FVOCI USD'M	30 September 2023 USD'M
Loans receivable	887.0	–	–	887.0	791.6	–	–	791.6
Other investments	–	730.3	246.9	977.2	–	791.2	206.3	997.5
Derivatives	–	3,220.4	–	3,220.4	–	4,563.5	–	4,563.5
Non-financial hedged items	–	451.5	–	451.5	–	867.7	–	867.7
Inventory	1,000.8	21,381.8	–	22,382.6	1,240.7	21,729.0	–	22,969.7
Trade and other receivables	26,285.3	–	–	26,285.3	23,413.8	–	–	23,413.8
Deposits	1,242.2	–	–	1,242.2	208.7	–	–	208.7
Cash and cash equivalents	12,719.0	–	–	12,719.0	12,387.0	–	–	12,387.0
Total financial assets and inventories	**42,134.3**	**25,784.0**	**246.9**	**68,165.2**	**38,041.8**	**27,951.4**	**206.3**	**66,199.5**
Loans and borrowings – Floating rate	31,724.1	–	–	31,724.1	29,597.9	–	–	29,597.9
Loans and borrowings – Fixed rate (*)	4,668.4	–	–	4,668.4	4,769.2	–	–	4,769.2
Derivatives	–	1,427.7	–	1,427.7	–	2,068.8	–	2,068.8
Non-financial hedged items	–	417.8	–	417.8	–	170.1	–	170.1
Trade and other payables	21,148.6	–	–	21,148.6	21,734.4	–	–	21,734.4
Total financial liabilities	**57,541.1**	**1,845.5**	**–**	**59,386.6**	**56,101.5**	**2,238.9**	**–**	**58,340.4**

The financial assets and liabilities are presented by class at their carrying values, which generally approximate the fair values.

* Exceptions to this are fixed-rate borrowings, the fair value of which as at 31 March 2024 was USD4,566.6 million (30 September 2023: USD4,389.3 million).

Fair value hierarchy and valuation methods

The table below analyses financial instruments and other assets and liabilities measured at fair value, by valuation method. The different levels have been defined as per the accounting policy referred to above.

	31 March 2024				30 September 2023			
	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	**Total USD'M**	Level 1 USD'M	Level 2 USD'M	Level 3 USD'M	**Total USD'M**
Physical forwards	1,095.7	285.5	241.0	1,622.2	1,453.4	776.5	573.4	2,803.3
OTC derivatives	–	447.6	411.2	858.8	–	761.6	56.4	818.0
Futures, cleared swaps, cleared options	138.2	–	–	138.2	85.1	–	–	85.1
Interest-rate swaps	–	207.3	–	207.3	–	289.1	–	289.1
Cross-currency swaps	–	14.1	–	14.1	–	12.9	–	12.9
Foreign-exchange swaps and forwards	–	223.6	–	223.6	–	429.4	–	429.4
Other financial derivatives	156.2	–	–	156.2	124.7	1.0	–	125.7
Total	1,390.1	1,178.1	652.2	**3,220.4**	1,663.2	2,270.5	629.8	**4,563.5**
Listed equity and debt securities	286.4	–	205.4	491.8	397.1	–	212.6	609.7
Unlisted equity investments – at FVTPL/FVOCI	–	–	485.4	485.4	–	–	387.8	387.8
Non-financial hedged items	–	138.5	313.0	451.5	–	315.5	552.2	867.7
Inventory	–	21,381.8	–	21,381.8	–	21,729.0	–	21,729.0
Financial assets and inventories	1,676.5	22,698.4	1,656.0	**26,030.9**	2,060.3	24,315.0	1,782.4	**28,157.7**
Physical forwards	–	44.9	272.2	317.1	201.5	66.3	457.9	725.7
OTC derivatives	–	551.0	186.9	737.9	–	475.2	90.0	565.2
Futures, cleared swaps, cleared options	34.7	–	–	34.7	108.6	–	–	108.6
Interest-rate swaps	–	15.3	–	15.3	–	4.2	–	4.2
Cross-currency swaps	–	79.9	–	79.9	–	290.4	–	290.4
Foreign-exchange swaps and forwards	–	147.9	–	147.9	–	271.8	–	271.8
Other financial derivatives	70.0	–	24.9	94.9	60.0	–	42.9	102.9
Derivative liabilities	104.7	839.0	484.0	**1,427.7**	370.1	1,107.9	590.8	**2,068.8**
Fixed rate borrowings	–	4,566.6	–	4,566.6	–	4,389.3	–	4,389.3
Non-financial hedged items	–	202.2	215.6	417.8	–	100.8	69.3	170.1
Financial liabilities	104.7	5,607.8	699.6	**6,412.1**	370.1	5,598.0	660.1	**6,628.2**
Net financial assets/(liabilities) and inventories measured at fair value	1,571.8	17,090.6	956.4	**19,618.8**	1,690.2	18,717.0	1,122.3	**21,529.5**

Notes to the Half Year Consolidated Financial Statements

The movements in the level 3 hierarchy can be summarised as follows:

	Physical forwards/ Derivatives USD'M	Equity/Debt securities USD'M	Firm commitments USD'M	Total USD'M
Balance as at 1 October 2023	38.9	600.4	482.9	**1,122.2**
Invested	–	92.4	–	92.4
Total gain/(loss) recognised in Consolidated Statement of Income	138.2	(9.7)	(390.0)	(261.5)
Total gain/(loss) recognised in OCI	(14.6)	17.4	–	2.8
Disposals	–	(9.7)	–	(9.7)
Reclassification	–	–	–	–
Total realised	5.7	–	4.5	10.2
Balance as at 31 March 2024	168.2	690.8	97.4	**956.4**

	Physical forwards/ Derivatives USD'M	Equity/Debt securities USD'M	Firm commitments USD'M	Total USD'M
Balance as at 1 October 2022	1,266.9	531.1	3,622.2	**5,420.2**
Invested	–	18.9	–	18.9
Total gain/(loss) recognised in Consolidated Statement of Income	(267.6)	(6.3)	(2,530.3)	(2,804.2)
Total gain/(loss) recognised in OCI	2.1	7.4	–	9.5
Disposals	–	(1.0)	–	(1.0)
Reclassification	–	50.3	–	50.3
Total realised	(962.5)	–	(609.0)	(1,571.5)
Balance as at 30 September 2023	38.9	600.4	482.9	**1,122.2**

There were no transfers between fair value hierarchy levels in the six-month period ended 31 March 2024 (or in the financial year ended 30 September 2023). Materially all level 3 physical forwards are settled in the next year. See note 15.3 for equity/debt securities and other investments.

Valuation methods

Regarding financial instruments: Level 1 classifications primarily include futures, cleared swaps, cleared options and natural gas physical forwards whose valuation is based on quoted prices in an active market.

Level 2 classifications primarily include foreign-exchange, interest-rate, cross-currency and commodity swaps and physical forward transactions which derive their fair value primarily from exchange quotes and readily observable broker quotes. Their inputs may include observable quoted prices sourced from traded reference prices or recently traded price indices in an active market or they may be derived from discounted cash flow models where valuations are only adjusted by a discount rate that captures the time value of money and counterparty credit considerations.

Level 3 classifications primarily include physical forward transactions which derive their fair value predominately from calculations that use a defined risk position based on applicable market-based estimates surrounding location, quality and credit differentials. In circumstances where Trafigura cannot verify fair value with observable market inputs (level 3 fair values), it is possible that a different valuation model could produce a materially different estimate of fair value.

It is Trafigura's policy to hedge significant market risk, therefore sensitivity to fair value movements is limited. Trafigura manages its market risk using the Value at Risk (VaR) as disclosed in note 30.1.

Assets and liabilities included in level 3 of the fair value hierarchy may have a valuation based on the following valuation techniques:

	Valuation Techniques	Key Inputs	Significant Unobservable Inputs
Listed debt securities **– Fair value through profit or loss**	Discounted cash flow model	The resultant asset is a discounted cash flow of the underlying throughput.	• Forecast throughput • Discount rates using weighted average cost of capital • Market illiquidity • Operating cost and capital expenditures
Unlisted equity investments **– Fair value through profit or loss/ Unlisted equity investments** **– Fair value through OCI**	Valuations obtained from the asset managers of the funds.	Discounted cash flow valuation of operating or future operating assets held by fund.	Key drivers of third-party discounted cash flow valuation: • Discount rates using weighted average cost of capital • Forecast production revenues • Operating cost and capital expenditures
OTC derivatives	Discounted valuation of cashflows generated based on unobservable inputs.		Total consumption forecast, ratios to relative market indexes, option volatilities.
Physical forwards	Valuation model based on market assumptions and reference prices.	Key input is the definition of the observable risk position that forms the basis for the valuation of these physical forwards.	The definition of the observable risk position.
Non-financial hedged items	Valuation model based on market assumptions and reference prices.	Key input is the market liquefaction fee curve that is defined using: • Observable quoted prices sourced from traded reference prices or recent traded price indices in an active market for identical assets or liabilities • Observable risk positions • Assumptions on ratios attributed to the different observable risk positions	The identification of observable risk positions and ratios attributed to them.

No significant day one gains or losses will be recognised under valuation methods attributable to unobservable inputs. Where applicable, these will be recognised only when all components of the financial asset or liability become observable or, in some cases, through following a recognition methodology based on timing where it is deemed appropriate that time is a significant factor in reducing the risk attributable to unobservable inputs.

Notes to the Half Year Consolidated Financial Statements

33. Equity participation plan

The immediate parent of the Company, Trafigura Beheer B.V., has an equity participation plan (EPP) that is open to employees of the Group. Shares issued to employees are preference shares of Trafigura Beheer B.V., which give rights to economic benefits with limited voting rights. The Board of Directors of Trafigura Control Holdings Pte. Ltd., a parent company of Trafigura Beheer B.V., in consultation with the Board of Directors of the Company, decide on the share awards to be issued to employees. Annual remuneration (which includes the equity participation awards) is subject to review by the remuneration committee of the Board.

The value of the shares is based on the net asset value of an ordinary share as set out in the Articles of Association of Trafigura Beheer B.V., which management believe is a fair approximation of the fair value. Shares awarded under the EPP may vest immediately or over a period of several years.

Employees do not have the right to freely sell shares that have vested unless Trafigura Control Holdings Pte. Ltd. has granted approval and has refrained from its right to nominate a prospective purchaser and make a purchase offer. Upon termination of employment, employees must transfer all of their shares at the direction of Trafigura Control Holdings Pte. Ltd. or hold the shares subject to further directions of Trafigura Control Holdings Pte. Ltd.

Neither Trafigura Beheer B.V. nor the Group have a legal or constructive obligation to settle the shares held by employees in cash. If employment is ceased prior to the end of the vesting period the shares will be forfeited unless otherwise determined by Trafigura Control Holdings Pte. Ltd.

The Group's EPP is classified as an equity-settled plan in the Group's financial statements; the fair value of the shares granted, determined at the grant date, is recorded in the Consolidated Statement of Income rateably over the vesting period of the shares.

In the financial year 2023, the shares were split on a 1:1,000 basis.

Compensation in respect of share-based payments recognised in staff costs for the six-month period ended 31 March 2024 amounted to USD47.0 million (FY2023: USD87.6 million).

Unrecognised staff costs in respect of rateably vesting shares expected to be recognised from FY2024 to FY2029 amount to USD128.7 million at 31 March 2024 (30 September 2023: USD73.7 million for the period from FY2024 to FY2028).

34. Related parties

In the normal course of business, the Group enters into various transactions with related parties, including fixed price commitments to sell and to purchase commodities, forward sale and purchase contracts, agency agreements and management service agreements. Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related-party receivables or payables.

All transactions between the Company and its subsidiaries are eliminated on consolidation along with any unrealised profits and losses between its subsidiaries, associates and joint ventures.

The table below summarises the related-party receivables and (payables):

	2024 USD'M	2023 USD'M
Trafigura Control Holdings Pte. Ltd.	736.3	4.7
Porto Sudeste do Brasil S.A.	83.1	(93.8)
Guangxi Jinchuan Non-ferrous Metals Co., Ltd	85.1	134.5
Wolverine Fuels, LLC	527.2	419.8
Empresa Minera del Caribe S.A. (Emincar)	215.5	223.3
Trafigura Beheer B.V.	24.1	32.7
ITG S.à r.l.	240.0	190.7
Terrafame Oy	(16.1)	122.6
Trafigura Liaoning Port International trading (Liaoning) Co. Ltd.	(74.6)	(30.9)
Others	49.8	63.0
Total	**1,870.4**	1,066.6

The table below summarises the impact of related parties on the Consolidated Statement of Income:

	2024 USD'M	2023 USD'M
Sales	1,023.2	3,885.8
Purchases	1,660.2	3,303.0
Interest income	60.0	106.6
Cost recharge income/(expense)	(6.7)	(20.3)

Transactions between related parties are made on commercial terms.

The table below summarises the nature of relationship and nature of transactions entered with the related party:

Party	Nature of relationship	Nature of transaction
Empresa Minera del Caribe S.A. (Emincar)	Equity-accounted investee	Financing and trading agreement
Guangxi Jinchuan Non-ferrous Metals Co., Ltd	Equity-accounted investee	Trading agreement
ITG S.à r.l.	Equity-accounted investee	Multimodal logistics, warehousing and storage
Porto Sudeste do Brasil S.A.	Equity-accounted investee	Loans and cost recharges
Terrafame Oy	Associate	Financing and trading agreement
Trafigura Beheer B.V.	Parent company	Loans and cost recharges
Trafigura Control Holdings Pte. Ltd.	Parent company	Equity participation plan
Trafigura Liaoning Port International trading (Liaoning) Co. Ltd.	Equity-accounted investee	Trading agreement
Wolverine Fuels, LLC	Associate	Financing and trading agreement

35. Subsequent events

There are no significant subsequent events which require disclosure.

Designed and produced by
Anthesis Group
Geneva, Switzerland.

Photography by: Anthesis Group
(Geneva, CH) and JLA fotografia.

Trafigura Group Pte. Ltd.
10 Collyer Quay #29-01/05
Ocean Financial Centre
Singapore 049315

Tel : +(65) 6319 2960
Fax : +(65) 6734 9448

www.trafigura.com
TL/0479.1e
Last updated: June 2024

Trafigura