



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2022**

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CONSOLIDATED INCOME STATEMENT*For the half year ended 30 September 2022*

Group (Unaudited)	Notes	Half Year 30 Sep	
		2022 S\$ Mil	2021 S\$ Mil
Operating revenue		7,258.9	7,652.5
Operating expenses	2	(5,455.8)	(5,810.2)
Other income	3	74.4	86.2
		1,877.5	1,928.5
Depreciation and amortisation	4	(1,298.5)	(1,356.1)
		579.0	572.4
Exceptional items	5	84.8	(59.1)
Profit on operating activities		663.8	513.3
Share of results of associates and joint ventures	6	955.0	770.3
Net profit before interest, investment income (net) and tax		1,618.8	1,283.6
Interest and investment income (net)	7	10.5	67.1
Finance costs	8	(206.7)	(201.8)
Net profit before tax		1,422.6	1,148.9
Tax expense	9	(248.1)	(189.4)
Net profit after tax		1,174.5	959.5
Attributable to:			
Shareholders of the Company		1,169.7	954.0
Non-controlling interests		4.8	5.5
		1,174.5	959.5
Earnings per share attributable to shareholders of the Company			
- basic	10	7.09¢	5.78¢
- diluted	10	7.04¢	5.76¢

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the half year ended 30 September 2022*

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Net profit after tax	1,174.5	959.5
Other comprehensive (loss)/ income		
Items that may be reclassified subsequently to income statement:		
Exchange differences arising from translation of foreign operations and other currency translation differences	(993.4)	(512.3)
Reclassification of translation loss to income statement on disposal of subsidiary held for sale	34.6	-
Reclassification of translation loss to income statement on dilution of interest in associate and joint ventures	161.0	-
Cash flow hedges		
- Fair value changes	238.9	169.6
- Tax effects	(29.7)	(19.9)
	209.2	149.7
- Fair value changes transferred to income statement	(256.7)	(94.1)
- Tax effects	3.3	12.7
	(253.4)	(81.4)
	(44.2)	68.3
Share of other comprehensive gain/ (loss) of associates and joint ventures	17.8	(29.5)
Reclassification of share of other comprehensive gain of associate and joint ventures to income statement on dilution of interest in associate and joint ventures	(89.1)	-
Items that will not be reclassified subsequently to income statement:		
Fair value changes on Fair Value through Other Comprehensive Income ("FVOCI") investments	(51.6)	100.7
Other comprehensive loss, net of tax	(964.9)	(372.8)
Total comprehensive income	209.6	586.7
Attributable to:		
Shareholders of the Company	205.3	581.2
Non-controlling interests	4.3	5.5
	209.6	586.7

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION*As at 30 September 2022*

	Notes	Group		Company	
		As at 30 Sep 22 S\$ Mil (Unaudited)	As at 31 Mar 22 S\$ Mil (Audited)	As at 30 Sep 22 S\$ Mil (Unaudited)	As at 31 Mar 22 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		3,524.4	2,130.1	100.7	62.4
Trade and other receivables		4,914.1	5,245.2	369.4	362.7
Due from subsidiaries		-	-	3,168.7	2,166.7
Inventories		363.7	269.7	45.7	41.5
Derivative financial instruments		61.7	35.6	5.3	3.5
Subsidiary held for sale	11	-	449.8	-	-
		8,863.9	8,130.4	3,689.8	2,636.8
Non-current assets					
Property, plant and equipment		10,238.1	10,892.4	1,737.8	1,745.1
Right-Of-Use assets		3,200.1	3,358.0	481.5	507.3
Intangible assets		11,275.6	11,977.2	-	-
Subsidiaries		-	-	19,346.4	19,631.3
Joint ventures		9,295.8	10,907.8	11.5	22.8
Associates		2,493.0	2,131.7	24.7	24.7
Fair value through other comprehensive income ("FVOCI") investments		802.5	807.9	-	5.1
Derivative financial instruments		290.5	81.6	40.8	0.2
Deferred tax assets		315.6	309.4	-	-
Other assets		619.0	534.6	90.7	93.3
		38,530.2	41,000.6	21,733.4	22,029.8
Total assets		47,394.1	49,131.0	25,423.2	24,666.6
Current liabilities					
Trade and other payables		5,085.7	5,595.8	716.7	963.5
Due to subsidiaries		-	-	2,012.4	1,318.7
Advance billings		783.4	805.7	79.0	84.0
Current tax liabilities		814.2	768.9	87.3	96.2
Borrowings (unsecured)	13	741.0	1,071.8	-	-
Borrowings (secured)	13	517.2	542.4	57.5	55.8
Derivative financial instruments		31.1	16.5	5.7	1.9
Net deferred gain		20.8	20.8	-	-
Subsidiary held for sale	11	-	233.2	-	-
		7,993.4	9,055.1	2,958.6	2,520.1

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STATEMENTS OF FINANCIAL POSITION*As at 30 September 2022*

	Notes	Group		Company	
		As at 30 Sep 22 S\$ Mil (Unaudited)	As at 31 Mar 22 S\$ Mil (Audited)	As at 30 Sep 22 S\$ Mil (Unaudited)	As at 31 Mar 22 S\$ Mil (Audited)
Non-current liabilities					
Advance billings		264.6	113.6	80.4	70.2
Borrowings (unsecured)	13	6,992.9	7,204.3	711.6	757.6
Borrowings (secured)	13	2,937.9	3,050.1	396.2	426.0
Derivative financial instruments		518.4	434.4	151.2	102.6
Net deferred gain		365.9	357.3	-	-
Deferred tax liabilities		534.4	498.8	248.0	236.7
Other non-current liabilities		277.9	308.1	37.1	34.5
		11,892.0	11,966.6	1,624.5	1,627.6
Total liabilities		19,885.4	21,021.7	4,583.1	4,147.7
Net assets		27,508.7	28,109.3	20,840.1	20,518.9
Share capital and reserves					
Share capital	16	4,573.1	4,573.1	4,573.1	4,573.1
Reserves		21,919.0	22,538.5	16,267.0	15,945.8
Equity attributable to shareholders of the Company		26,492.1	27,111.6	20,840.1	20,518.9
Perpetual securities		1,012.7	1,012.6	-	-
		27,504.8	28,124.2	20,840.1	20,518.9
Non-controlling interests		19.7	16.6	-	-
Other reserve		(15.8)	(31.5)	-	-
Total equity		27,508.7	28,109.3	20,840.1	20,518.9

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 September 2022

Group - 2022 (Unaudited)	Attributable to shareholders of the Company														Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil	Perpetual Securities S\$ Mil	Total S\$ Mil	Non- controlling Interests S\$ Mil	Other Reserve ⁽⁴⁾ S\$ Mil		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil									
Balance as at 1 April 2022	4,573.1	(25.5)	(22.3)	(2,150.9)	(58.6)	159.6	25,075.5	(439.3)	27,111.6	1,012.6	28,124.2	16.6	(31.5)	28,109.3	
Changes in equity for the year															
Distribution paid on perpetual securities	-	-	-	-	-	-	2.8	-	2.8	(16.4)	(13.6)	-	-	(13.6)	
Accrued perpetual securities distribution	-	-	-	-	-	-	(16.5)	-	(16.5)	16.5	-	-	-	-	
Performance shares purchased by the Company	-	(15.3)	-	-	-	-	-	-	(15.3)	-	(15.3)	-	-	(15.3)	
Performance shares purchased by the Company on behalf of subsidiaries	-	(3.9)	-	-	-	-	-	-	(3.9)	-	(3.9)	-	-	(3.9)	
Performance shares purchased by Trust ⁽⁵⁾	-	(0.6)	-	-	-	-	-	-	(0.6)	-	(0.6)	-	-	(0.6)	
Performance shares vested	-	22.8	(22.8)	-	-	-	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	14.8	-	-	-	-	-	14.8	-	14.8	-	-	14.8	
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)	-	-	(0.2)	
Performance shares purchased by Singtel Optus Pty Limited ("Optus") and vested	-	-	(7.0)	-	-	-	-	-	(7.0)	-	(7.0)	-	-	(7.0)	
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(83.6)	83.6	-	-	-	-	-	-	
Final dividend paid	-	-	-	-	-	-	(792.5)	-	(792.5)	-	(792.5)	-	-	(792.5)	
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(6.4)	(6.4)	-	(6.4)	(1.2)	15.7	8.1	
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(11.5)	11.5	-	-	-	-	-	-	-	
Reclassification from Capital Reserve to Retained Earnings	-	-	(35.5)	-	-	-	35.5	-	-	-	-	-	-	-	
	-	3.0	(50.7)	-	-	(11.5)	(842.8)	77.2	(824.8)	0.1	(824.7)	(1.2)	15.7	(810.2)	
Total comprehensive (loss)/ income for the period	-	-	-	(797.3)	(44.2)	(51.6)	1,169.7	(71.3)	205.3	-	205.3	4.3	-	209.6	
Balance as at 30 September 2022	4,573.1	(22.5)	(73.0)	(2,948.2)	(102.8)	96.5	25,402.4	(433.4)	26,492.1	1,012.7	27,504.8	19.7	(15.8)	27,508.7	

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STATEMENTS OF CHANGES IN EQUITY*For the half year ended 30 September 2021*

Group - 2021 (Unaudited)	Attributable to shareholders of the Company											Non- controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil	Perpetual Securities S\$ Mil	Total S\$ Mil		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil							
Balance as at 1 April 2021	4,573.5	(22.5)	(52.0)	(1,688.6)	(79.9)	(75.8)	24,252.0	(420.9)	26,485.8	-	26,485.8	25.6	26,511.4
Changes in equity for the period													
Issuance of perpetual securities (net of issuance costs)	-	-	-	-	-	-	-	-	-	997.4	997.4	-	997.4
Accrued perpetual securities distribution	-	-	-	-	-	-	(15.4)	-	(15.4)	15.4	-	-	-
Performance shares purchased by the Company	-	(6.7)	-	-	-	-	-	-	(6.7)	-	(6.7)	-	(6.7)
Performance shares purchased by the Company on behalf of subsidiaries	-	(1.0)	-	-	-	-	-	-	(1.0)	-	(1.0)	-	(1.0)
Performance shares purchased by Trust ⁽⁵⁾	-	(2.1)	-	-	-	-	-	-	(2.1)	-	(2.1)	-	(2.1)
Performance shares vested	-	16.4	(16.4)	-	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	19.1	-	-	-	-	-	19.1	-	19.1	-	19.1
Transfer of liability to equity	-	-	5.1	-	-	-	-	-	5.1	-	5.1	-	5.1
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)	-	(0.3)
Performance shares purchased by Optus and vested	-	-	(3.2)	-	-	-	-	-	(3.2)	-	(3.2)	-	(3.2)
Final dividend paid	-	-	-	-	-	-	(396.2)	-	(396.2)	-	(396.2)	-	(396.2)
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(8.1)	8.1	-	-	-	-	-	-
Others	(0.4)	-	-	-	-	-	-	-	(0.4)	-	(0.4)	-	(0.4)
	(0.4)	6.6	4.3	-	-	(8.1)	(403.5)	-	(401.1)	1,012.8	611.7	-	611.7
Total comprehensive (loss)/ income for the period	-	-	-	(512.3)	68.3	100.7	954.0	(29.5)	581.2	-	581.2	5.5	586.7
Balance as at 30 September 2021	4,573.1	(15.9)	(47.7)	(2,200.9)	(11.6)	16.8	24,802.5	(450.4)	26,665.9	1,012.8	27,678.7	31.1	27,709.8

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY*For the half year ended 30 September 2022*

Company - 2022 (Unaudited)	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2022	4,573.1	(16.9)	86.9	19.5	1.8	15,854.5	20,518.9
Changes in equity for the year							
Performance shares purchased by the Company	-	(15.3)	-	-	-	-	(15.3)
Performance shares vested	-	12.4	(12.4)	-	-	-	-
Equity-settled share based payment	-	-	11.7	-	-	-	11.7
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	(0.2)
Final dividend paid	-	-	-	-	-	(792.5)	(792.5)
	-	(2.9)	(0.9)	-	-	(792.5)	(796.3)
Total comprehensive income/ (loss) for the period	-	-	-	37.7	(1.8)	1,081.6	1,117.5
Balance as at 30 September 2022	4,573.1	(19.8)	86.0	57.2	-	16,143.6	20,840.1

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STATEMENTS OF CHANGES IN EQUITY*For the half year ended 30 September 2022*

Company - 2021 (Unaudited)	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2021	4,573.5	(1.6)	56.4	1.1	-	15,659.5	20,288.9
Changes in equity for the period							
Performance shares purchased by Company	-	(6.7)	-	-	-	-	(6.7)
Performance shares vested	-	1.1	(1.1)	-	-	-	-
Equity-settled share based payment	-	-	8.2	-	-	-	8.2
Transfer of liability to equity	-	-	5.1	-	-	-	5.1
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	-	(1.1)	-	-	-	(1.1)
Final dividend paid	-	-	-	-	-	(396.3)	(396.3)
Others	(0.4)	-	-	-	-	-	(0.4)
	(0.4)	(5.6)	10.8	-	-	(396.3)	(391.5)
Total comprehensive income for the period	-	-	-	13.6	1.0	449.7	464.3
Balance as at 30 September 2021	4,573.1	(7.2)	67.2	14.7	1.0	15,712.9	20,361.7

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with SFRS(I) 1-32, *Financial Instruments: Presentation*.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.
- (4) This amount relates to a reserve for an obligation arising from a put option written with the non-controlling shareholder of a subsidiary.
- (5) DBS Trustee Limited is the trustee of a trust established to administer the performance share plans.

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS*For the half year ended 30 September 2022*

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Cash Flows from Operating Activities		
Net profit before tax	1,422.6	1,148.9
Adjustments for		
Depreciation and amortisation	1,298.5	1,356.1
Exceptional items	(92.2)	16.2
Interest and investment income (net)	(10.5)	(67.1)
Finance costs	206.7	201.8
Share of results of associates and joint ventures (post-tax)	(955.0)	(770.3)
Other non-cash items	15.3	19.2
	462.8	755.9
Operating cash flow before working capital changes	1,885.4	1,904.8
Changes in operating assets and liabilities		
Trade and other receivables	55.4	(14.3)
Trade and other payables	(122.1)	(34.9)
Inventories	(107.5)	(22.9)
Cash generated from operations	1,711.2	1,832.7
Payment to employees in cash under performance share plans	(0.2)	(0.3)
Dividends received from associates and joint ventures	1,157.8	1,300.2
Income tax and withholding tax paid	(208.9)	(258.2)
Net cash from operating activities	2,659.9	2,874.4
Cash Flows from Investing Activities		
Investment income received from FVOCI investments	6.2	7.2
Interest received	6.3	0.6
Investment in associates/ joint ventures (Note 1)	(473.6)	(58.0)
Payment/ Deferred payment for acquisition of subsidiary, net of cash acquired (Note 2)	(558.0)	-
Proceeds from disposal of subsidiaries, net of cash disposed (Note 3)	262.1	-
Payment for acquisition of non-controlling interests	(5.8)	-
Loan to associate companies	(95.8)	-
Proceeds from disposal of joint ventures (Note 4)	2,532.9	-
Investment in FVOCI investments (Note 5)	(60.2)	(5.8)
Proceeds from sale of FVOCI investments	16.4	22.7
Payment for purchase of property, plant and equipment	(1,064.6)	(1,103.0)
Proceeds from sale of property, plant and equipment	1.9	4.3
Purchase of intangible assets	(87.1)	(113.1)
Withholding tax paid on intra-group interest income	(5.3)	(5.4)
Others	(1.3)	(8.9)
Net cash from/ (used in) investing activities	474.1	(1,259.4)

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS*For the half year ended 30 September 2022*

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Cash Flows from Financing Activities		
Proceeds from term loans	235.0	2,756.8
Repayment of term loans	(236.8)	(3,622.5)
Proceeds from bond issue	267.3	-
Repayment of bonds	(775.6)	(957.6)
Proceeds from other borrowings	15.0	1.0
Repayment of other borrowings	(7.5)	(3.0)
Lease payments	(211.7)	(211.9)
Net repayment of borrowings	(714.3)	(2,037.2)
Settlement of swap for bonds repaid	-	43.5
Distribution paid on perpetual securities	(16.4)	-
Proceeds from issuance of perpetual securities (net of issuance costs)	-	997.4
Net interest paid on borrowings and swaps	(198.2)	(196.9)
Final dividend paid to shareholders of the Company	(792.5)	(396.2)
Purchase of performance shares	(26.8)	(13.0)
Others	(10.5)	(0.4)
Net cash used in financing activities	(1,758.7)	(1,602.8)
Net change in cash and cash equivalents	1,375.3	12.2
Exchange effects on cash and cash equivalents	(24.7)	0.2
Cash and cash equivalents at beginning of period	2,148.7	740.5
Cash and cash equivalents at end of period (Note 6)	3,499.3	752.9

Note (1): Investment in associates/ joint ventures

- (a) In the current financial period, the Group has completed the subscription of 90 million new ordinary shares of its associate, Australia Tower Network Pty Limited (“**ATN**”), for S\$120 million.
- (b) In the current financial period, the Group has completed the acquisition of 3.8% shares of Intouch Holdings Public Company Limited (“**Intouch**”) for S\$330 million.

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

SELECTED NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the half year ended 30 September 2022***Note (2): Payment for acquisition of subsidiaries**

- (a) In April 2022, the Group completed the acquisition of 100% stake in Dialog Pty Ltd (“**Dialog**”) for a total consideration of S\$313 million.

The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

Group (Unaudited)	30 Sep 2022 S\$ Mil
Identifiable intangible assets (provisional)	57.4
Other non-current assets	18.4
Cash and cash equivalents	7.6
Current assets (excluding cash and cash equivalents)	29.3
Total liabilities	(69.4)
Net assets acquired	43.3
Goodwill (provisional)	269.7
Total consideration	313.0
Less: Consideration unpaid as at 30 September 2022	(10.1)
Less: Cash and cash equivalents acquired	(7.6)
Net outflow of cash	295.3

- (b) In May 2022, the Group completed the acquisition of 100% stake in Row TopCo Pty Ltd for a total consideration of S\$266 million.

The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

Group (Unaudited)	30 Sep 2022 S\$ Mil
Identifiable intangible assets (provisional)	68.4
Other non-current assets	3.9
Cash and cash equivalents	2.9
Current assets (excluding cash and cash equivalents)	29.2
Total liabilities	(51.1)
Net assets acquired	53.3
Goodwill (provisional)	212.6
Total consideration	265.9
Less: Cash and cash equivalents acquired	(2.9)
Net outflow of cash	263.0

Note (3): Proceeds from disposal of subsidiaries

In the current financial period, the Group has completed the sale of 100% equity interest in Amobee Asia Pte. Ltd., Amobee, Inc. and Amobee ANZ Pty Ltd (collectively “**Amobee**”). The total proceeds from the sale, net of cash disposed, was S\$262 million.

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

SELECTED NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the half year ended 30 September 2022***Note (4): Proceeds from disposal of joint ventures**

In the current financial period, the Group sold 3.3% of its direct stake in Bharti Airtel Limited (“**Airtel**”) to Bharti Telecom Limited (“**BTL**”) (3.2%) and third parties (0.1%) for a net consideration of S\$2.53 billion. Following the divestments, the Group’s effective economic interest in Airtel reduced from 31.3% to 29.5%.

Note (5): Investment in FVOCI investments

The Group’s investment in FVOCI investments included acquisition of an additional 6.1% stake in an Indonesian Bank, PT Bank Fama International of S\$52 million in the current financial period.

Note (6): For the purposes of the consolidated cash flow statement, cash and cash equivalents comprised:

Group (Unaudited)	As at 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Fixed deposits	1,337.0	117.8
Cash and bank balances	2,187.4	649.7
Cash and cash equivalents in the Consolidated Statement of Financial position	3,524.4	767.5
<i>Less: Restricted cash</i>	(25.1)	(14.6)
Cash and cash equivalents in the Consolidated Statement of Cash Flows	3,499.3	752.9

Cash and cash equivalents in the Consolidated Statement of Financial Position included restricted cash relating to the provision of mobile money remittance and payment services in Singapore.

The accompanying notes on pages 13 to 34 form an integral part of these financial statements.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***1. BASIS OF PREPARATION**

The Group prepares its condensed consolidated interim financial statements in accordance with Singapore Financial Reporting Standard (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the most recent audited financial statements for the year ended 31 March 2022.

The same accounting policies and methods of computation have been applied in the preparation of the financial statements for the current period as the most recent audited financial statements for the year ended, and as at, 31 March 2022, except for the mandatory adoption of new standards effective as of 1 April 2022. The adoption of the new standards has no significant impact on the condensed consolidated interim financial statements.

2. OPERATING EXPENSES

The income statement included the following items -

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Impairment of trade receivables	53.1	68.2
Allowance for/ (Write-back of) inventory obsolescence (net)	0.6	(0.4)

3. OTHER INCOME

Other income included the following items -

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Rental income	1.9	1.5
Net exchange losses	(4.8)	(1.1)
Net losses on disposal of property, plant and equipment	(0.8)	(1.5)

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

4. DEPRECIATION AND AMORTISATION

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Depreciation of property, plant and equipment	924.8	975.1
Depreciation of right-of-use assets	215.5	214.4
Amortisation of intangibles	158.2	166.6
	1,298.5	1,356.1

5. EXCEPTIONAL ITEMS

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Exceptional gains		
Gain on partial disposal of direct stake in Airtel	1,013.5	-
Gain on dilution of interest in associate and joint ventures	306.7	1.3
	1,320.2	1.3
Exceptional losses		
Impairment of goodwill of Optus (see Note 5.1) ⁽¹⁾	(1,003.7)	-
Provision for costs related to cyber attacks	(142.0)	-
Release of goodwill in joint ventures	(40.9)	(17.5)
Loss on disposal of Amobee ⁽²⁾	(30.8)	-
Staff restructuring costs	(7.4)	(24.9)
Stamp duty and other fees relating to restructuring of tower infrastructure assets in Australia	-	(17.1)
Impairment of associates	(5.9)	-
Others	(4.7)	(0.9)
	(1,235.4)	(60.4)
	84.8	(59.1)

Notes:

(1) Cash flow model based on pre-tax discount rate of 9.46% (31 March 2022: 8.0%) and terminal growth rate of 2.75% (31 March 2022: 2.75%).

(2) Mainly relates to the release of cumulative translation loss of Amobee.

5.1 Impairment of goodwill of Singtel Optus Pty Limited ("Optus")

Singtel has undertaken a review of Optus' carrying value and assessed that the recoverable value of the goodwill of Optus was below its carrying value as at 30 September 2022, on account of higher weighted average cost of capital (WACC) mainly due to a succession of steep interest rate hikes, as well as a weaker Australian Dollar against the Singapore Dollar. The estimates for future cashflows have also been revised to reflect a weaker consumer and business outlook due to slower economic growth. Consequently, the Group has recognised a non-cash impairment charge of S\$1.0 billion for the goodwill of Optus as at 30 September 2022 (31 March 2022: Nil).

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the half year ended 30 September 2022

6. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Share of ordinary results	1,156.7	1,046.5
Share of tax of ordinary results	(344.5)	(295.6)
Share of exceptional items (post-tax) ⁽¹⁾	142.8	19.4
	955.0	770.3

Note:

(1) Comprised share of exceptional items from Airtel, Telkomsel and Globe.

- (a) Airtel's exceptional items in the current half year included a fair value gain on revaluation of its foreign currency convertible bonds and deferred tax credit in Africa. Airtel's exceptional items in the last corresponding half year included mainly fair value loss on revaluation of its foreign currency convertible bonds partly offset by a gain on sale of its 800 MHz spectrum.
- (b) Telkomsel's exceptional items for both periods included gains from the sale of telecommunication towers.
- (c) Globe's exceptional items in the current financial period included gains from the sale of telecommunication towers (H1 FY 2022: Nil).

7. INTEREST AND INVESTMENT INCOME (NET)

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Interest income from		
- bank deposits	7.8	0.4
- others	2.1	0.7
	9.9	1.1
Gross dividends and other investment (loss)/ income	(8.4)	61.4
Fair value gains/ (losses) on fair value hedges		
- hedged items	96.1	(15.5)
- hedging instruments	(94.8)	14.2
	1.3	(1.3)
Fair value (losses)/ gains on cash flow hedges		
- hedged items	(256.7)	(94.1)
- hedging instruments	256.7	94.1
	-	-
Other fair value (losses)/ gains	(3.2)	6.5
Other foreign exchange gains/ (losses)	10.9	(0.6)
	10.5	67.1

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the half year ended 30 September 2022

8. FINANCE COSTS

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Interest expense on		
- bonds	130.0	139.7
- bank loans	4.0	6.1
- lease liabilities	69.8	61.2
	203.8	207.0
Less: Amounts capitalised	(1.6)	(0.4)
	202.2	206.6
Financing related costs	15.1	8.8
Effects of hedging using interest rate swaps	(10.6)	(13.6)
	206.7	201.8

9. TAX EXPENSE

Group (Unaudited)	Half Year 30 Sep	
	2022 S\$ Mil	2021 S\$ Mil
Current and deferred tax expense attributable to current period's profits	153.2	72.6
Current and deferred tax adjustments in respect of prior years	(3.4)	0.6
Withholding taxes on dividend income from associates and joint ventures	98.3	116.2
	248.1	189.4

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group (Unaudited)	Half Year 30 Sep	
	2022 '000	2021 '000
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	16,507,152	16,508,919
Adjustment for dilutive effect of performance share plans	53,520	42,394
Weighted average number of ordinary shares for calculation of diluted earnings per share	16,560,672	16,551,313

The weighted average number of ordinary shares in issue had been adjusted to exclude the number of performance shares held by the Trust and the Company.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

11. SUBSIDIARY HELD FOR SALE

(Unaudited)	Group
	30 Sep 22
	S\$ Mil
Assets held for sale	517.7
Liabilities held for sale	<u>(234.9)</u>
Carrying amount of net assets disposed	282.8
Sale consideration, net of disposed costs	286.6
Carrying amount of net assets disposed	(282.8)
Realisation of foreign currency translation reserve	<u>(34.6)</u>
Loss on disposal of Amobee	(30.8)
Sale consideration, net of disposed costs	286.6
Add: Net deferred costs as at 30 September 2022	8.7
Less: Cash and cash equivalents of subsidiary disposed	<u>(33.2)</u>
Net cash inflow on disposal of subsidiary	262.1

As at 31 March 2022, the assets and liabilities directly associated with subsidiary held for sale were in relation to planned divestment in Amobee. Amobee was disposed in the current financial period.

12. FAIR VALUE MEASUREMENTS

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels -

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- (b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and
- (c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

12. FAIR VALUE MEASUREMENTS (Continued)

The following table presents the assets and liabilities measured at fair value as at 30 September 2022:

Group - 30 Sep 22 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	318.6	-	-	318.6
- Unquoted investments	-	-	483.9	483.9
	318.6	-	483.9	802.5
Derivative financial instruments	-	352.2	-	352.2
	318.6	352.2	483.9	1,154.7
Financial liabilities				
Derivative financial instruments	-	549.5	-	549.5

Group - 31 Mar 22 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	384.7	-	-	384.7
- Unquoted investments	-	-	423.2	423.2
	384.7	-	423.2	807.9
Subsidiary held for sale	-	449.8	-	449.8
Derivative financial instruments	-	117.2	-	117.2
	384.7	567.0	423.2	1,374.9
Financial liabilities				
Subsidiary held for sale	-	233.2	-	233.2
Derivative financial instruments	-	450.9	-	450.9
	-	684.1	-	684.1

Company - 30 Sep 22 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
Derivative financial instruments	-	46.1	-	46.1
	-	46.1	-	46.1
Financial liabilities				
Derivative financial instruments	-	156.9	-	156.9

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the half year ended 30 September 2022

12. FAIR VALUE MEASUREMENTS (Continued)

Company - 31 Mar 22 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	5.1	-	-	5.1
Derivative financial instruments	-	3.7	-	3.7
	<u>5.1</u>	<u>3.7</u>	<u>-</u>	<u>8.8</u>
Financial liabilities				
Derivative financial instruments	-	104.5	-	104.5

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 30 September 2022:

30 Sep 22 (Unaudited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
Financial liabilities					
Group					
Bonds	<u>7,686.7</u>	<u>5,258.5</u>	<u>1,869.1</u>	<u>-</u>	<u>7,127.6</u>
Company					
Bonds	<u>711.6</u>	<u>850.1</u>	<u>-</u>	<u>-</u>	<u>850.1</u>

31 Mar 22 (Audited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
Financial liabilities					
Group					
Bonds	<u>8,245.3</u>	<u>5,559.4</u>	<u>2,599.7</u>	<u>-</u>	<u>8,159.1</u>
Company					
Bonds	<u>757.6</u>	<u>911.0</u>	<u>-</u>	<u>-</u>	<u>911.0</u>

Except as disclosed in the above tables, the carrying values of other financial assets and financial liabilities approximate their fair values.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

12. FAIR VALUE MEASUREMENTS (Continued)

Quoted and unquoted investments

The fair values of investments traded in active markets included within Level 1 were based on the market quoted price or the price quoted by the market maker at the close of business at the end of the reporting period.

The fair values of the unquoted FVOCI investments included within Level 3 were estimated primarily using recent arm's length transactions.

Derivatives

Derivatives comprise cross currency swaps, interest rate swaps, forward foreign exchange contracts and other derivatives which are included within Level 2.

The fair value of a cross currency or an interest rate swap is the estimated amount that the swap contract can be exchanged for or settled with under normal market conditions. This fair value can be estimated using the discounted cash flow method where the future cash flows of the swap contract are discounted at the prevailing market foreign exchange rates and interest rates. Market interest rates are actively quoted interest rates or interest rates computed by applying techniques to these actively quoted interest rates.

The fair value of forward foreign exchange contracts is determined using forward exchange market rates for contracts with similar maturity profiles at the end of the reporting period.

The following table presents the reconciliation for the unquoted FVOCI investments measured at fair value based on unobservable inputs (**Level 3**) -

(Unaudited)	Group	
	30 Sep 22 S\$ Mil	30 Sep 21 S\$ Mil
FVOCI investments - unquoted		
Balance as at 1 April	423.2	341.6
Total gains included in 'Fair Value Reserve'	17.5	26.0
Additions	60.2	5.8
Disposals	(17.9)	(24.8)
Translation differences	0.9	6.9
Balance as at 30 September	483.9	355.5

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the half year ended 30 September 2022

13. GROUP'S BORROWINGS AND DEBT SECURITIES

	Group		Company	
	30 Sep 22 S\$ Mil (Unaudited)	31 Mar 22 S\$ Mil (Audited)	30 Sep 22 S\$ Mil (Unaudited)	31 Mar 22 S\$ Mil (Audited)
Unsecured borrowings				
Repayable within one year	741.0	1,071.8	-	-
Repayable after one year	6,992.9	7,204.3	711.6	757.6
	7,733.9	8,276.1	711.6	757.6
Secured borrowings				
Repayable within one year	517.2	542.4	57.5	55.8
Repayable after one year	2,937.9	3,050.1	396.2	426.0
	3,455.1	3,592.5	453.7	481.8
	11,189.0	11,868.6	1,165.3	1,239.4

Unsecured borrowings of the Group comprise mainly bonds and bank loans. The unsecured borrowings of the Company comprise bonds.

Secured borrowings of the Group and the Company comprise lease liabilities secured over right-of-use assets.

14. PROPERTY, PLANT AND EQUIPMENT

(Unaudited)	Group	
	30 Sep 22 S\$ Mil	30 Sep 21 S\$ Mil
Acquisition of property, plant and equipment	831.5	679.3
Carrying amount of property, plant and equipment disposed	2.7	24.2

15. SIGNIFICANT INVESTMENT COMMITMENTS

- (a) GXS Bank Pte. Ltd. ("**GXS**"), an associate which the Group has an equity interest of 40%, holds a digital bank licence in Singapore and is required to have a minimum paid up capital of S\$1.5 billion when it achieves full bank status within four to six years after its expected launch in 2022. Singtel's share of this capital is S\$600 million, of which S\$29 million has been contributed by 30 September 2022.
- (b) In October 2021, the Group subscribed to Airtel's rights issue for approximately S\$552 million. This represents the Group's full rights entitlement for its direct stake of 14% and additional rights share beyond entitlement. An amount of S\$138 million has been paid in October 2021 while the remaining will be paid over a period of up to three years.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

16. SHARE CAPITAL AND OTHER EQUITY INFORMATION

Share Capital

Group and Company (Unaudited)	Half Year			
	30 Sep 2022		30 Sep 2021	
	Number of shares Mil	Share capital S\$ Mil	Number of shares Mil	Share capital S\$ Mil
Balance as at 1 April	16,514.6	4,573.1	16,514.6	4,573.5
Others ⁽¹⁾	-	-	-	(0.4)
Balance as at 30 September	<u>16,514.6</u>	<u>4,573.1</u>	<u>16,514.6</u>	<u>4,573.1</u>

As at 30 September 2022, the issued and paid up capital excluding treasury shares comprised 16,507.3 million (30 September 2021: 16,509.4 million) ordinary shares.

Note:

(1) Others pertained to transaction costs from the issuance of shares under the Singtel Scrip Dividend Scheme.

Treasury Shares

Group (Unaudited)	Half Year	
	30 Sep 2022	30 Sep 2021
	Number of shares Mil	Number of shares Mil
Balance at beginning of period	8.9	7.2
Shares transferred to employees under the Singtel Performance Share Plan 2012	(9.0)	(6.0)
Purchase of treasury shares	7.4	4.1
Balance at end of period	<u>7.3</u>	<u>5.2</u>

As at 30 September 2022, the number of treasury shares represented 0.04% (30 September 2021: 0.03%) of the total number of issued shares.

During the half year ended 30 September 2022, 9.0 million (30 September 2021: 6.0 million) of treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 7.4 million (30 September 2021: 4.1 million) of treasury shares were purchased.

Except for the transfers, there was no other sale, disposal, cancellation and/or other use of treasury shares for the half year ended 30 September 2022.

The Company's subsidiaries do not hold shares in the Company as at 30 September 2022 and 30 September 2021.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***16. SHARE CAPITAL AND OTHER EQUITY INFORMATION (Continued)****Perpetual Securities**

On 14 April 2021, the Group issued fixed rate subordinated perpetual securities (the “**perpetual securities**”) with an aggregate principal amount S\$1.0 billion. Incremental costs directly attributable to the issuance of perpetual securities of S\$2.6 million were incurred and recognised in equity as a deduction from the proceeds.

The perpetual securities do not have a maturity date and the Group may elect to defer making a distribution, subject to the terms and conditions of the securities issue. Accordingly, the Group is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual securities issue and the perpetual securities are classified and presented as equity. Distributions are treated as dividends which will be directly debited from equity.

Such perpetual securities bear distribution at a rate of 3.3% per annum, payable semi-annually. Subject to relevant terms and conditions in the offering memorandum, the Group may elect to defer making distributions on the perpetual securities, and is not subject to any limit as to the number of times a distribution can be deferred.

As a result, the Group is considered to have no contractual obligations to repay its principal or to pay any distributions and the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

During the half year ended 30 September 2022, S\$16.5 million was accrued as distribution for the perpetual securities. This distribution was paid out on 14 October 2022.

Performance Shares

As at 30 September 2022, the number of outstanding performance shares granted under the Singtel Performance Share Plan 2012 was 58,163,819 (30 September 2021: 57,220,522).

17. DIVIDENDS

On 9 November 2022, the Directors approved an interim one-tier exempt ordinary dividend of 4.6 cents (FY2022: 4.5 cents) per share and a special one-tier exempt dividend of 5.0 cents (FY2022: Nil) per share, in respect of the current financial year ending 31 March 2023. The special dividend will be paid in two tranches of 2.5 cents each, along with the interim and final ordinary dividends.

The interim ordinary dividend and the special dividend (first tranche) will be paid on 9 December 2022.

The financial statements for the half year ended, and as at, 30 September 2022 have not reflected these dividends. The dividends will be accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the next period ending 31 March 2023.

The Transfer Book and the Register of Members of the Company will be closed on 22 November 2022 for the preparation of dividend warrants. Duly completed registrable transfers of the ordinary shares in the capital of the Company received by the Company's share registrar up to 5.00 pm on 21 November 2022 will be registered to determine members' entitlements to the interim ordinary dividend and special dividend (first tranche).

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

17. DIVIDENDS (Continued)

During the half year ended 30 September 2022, a final one-tier exempt ordinary dividend of 4.8 cents per share totalling S\$793 million was paid in respect of the previous financial year ended 31 March 2022.

18. NET ASSET VALUE

	Group		Company	
	As at 30 Sep 22 S\$ (Unaudited)	As at 31 Mar 22 S\$ (Audited)	As at 30 Sep 22 S\$ (Unaudited)	As at 31 Mar 22 S\$ (Audited)
Net asset value per ordinary share	1.67	1.70	1.26	1.24

As at the end of the reporting period, the number of ordinary shares of the Group used for the above calculation had been adjusted to exclude treasury shares.

19. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES

(a) Guarantees

As at 30 September 2022, the Group and Company provided the following:

- (i) bankers' and other guarantees, and insurance bonds of S\$477.0 million and S\$14.8 million (31 March 2022: S\$592.4 million and S\$40.4 million) respectively.
- (ii) guarantees to Monetary Authority of Singapore in relation to 40% of all liabilities incurred by GXS for deposits placed by customers (excluding other banks). This obligation only arises in the event GXS is wound up or otherwise dissolved without satisfying these liabilities in full.

As at 30 September 2022, the Company provided the following guarantees to Singtel Group Treasury Pte. Ltd. ("SGT"), a wholly-owned subsidiary, in respect of the following:

- (iii) notes issue of an aggregate equivalent amount of S\$4.69 billion (31 March 2022: S\$4.38 billion) due between March 2023 and April 2032.
 - (iv) subordinated perpetual securities issue of S\$1.0 billion (31 March 2022: S\$1.0 billion) due in April 2031.
- (b) In Australia, Singtel Optus Pty Limited ("**Optus**") and the Dialog group have reported cyber attacks which resulted in the disclosure of certain personal information. An amount of S\$142 million has been provided in the current period for a programme of customer actions, including an external independent review, third-party credit monitoring services for impacted customers and the replacement of customer identification documents where needed.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***19. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES (Continued)**

The Office of the Australian Information Commissioner, the Australian Communications and Media Authority and the Department of Home Affairs have commenced investigations into the Optus cyber attack. These regulatory investigations could give rise to regulatory actions, penalties, potential claims and/or litigation. At this stage, the Group is not able to estimate the financial effect, if any, of these investigations and matters, and is continuing to take legal advice on these matters.

- (c) The Group is contingently liable for claims arising in the ordinary course of business and from certain tax assessments which are being contested, the outcome of which are not presently determinable. The Group is vigorously defending all these claims.

20. CONTINGENT LIABILITIES OF ASSOCIATED AND JOINT VENTURE COMPANIES**(a) Bharti Airtel Limited (“Airtel”)**

Airtel, a joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, Department of Telecommunications (“DOT”) issued a demand on Airtel Group for Rs. 52.01 billion (S\$916 million) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S\$1.48 billion), excluding related interest. In the opinion of Airtel, the above demand amounts to alteration of the terms of the licences issued in the past. Airtel had filed a petition with the Hon’ble High Court of Bombay, which has directed DOT not to take any coercive action until the next date of hearing. The matter is currently pending with the Hon’ble High Court of Bombay.

On 4 July 2019, the Telecom Disputes Settlement and Appellate Tribunal (“TDSAT”) in a similar matter of another unrelated telecom service provider, passed an order providing partial relief and confirming the basis for the balance of the one time spectrum charge. The said telecom service provider filed an appeal in the Hon’ble Supreme Court of India which was dismissed on 16 March 2020. With the ruling, Airtel Group has assessed and provided Rs. 18.08 billion (S\$319 million) of the principal demand as well as the related interest. Notwithstanding this, Airtel Group intends to continue to pursue its legal remedies.

Other taxes, custom duties and demands under adjudication, appeal or disputes and related interest for some disputes as at 30 September 2022 amounted to approximately Rs. 149.5 billion (S\$2.63 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

(b) Advanced Info Service Public Company Limited (“AIS”)

AIS, a joint venture of the Group, has various commercial disputes and significant litigations which are pending adjudication.

National Telecom Public Company Limited (“NT”) has demanded that AIS pay the following:

- (i) additional charges for porting of subscribers from 900MHz to 2100MHz network of THB 41.1 billion (S\$1.56 billion) plus interest.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

20. CONTINGENT LIABILITIES OF ASSOCIATED AND JOINT VENTURE COMPANIES (Continued)

- (ii) additional revenue share of THB 62.8 billion (S\$2.38 billion) arising from what NT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. In January 2020, AIS received the award from the Arbitral Tribunal (“**AT**”) to pay THB 31.1 billion (S\$1.18 billion) and 1.25% interest per month after 30 November 2015. In April 2020, AIS filed a motion to the Central Administrative Court (“**CAC**”) to set aside the award which was followed by NT’s appeal to the CAC to increase the award to THB 62.8 billion (S\$2.38 billion). In July 2022, the CAC revoked the AT’s resolution and AIS is not required to pay the additional revenue share of THB 62.8 billion (S\$2.38 billion).
- (iii) additional revenue share from disputes on roaming rates from 2013 to 2015 of THB 16.3 billion (S\$616 million).

As at 30 September 2022, other claims against AIS and its subsidiaries which are pending adjudication amounted to THB 11.3 billion (S\$428 million).

The above claims have not included potential interest and penalty.

AIS believes that the above claims will be settled in favour of AIS and will have no material impact to its financial statements.

(c) Intouch Holdings Public Company Limited (“Intouch”)

In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited (“**Thaicom**”), received letters from the Ministry of Digital Economy and Society (the “**Ministry**”) stating that Thaicom 7 and Thaicom 8 satellites (the “**Satellites**”) are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry (“**Agreement**”) which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the Agreement but instead under the licence from the National Broadcasting and Telecommunications Commission (“**NBTC**”). In September 2022, the arbitrators ruled against the Ministry and stated that Intouch is not obligated to comply with the Ministry’s claim under this dispute. The Ministry has 90 days to appeal against the award.

In November 2020, Intouch and Thaicom received notices from the Ministry requesting for replacement of the de-orbited Thaicom 5 satellite, or compensation equivalent to the value of satellite at THB 7.8 billion (S\$296 million) plus fines and interest. This case is pending arbitration.

In June 2021, Thaicom received a letter from NBTC stating that Thaicom’s rights to use the orbital slots of Thaicom 7 and Thaicom 8 satellites were up to 10 September 2021 only. Thaicom filed a complaint to the Central Administrative Court (“**CAC**”) and the CAC has granted an injunction on 9 August 2021 protecting Thaicom’s rights to use these orbital slots until the CAC issues the order. In June 2022, the Supreme Administrative Court upheld the CAC’s decision.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***20. CONTINGENT LIABILITIES OF ASSOCIATED AND JOINT VENTURE COMPANIES (Continued)****(d) Globe Telecom, Inc. (“Globe”)**

Globe, a joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe’s management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on Globe’s financial position and results of operations.

In June 2016, the Philippine Competition Commission (“**PCC**”) claimed that the Joint Notice of Acquisition filed by Globe, PLDT Inc. (“**PLDT**”) and San Miguel Corporation (“**SMC**”) on the acquisition of SMC’s telecommunications business was deficient and cannot be claimed to be deemed approved. In July 2016, Globe filed a petition with the Court of Appeals of the Philippines (“**CA**”) to stop the PCC from reviewing the acquisition. In October 2017, the CA ruled in favour of Globe and PLDT, and declared the acquisition as valid and deemed approved. PCC subsequently elevated the case to the Supreme Court to review the CA’s rulings.

(e) PT Telekomunikasi Selular (“Telkomsel”)

As at 30 September 2022, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 491 billion (S\$46 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

21. GROUP SEGMENT INFORMATION

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

From 1 April 2022, the Group’s segment reporting has been changed to reflect the Group’s new organisation structure. The results for the comparative periods have been restated on the same basis.

Optus offers mobile, equipment sales, fixed voice and data, satellite, managed services, ICT, cloud computing and cybersecurity in Australia.

Singapore Consumer offers mobile, fixed broadband, voice, pay television, content and digital services, as well as equipment sales in Singapore.

Group Enterprise provides ICT, mobile, equipment sales, fixed voice and data, satellite, managed services, cloud computing and cyber security. Australia Enterprise, which was previously under Group Enterprise, is reported under Optus from 1 April 2022.

NCS offers ICT (including cybersecurity) and IT services, as well as professional consulting in Singapore, Australia and in the region.

Trustwave provides cybersecurity services in the U.S.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***21. GROUP SEGMENT INFORMATION (Continued)**

Corporate comprises the costs of Group functions not allocated to the business segments. It also includes the Group's regional investments in AIS and Intouch (which has an equity interest of 40.4% in AIS in Thailand), Airtel in India, Africa and Sri Lanka, Globe in the Philippines, and Telkomsel in Indonesia.

The segment results are before exceptional items, in line with the basis of information presented to management for internal management reporting purposes.

The costs of shared and common infrastructure are allocated to the business segments using established methodologies.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

21. GROUP SEGMENT INFORMATION (Continued)

Group - 30 Sep 22 (Unaudited)	Optus S\$ Mil	Singapore Consumer S\$ Mil	Group Enterprise S\$ Mil	NCS S\$ Mil	Trustwave S\$ Mil	Intercompany Eliminations S\$ Mil	Enterprise S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	3,842.9	873.6	1,264.0	1,282.9	85.1	(89.6)	2,542.4	-	7,258.9
Operating expenses	(2,872.1)	(553.0)	(727.3)	(1,171.0)	(143.2)	78.2	(1,963.3)	(67.4)	(5,455.8)
Other income/ (expense)	61.8	7.7	6.9	(2.3)	0.5	0.6	5.7	(0.8)	74.4
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	1,032.6	328.3	543.6	109.6	(57.6)	(10.8)	584.8	(68.2)	1,877.5
Share of pre-tax results of associates and joint ventures									
- Airtel	-	-	-	-	-	-	-	336.2	336.2
- Telkomsel	-	-	-	-	-	-	-	455.7	455.7
- Globe	-	-	-	-	-	-	-	172.1	172.1
- AIS	-	-	-	-	-	-	-	139.1	139.1
- Intouch	-	-	-	-	-	-	-	51.6	51.6
- Others	*	-	-	-	-	-	-	2.0	2.0
	*	-	-	-	-	-	-	1,156.7	1,156.7
EBITDA and share of pre-tax results of associates and joint ventures	1,032.6	328.3	543.6	109.6	(57.6)	(10.8)	584.8	1,088.5	3,034.2
Depreciation and amortisation	(873.7)	(155.1)	(182.9)	(56.4)	(9.2)	(0.9)	(249.4)	(20.3)	(1,298.5)
Earnings before interest and tax ("EBIT")	158.9	173.2	360.7	53.2	(66.8)	(11.7)	335.4	1,068.2	1,735.7

** denotes less than +/- S\$0.5 million

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

21. GROUP SEGMENT INFORMATION (Continued)

Group - 30 Sep 22 (Unaudited)	Optus S\$ Mil	Singapore Consumer S\$ Mil	Group Enterprise S\$ Mil	NCS S\$ Mil	Trustwave S\$ Mil	Intercompany Eliminations S\$ Mil	Enterprise S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Segment assets									
Investment in associates and joint ventures									
- Airtel	-	-	-	-	-	-	-	4,230.2	4,230.2
- Telkomsel	-	-	-	-	-	-	-	2,505.2	2,505.2
- Globe	-	-	-	-	-	-	-	1,477.4	1,477.4
- AIS	-	-	-	-	-	-	-	947.4	947.4
- Intouch	-	-	-	-	-	-	-	1,799.5	1,799.5
- Others	19.6	-	-	-	-	-	-	809.5	829.1
	19.6	-	-	-	-	-	-	11,769.2	11,788.8
Goodwill on acquisition of subsidiaries	7,872.1	-	-	575.0	656.7	-	1,231.7	-	9,103.8
Other assets	14,624.6	1,790.2	3,166.3	2,063.5	210.0	(211.5)	5,228.3	4,858.4	26,501.5
	22,516.3	1,790.2	3,166.3	2,638.5	866.7	(211.5)	6,460.0	16,627.6	47,394.1

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

21. GROUP SEGMENT INFORMATION (Continued)

Group - 30 Sep 21 (Unaudited)	Optus S\$ Mil	Singapore Consumer S\$ Mil	Group Enterprise S\$ Mil	NCS S\$ Mil	Trustwave S\$ Mil	Intercompany Eliminations S\$ Mil	Enterprise S\$ Mil	Amobee S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	3,962.0	866.9	1,244.7	1,107.1	199.2	(217.1)	2,333.9	489.7	-	7,652.5
Operating expenses	(2,972.8)	(581.9)	(714.6)	(961.9)	(248.5)	216.6	(1,708.4)	(482.3)	(64.8)	(5,810.2)
Other income/ (expense)	59.5	13.0	11.9	2.2	(1.1)	(1.0)	12.0	(0.5)	2.2	86.2
EBITDA	1,048.7	298.0	542.0	147.4	(50.4)	(1.5)	637.5	6.9	(62.6)	1,928.5
Share of pre-tax results of associates and joint ventures										
- Airtel	-	-	-	-	-	-	-	-	146.9	146.9
- Telkomsel	-	-	-	-	-	-	-	-	472.2	472.2
- Globe	-	-	-	-	-	-	-	-	181.4	181.4
- AIS	-	-	-	-	-	-	-	-	159.7	159.7
- Intouch	-	-	-	-	-	-	-	-	48.7	48.7
- Others	(0.1)	-	-	-	-	-	-	-	37.7	37.6
	(0.1)	-	-	-	-	-	-	-	1,046.6	1,046.5
EBITDA and share of pre-tax results of associates and joint ventures	1,048.6	298.0	542.0	147.4	(50.4)	(1.5)	637.5	6.9	984.0	2,975.0
Depreciation and amortisation	(939.1)	(145.2)	(177.5)	(42.7)	(16.5)	(0.7)	(237.4)	(32.0)	(2.4)	(1,356.1)
EBIT	109.5	152.8	364.5	104.7	(66.9)	(2.2)	400.1	(25.1)	981.6	1,618.9

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

21. GROUP SEGMENT INFORMATION (Continued)

Group - 31 Mar 22 (Unaudited)	Optus S\$ Mil	Singapore Consumer S\$ Mil	Group Enterprise S\$ Mil	NCS S\$ Mil	Trustwave S\$ Mil	Intercompany Eliminations S\$ Mil	Enterprise S\$ Mil	Others ⁽¹⁾ S\$ Mil	Group Total S\$ Mil
Segment assets									
Investment in associates and joint ventures									
- Airtel	-	-	-	-	-	-	-	5,439.2	5,439.2
- Telkomsel	-	-	-	-	-	-	-	2,818.9	2,818.9
- Globe	-	-	-	-	-	-	-	1,520.9	1,520.9
- AIS	-	-	-	-	-	-	-	993.5	993.5
- Intouch	-	-	-	-	-	-	-	1,608.8	1,608.8
- Others	21.3	-	-	-	-	-	-	636.9	658.2
	21.3	-	-	-	-	-	-	13,018.2	13,039.5
Goodwill on acquisition of subsidiaries	8,903.2	-	-	134.2	623.3	-	757.5	-	9,660.7
Other assets	16,358.5	1,781.2	3,531.6	1,710.3	256.5	(221.9)	5,276.5	3,014.6	26,430.8
	25,283.0	1,781.2	3,531.6	1,844.5	879.8	(221.9)	6,034.0	16,032.8	49,131.0

Note:(1) Included Corporate and Amobee, Inc. which was reclassified as Subsidiary Held for Sale (see **Note 11**) as at 31 March 2022.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS*For the half year ended 30 September 2022***21. GROUP SEGMENT INFORMATION (Continued)**

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax was as follows -

Group (Unaudited)	30 Sep 22 S\$ Mil	30 Sep 21 S\$ Mil
EBIT	1,735.7	1,618.9
Exceptional items	84.8	(59.1)
Share of exceptional items of associates and joint ventures (post-tax)	142.8	19.4
Share of tax of associates and joint ventures	(344.5)	(295.6)
Profit before interest, investment income (net) and tax	1,618.8	1,283.6
Interest and investment income (net)	10.5	67.1
Finance costs	(206.7)	(201.8)
Profit before tax	1,422.6	1,148.9

The Group's revenue from its major products and services are as follows -

Group (Unaudited)	30 Sep 22 S\$ Mil	30 Sep 21 S\$ Mil
Mobile service	2,521.1	2,506.6
Sale of equipment	937.8	949.9
Handset operating lease income	0.6	16.6
Mobile	3,459.5	3,473.1
Data and internet	1,587.4	1,627.5
Infocomm Technology	1,865.5	1,644.9
Digital businesses	11.0	501.8
Fixed voice	195.5	230.9
Pay television	114.6	141.6
Others	25.4	32.7
Operating revenue	7,258.9	7,652.5

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 42% (30 September 2021: 39%) and 53% (30 September 2021: 52%) of the consolidated revenue for the half year ended 30 September 2022, with the remaining 5% (30 September 2021: 9%) from the United States of America and other countries where the Group operates in. The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

SELECTED NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 September 2022

22. SEASONALITY OF OPERATIONS

There is no significant seasonality in the Group's operations.

23. RELATED PARTY TRANSACTIONS

During the half years ended 30 September 2022 and 30 September 2021, the Group has no new significant related party transactions.

24. SUBSEQUENT EVENT

In October 2022, the Group subscribed to Globe's rights issue for a total consideration of S\$196 million. This represents the Group's full rights entitlement for its pro-rata stake of 46.8%. Singtel's effective stake in Globe remains unchanged subsequent to this rights issue.

- 25.** The statements of financial position as at 30 September 2022 and the related consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended 30 September 2022 presented in this announcement have not been audited, but have been reviewed by KPMG LLP in Singapore in accordance with the Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (see review report on page 37 of this announcement).

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

The disclosures below have not been audited or reviewed by the Company's auditors.

26. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the half year ended 30 September 2022.

27. WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS.

Please refer to the Management Discussion and Analysis of the Group for the half year ended 30 September 2022.

28. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT OPERATING PERIOD AND THE NEXT 12 MONTHS.

Please refer to the Management Discussion and Analysis of the Group for the half year ended 30 September 2022.

29. INTERESTED PERSON TRANSACTIONS

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

30. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the half year ended 30 September 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Gautam Banerjee
Chairman of Audit Committee

Yuen Kuan Moon
Director

Singapore
9 November 2022

Independent auditors' review report

The Board of Directors
Singapore Telecommunications Limited

Report on review of interim financial information as of and for the half year ended 30 September 2022**Introduction**

We have reviewed the accompanying condensed consolidated interim financial statements of Singapore Telecommunications Limited (“the Company”) and its Subsidiaries (“the Group”), which comprises the consolidated statements of financial position of the Group and the statement of financial position of the Company as at 30 September 2022 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the half year then ended, and the notes to the condensed consolidated interim financial statements (the “Condensed Interim Financial Information”). Management is responsible for the preparation and presentation of this Condensed Interim Financial Information in accordance with Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Condensed Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34 *Interim Financial Reporting*.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Information for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company’s announcement of its interim financial information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
9 November 2022