

SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

**AUSTRALIAN SUBSIDIARY RECEIVES UNFAVOURABLE FEDERAL COURT DECISION
ON LONG-STANDING TAX DISPUTE**

Singapore Telecom Australia Investments Pty Ltd ("STAI"), the Australian subsidiary of Singapore Telecommunications Limited ("Singtel"), has received an unfavourable judgement from the Federal Court of Australia in respect of its action against the Commissioner of Taxation.

The court case relates to the acquisition financing of Singtel Optus Pty Limited in 2001. In 2016 and 2017, STAI received amended assessments from the Australian Taxation Office ("ATO"), comprising primary tax of A\$268 million, interest of A\$58 million¹ and penalties of A\$67 million. STAI's holding company, Singtel Australia Investment Ltd, would be entitled to a corresponding refund of withholding tax estimated at A\$89 million. Consequently, the net tax exposure and related interest and penalties amount to A\$304 million¹. The exposures were fully disclosed as contingent liabilities in Singtel's audited financial statements in prior periods. After seeking to settle this matter with the ATO in good faith and failing to reach an agreement as to the application of the law, STAI sought clarity from the court process.

The Singtel Group is committed to complying with tax obligations in markets where it has operations. STAI, as the head tax entity of the Optus group, continues to be a significant taxpayer in Australia. The Singtel Group will consider the details of the judgment, explore available options and determine next steps. If the above tax exposures are assessed to be probable, provisions shall be made in the accounts.

Singtel will ensure material updates, including potential impact to financial statements and the Group's financial position, are provided to investors on a timely basis.

Issued by Singapore Telecommunications Limited on 19 December 2021.

¹ Does not include any additional interest charges on the primary tax from the date the amended assessments were issued as they currently cannot be reliably ascertained.