# Shell faces $2 billion write-down after refinery sale and plant suspension



Shell has announced it expects to incur a write-down of up to $2 billion following the sale of a refinery in Singapore and the suspension of a major biofuels plant in Rotterdam, Netherlands. The oil giant anticipates a financial impact ranging from $0.6 billion to $1 billion from halting construction at the Rotterdam site, initially approved in 2021 to produce 820,000 tonnes of biofuel annually.

In Singapore, Shell foresees an impairment of $0.6 billion to $0.8 billion after selling assets, including a refinery and an ethylene cracker on Pulau Bukom Island, to a joint venture between Glencore and Chandra Asri Capital. These actions reflect Shell's strategy to balance investor returns with environmental commitments amid market pressures.

Despite the setbacks, Shell predicts a slight increase in integrated gas production and upstream oil production for the second quarter. Earlier, the company reported a profit of £6.1 billion for the first quarter of 2024, buoyed by high Brent crude oil prices averaging $83 per barrel. Shell expects to finalize impairment figures at its second-quarter results on August 1.