



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE SECOND HALF YEAR AND FINANCIAL YEAR ENDED
31 MARCH 2021**

<u>Contents</u>	<u>Page</u>
Consolidated income statement	1
Consolidated statement of comprehensive income	2
Statements of financial position (Group and Company)	3
Statements of changes in equity (Group and Company)	5
Consolidated statement of cash flows	13
Selected notes to the financial statements	17
Dividends	26
Subsequent events.....	36
Independent auditors' report	37

CONSOLIDATED INCOME STATEMENT

For the second half year and financial year ended 31 March 2021

Group	Notes	Second Half 31 Mar		Year 31 Mar	
		2021 S\$ Mil (Unaudited)	2020 S\$ Mil (Unaudited)	2021 S\$ Mil (Audited)	2020 S\$ Mil (Audited)
Operating revenue		8,219.4	8,277.5	15,644.0	16,542.3
Operating expenses	2	(6,359.8)	(6,161.6)	(11,953.9)	(12,179.7)
Other income	3	68.6	80.1	141.5	178.8
		1,928.2	2,196.0	3,831.6	4,541.4
Depreciation and amortisation	4	(1,377.3)	(1,294.6)	(2,684.8)	(2,580.3)
		550.9	901.4	1,146.8	1,961.1
Exceptional items	5	(1,143.6)	356.0	(604.3)	415.7
(Loss)/ Profit on operating activities		(592.7)	1,257.4	542.5	2,376.8
Share of results of associates and joint ventures	6	897.5	257.3	606.7	(529.6)
Net profit before interest, investment income (net) and tax		304.8	1,514.7	1,149.2	1,847.2
Interest and investment (expense)/ income (net)	7	(3.5)	107.8	2.9	180.0
Finance costs	8	(187.4)	(224.9)	(398.1)	(461.8)
Net profit before tax		113.9	1,397.6	754.0	1,565.4
Tax expense	9	(22.8)	(206.2)	(194.1)	(513.2)
Net profit after tax		91.1	1,191.4	559.9	1,052.2
Attributable to:					
Shareholders of the Company		87.6	1,201.6	553.7	1,074.6
Non-controlling interests		3.5	(10.2)	6.2	(22.4)
		91.1	1,191.4	559.9	1,052.2
Earnings per share attributable to shareholders of the Company					
- basic	11	0.53¢	7.36¢	3.38¢	6.58¢
- diluted	11	0.53¢	7.01¢	3.38¢	6.56¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the second half year and financial year ended 31 March 2021*

Group	Second Half		Year	
	31 Mar		31 Mar	
	2021	2020	2021	2020
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Net profit after tax	91.1	1,191.4	559.9	1,052.2
Other comprehensive income/ (loss)				
Items that may be reclassified subsequently to income statement:				
Exchange differences arising from translation of foreign operations and other currency translation differences	142.0	(846.9)	705.0	(830.7)
Reclassification of translation loss to income statement on dilution of interest in joint ventures	8.0	61.4	50.3	155.4
Cash flow hedges				
- Fair value changes	(191.9)	362.5	(716.3)	506.9
- Tax effects	24.9	(66.3)	95.5	(84.3)
	(167.0)	296.2	(620.8)	422.6
- Fair value changes transferred to income statement	179.5	(325.0)	555.0	(433.2)
- Tax effects	(26.2)	65.5	(88.0)	84.2
	153.3	(259.5)	467.0	(349.0)
	(13.7)	36.7	(153.8)	73.6
Share of other comprehensive loss of associates and joint ventures	(263.6)	(58.5)	(283.8)	(46.7)
Reclassification of share of other comprehensive gain of joint ventures to income statement on dilution of interest in joint ventures	(6.2)	(76.6)	(55.2)	(232.2)
Items that will not be reclassified subsequently to income statement:				
Fair value changes on Fair Value through Other Comprehensive Income ("FVOCI") investments	70.6	(8.3)	132.9	(184.9)
Other comprehensive income/ (loss), net of tax	(62.9)	(892.2)	395.4	(1,065.5)
Total comprehensive income/ (loss)	28.2	299.2	955.3	(13.3)
Attributable to:				
Shareholders of the Company	24.7	307.9	949.1	8.0
Non-controlling interests	3.5	(8.7)	6.2	(21.3)
	28.2	299.2	955.3	(13.3)

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2021

	Notes	Group		Company	
		As at 31 Mar 21 S\$ Mil (Audited)	As at 31 Mar 20 S\$ Mil (Audited)	As at 31 Mar 21 S\$ Mil (Audited)	As at 31 Mar 20 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		754.7	999.6	126.2	97.3
Trade and other receivables		5,443.7	5,559.4	351.3	448.9
Due from subsidiaries		-	-	1,812.2	1,616.4
Inventories		271.6	279.6	35.6	26.3
Derivative financial instruments		62.2	337.2	1.2	5.3
		6,532.2	7,175.8	2,326.5	2,194.2
Non-current assets					
Property, plant and equipment		11,534.1	10,363.8	2,282.7	2,205.8
Right-Of-Use assets		2,055.7	2,060.5	569.1	623.5
Intangible assets		13,129.1	13,735.9	-	-
Subsidiaries		-	-	19,399.9	19,679.2
Joint ventures		11,027.9	11,637.7	22.8	22.8
Associates		2,055.8	2,074.1	24.7	24.7
Fair value through other comprehensive income ("FVOCI") investments		650.9	515.0	3.3	4.0
Derivative financial instruments		23.9	517.5	3.7	134.2
Deferred tax assets		302.1	234.2	-	-
Other assets		686.7	640.4	88.3	105.7
		41,466.2	41,779.1	22,394.5	22,799.9
Total assets		47,998.4	48,954.9	24,721.0	24,994.1
Current liabilities					
Trade and other payables		5,976.8	5,640.9	916.5	1,019.1
Due to subsidiaries		-	-	1,472.2	1,398.0
Advance billings		808.0	732.9	80.3	85.5
Current tax liabilities		267.8	199.4	77.8	76.4
Borrowings (unsecured)	13	1,612.3	3,588.2	-	-
Borrowings (secured)	13	421.6	382.3	60.6	63.2
Derivative financial instruments		29.5	14.0	4.1	-
Net deferred gain		20.8	20.8	-	-
		9,136.8	10,578.5	2,611.5	2,642.2

STATEMENTS OF FINANCIAL POSITION*As at 31 March 2021*

	Notes	Group		Company	
		As at 31 Mar 21 S\$ Mil (Audited)	As at 31 Mar 20 S\$ Mil (Audited)	As at 31 Mar 21 S\$ Mil (Audited)	As at 31 Mar 20 S\$ Mil (Audited)
Non-current liabilities					
Advance billings		147.8	189.9	96.9	122.2
Borrowings (unsecured)	13	9,042.4	8,384.0	799.4	942.5
Borrowings (secured)	13	1,783.2	1,818.1	524.0	581.2
Derivative financial instruments		338.5	122.9	76.7	45.1
Net deferred gain		367.4	373.7	-	-
Deferred tax liabilities		498.9	525.5	301.0	275.5
Other non-current liabilities		172.0	148.3	22.6	18.7
		12,350.2	11,562.4	1,820.6	1,985.2
Total liabilities		21,487.0	22,140.9	4,432.1	4,627.4
Net assets		26,511.4	26,814.0	20,288.9	20,366.7
Share capital and reserves					
Share capital	14	4,573.5	4,127.3	4,573.5	4,127.3
Reserves		21,912.3	22,661.9	15,715.4	16,239.4
Equity attributable to shareholders of the Company		26,485.8	26,789.2	20,288.9	20,366.7
Non-controlling interests		25.6	24.8	-	-
Total equity		26,511.4	26,814.0	20,288.9	20,366.7

STATEMENTS OF CHANGES IN EQUITY*For the second half year ended 31 March 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		Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil	Total S\$ Mil		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil							
Balance as at 1 October 2020	4,127.3	(15.5)	(67.2)	(1,838.6)	(66.2)	(150.9)	25,004.4	(154.1)	26,839.2	27.5	26,866.7	
Changes in equity for the period												
Performance shares purchased by the Company	-	(1.6)	-	-	-	-	-	-	(1.6)	-	(1.6)	
Performance shares purchased by Trust ⁽⁴⁾	-	(5.7)	-	-	-	-	-	-	(5.7)	-	(5.7)	
Performance shares vested	-	0.3	(0.3)	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	15.5	-	-	-	-	-	15.5	-	15.5	
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(3.0)	3.0	-	-	-	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.4)	(5.4)	
Interim dividend paid	-	-	-	-	-	-	(832.5)	-	(832.5)	-	(832.5)	
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend	446.2	-	-	-	-	-	-	-	446.2	-	446.2	
Reclassification due to disposal of FVOCI Investments	-	-	-	-	-	4.5	(4.5)	-	-	-	-	
	446.2	(7.0)	15.2	-	-	4.5	(840.0)	3.0	(378.1)	(5.4)	(383.5)	
Total comprehensive income/ (loss) for the period	-	-	-	150.0	(13.7)	70.6	87.6	(269.8)	24.7	3.5	28.2	
Balance as at 31 March 2021	4,573.5	(22.5)	(52.0)	(1,688.6)	(79.9)	(75.8)	24,252.0	(420.9)	26,485.8	25.6	26,511.4	

STATEMENTS OF CHANGES IN EQUITY*For the second half year ended 31 March 2021*

Group - 2020 (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		Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil	Total S\$ Mil		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil							
Balance as at 1 October 2019	4,127.3	(19.0)	(76.5)	(1,656.9)	37.2	(196.8)	25,377.4	1.1	27,593.8	(40.6)	27,553.2	
Changes in equity for the period												
Performance shares purchased by the Company	-	(1.6)	-	-	-	-	-	-	(1.6)	-	(1.6)	
Performance shares purchased by Trust ⁽⁴⁾	-	(10.6)	-	-	-	-	-	-	(10.6)	-	(10.6)	
Performance shares vested	-	0.2	(0.2)	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	12.6	-	-	-	-	-	12.6	(0.1)	12.5	
Transfer of liability to equity	-	-	0.1	-	-	-	-	-	0.1	-	0.1	
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	(0.1)	
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(29.8)	29.8	-	-	-	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.2)	(5.2)	
Deconsolidation of subsidiary	-	-	(2.9)	-	-	-	-	-	(2.9)	79.4	76.5	
Interim dividend paid	-	-	-	-	-	-	(1,110.0)	-	(1,110.0)	-	(1,110.0)	
Reclassification due to disposal of FVOCI Investments	-	-	-	-	-	(9.1)	9.1	-	-	-	-	
	-	(12.0)	9.5	-	-	(9.1)	(1,130.7)	29.8	(1,112.5)	74.1	(1,038.4)	
Total comprehensive (loss)/income for the period	-	-	-	(787.0)	36.7	(8.3)	1,201.6	(135.1)	307.9	(8.7)	299.2	
Balance as at 31 March 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0	

STATEMENTS OF CHANGES IN EQUITY*For the second half year ended 31 March 2021*

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 October 2020	4,127.3	-	56.5	(2.8)	(1.0)	16,662.3	20,842.3
Changes in equity for the period							
Performance shares purchased by the Company	-	(1.6)	-	-	-	-	(1.6)
Equity-settled share based payment	-	-	4.9	-	-	-	4.9
Contribution to Trust ⁽⁴⁾	-	-	(5.0)	-	-	-	(5.0)
Interim dividend paid	-	-	-	-	-	(832.8)	(832.8)
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend	446.2	-	-	-	-	-	446.2
	446.2	(1.6)	(0.1)	-	-	(832.8)	(388.3)
Total comprehensive income/ (loss) for the period	-	-	-	3.9	1.0	(170.0)	(165.1)
Balance as at 31 March 2021	4,573.5	(1.6)	56.4	1.1	-	15,659.5	20,288.9

STATEMENTS OF CHANGES IN EQUITY*For the second half year ended 31 March 2021*

Company - 2020 (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 October 2019	4,127.3	-	53.5	34.1	1.3	17,125.1	21,341.3
Changes in equity for the period							
Performance shares purchased by the Company	-	(1.6)	-	-	-	-	(1.6)
Equity-settled share based payment	-	-	4.9	-	-	-	4.9
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁴⁾	-	-	(9.2)	-	-	-	(9.2)
Interim dividend paid	-	-	-	-	-	(1,110.4)	(1,110.4)
	-	(1.6)	(4.4)	-	-	(1,110.4)	(1,116.4)
Total comprehensive (loss)/ income for the period	-	-	-	(3.9)	(0.6)	146.3	141.8
Balance as at 31 March 2020	4,127.3	(1.6)	49.1	30.2	0.7	16,161.0	20,366.7

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) DBS Trustee Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2021

Group - 2021 (Audited)	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			
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil						
Balance as at 1 April 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0	
Changes in equity for the year												
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	-	-	(1.4)	-	(1.4)	
Performance shares purchased by the Company on behalf of subsidiaries	-	(1.4)	-	-	-	-	-	-	(1.4)	-	(1.4)	
Performance shares purchased by Trust ⁽⁴⁾	-	(9.5)	-	-	-	-	-	-	(9.5)	-	(9.5)	
Performance shares vested	-	20.8	(20.8)	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	34.1	-	-	-	-	-	34.1	-	34.1	
Transfer of liability to equity	-	-	5.1	-	-	-	-	-	5.1	-	5.1	
Performance shares purchased by Singtel Optus Pty Limited ("Optus") and vested	-	-	(3.4)	-	-	-	-	-	(3.4)	-	(3.4)	
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(22.3)	22.3	-	-	-	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.4)	(5.4)	
Interim dividend paid	-	-	-	-	-	-	(832.5)	-	(832.5)	-	(832.5)	
Final dividend paid	-	-	-	-	-	-	(889.7)	-	(889.7)	-	(889.7)	
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend	446.2	-	-	-	-	-	-	-	446.2	-	446.2	
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	5.5	(5.5)	-	-	-	-	
	446.2	8.5	15.0	-	-	5.5	(1,750.0)	22.3	(1,252.5)	(5.4)	(1,257.9)	
Total comprehensive income/ (loss) for the year	-	-	-	755.3	(153.8)	132.9	553.7	(339.0)	949.1	6.2	955.3	
Balance as at 31 March 2021	4,573.5	(22.5)	(52.0)	(1,688.6)	(79.9)	(75.8)	24,252.0	(420.9)	26,485.8	25.6	26,511.4	

STATEMENTS OF CHANGES IN EQUITY*For the financial year ended 31 March 2021*

Group - 2020 (Audited)	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		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil					
Balance as at 1 April 2019	4,127.3	(31.7)	(76.3)	(1,767.5)	0.3	(10.3)	27,301.8	83.0	29,626.6	(28.1)	29,598.5
Changes in equity for the year											
Performance shares purchased by the Company	-	(1.8)	-	-	-	-	-	-	(1.8)	-	(1.8)
Performance shares purchased by the Company on behalf of subsidiaries	-	(1.2)	-	-	-	-	-	-	(1.2)	-	(1.2)
Performance shares purchased by Trust ⁽⁴⁾	-	(14.8)	-	-	-	-	-	-	(14.8)	-	(14.8)
Performance shares vested	-	18.5	(18.5)	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	31.5	-	-	-	-	-	31.5	-	31.5
Transfer of liability to equity	-	-	4.7	-	-	-	-	-	4.7	-	4.7
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)
Performance shares purchased by Optus and vested	-	-	(5.2)	-	-	-	-	-	(5.2)	-	(5.2)
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(91.7)	91.7	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.2)	(5.2)
Interim dividend paid	-	-	-	-	-	-	(1,110.0)	-	(1,110.0)	-	(1,110.0)
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)
Deconsolidation of subsidiary	-	-	(2.9)	-	-	-	-	-	(2.9)	79.4	76.5
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(19.0)	19.0	-	-	-	-
Others	-	-	-	-	-	-	1.3	-	1.3	-	1.3
	-	0.7	9.3	-	-	(19.0)	(2,928.1)	91.7	(2,845.4)	74.2	(2,771.2)
Total comprehensive (loss)/ income for the year	-	-	-	(676.4)	73.6	(184.9)	1,074.6	(278.9)	8.0	(21.3)	(13.3)
Balance as at 31 March 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0

STATEMENTS OF CHANGES IN EQUITY*For the financial year ended 31 March 2021*

Company - 2021 (Audited)	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 2020	4,127.3	(1.6)	49.1	30.2	0.7	16,161.0	20,366.7
Changes in equity for the year							
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	(1.4)
Performance shares vested	-	1.4	(1.4)	-	-	-	-
Equity-settled share based payment	-	-	11.0	-	-	-	11.0
Transfer of liability to equity	-	-	5.1	-	-	-	5.1
Contribution to Trust ⁽⁴⁾	-	-	(7.4)	-	-	-	(7.4)
Interim dividend paid	-	-	-	-	-	(832.8)	(832.8)
Final dividend paid	-	-	-	-	-	(889.9)	(889.9)
Shares issued under the Singtel Scrip Dividend Scheme for interim dividend	446.2	-	-	-	-	-	446.2
	446.2	-	7.3	-	-	(1,722.7)	(1,269.2)
Total comprehensive (loss)/ income for the year	-	-	-	(29.1)	(0.7)	1,221.2	1,191.4
Balance as at 31 March 2021	4,573.5	(1.6)	56.4	1.1	-	15,659.5	20,288.9

STATEMENTS OF CHANGES IN EQUITY*For the financial year ended 31 March 2021*

Company - 2020 (Audited)	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 2019	4,127.3	(1.1)	45.2	24.2	2.0	17,045.8	21,243.4
Changes in equity for the year							
Performance shares purchased by the Company	-	(1.8)	-	-	-	-	(1.8)
Performance shares vested	-	1.3	(1.3)	-	-	-	-
Equity-settled share based payment	-	-	12.2	-	-	-	12.2
Transfer of liability to equity	-	-	4.6	-	-	-	4.6
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁴⁾	-	-	(11.3)	-	-	-	(11.3)
Interim dividend paid	-	-	-	-	-	(1,110.4)	(1,110.4)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
Others	-	-	-	-	-	1.3	1.3
	-	(0.5)	3.9	-	-	(2,856.3)	(2,852.9)
Total comprehensive income/ (loss) for the year	-	-	-	6.0	(1.3)	1,971.5	1,976.2
Balance as at 31 March 2020	4,127.3	(1.6)	49.1	30.2	0.7	16,161.0	20,366.7

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) DBS Trustee Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the second half year and financial year ended 31 March 2021

Group	Second Half		Year	
	31 Mar		31 Mar	
	2021	2020	2021	2020
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Cash Flows from Operating Activities				
Net profit before tax	113.9	1,397.6	754.0	1,565.4
Adjustments for				
Depreciation and amortisation	1,377.3	1,294.6	2,684.8	2,580.3
Exceptional items	1,034.6	(390.4)	484.5	(486.0)
Interest and investment income (net)	3.5	(107.8)	(2.9)	(180.0)
Finance costs	187.4	224.9	398.1	461.8
Share of results of associates and joint ventures (post-tax)	(897.5)	(257.3)	(606.7)	529.6
Other non-cash items	23.0	9.0	43.9	35.6
	1,728.3	773.0	3,001.7	2,941.3
Operating cash flow before working capital changes	1,842.2	2,170.6	3,755.7	4,506.7
Changes in operating assets and liabilities				
Trade and other receivables	228.5	54.3	537.9	188.5
Trade and other payables	427.7	570.5	8.3	55.8
Inventories	55.8	52.3	37.6	119.5
	2,554.2	2,847.7	4,339.5	4,870.5
Cash generated from operations	2,554.2	2,847.7	4,339.5	4,870.5
Payment to employees in cash under performance share plans	-	(0.1)	-	(0.5)
Dividends received from associates and joint ventures	268.0	220.7	1,433.5	1,439.2
Income tax and withholding tax paid	(14.9)	(146.6)	(164.0)	(491.9)
	2,807.3	2,921.7	5,609.0	5,817.3
Net cash from operating activities	2,807.3	2,921.7	5,609.0	5,817.3
Cash Flows from Investing Activities				
Investment income received from FVOCI investments	4.4	92.8	13.0	147.7
Interest received	1.0	3.5	2.2	6.8
Investment in associate/ joint venture (Note 1)	(2.8)	(15.0)	(4.2)	(761.8)
Payment/ Deferred payment for acquisition of subsidiaries, net of cash acquired (Note 2)	(261.1)	(4.2)	(261.1)	(4.2)
Proceeds/ Deferred proceeds from disposal of associate and joint venture	0.6	2.8	3.5	6.9
Investment in FVOCI investments	(2.9)	(12.4)	(20.4)	(85.2)
Proceeds from sale of FVOCI investments	8.3	13.7	12.8	30.8
	(252.5)	81.2	(254.2)	(659.0)
Balance carried forward				

CONSOLIDATED STATEMENT OF CASH FLOWS

For the second half year and financial year ended 31 March 2021

Group	Second Half		Year	
	31 Mar		31 Mar	
	2021	2020	2021	2020
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Cash Flows from Investing Activities (continued)				
Balance brought forward	(252.5)	81.2	(254.2)	(659.0)
Deconsolidation of subsidiary	-	(3.0)	-	(3.0)
Payment for purchase of property, plant and equipment	(1,118.0)	(1,133.6)	(2,214.4)	(2,036.6)
Proceeds from sale of property, plant and equipment	10.6	141.2	31.3	145.8
Purchase of intangible assets	(116.1)	(246.5)	(214.0)	(350.0)
Withholding tax paid on intra-group interest income	(7.0)	(7.8)	(14.9)	(18.0)
Net cash used in investing activities	(1,483.0)	(1,168.5)	(2,666.2)	(2,920.8)
Cash Flows from Financing Activities				
Proceeds from term loans	1,122.4	2,273.6	4,868.3	5,684.6
Repayment of term loans	(1,567.8)	(1,536.5)	(5,935.6)	(5,667.9)
Proceeds from bond issue	-	-	1,864.2	1,803.7
Repayment of bonds	-	(690.3)	(2,060.4)	(690.3)
Lease payments	(217.0)	(204.8)	(429.3)	(403.9)
Net (repayment of)/ proceeds from borrowings	(662.4)	(158.0)	(1,692.8)	726.2
Settlement of swaps for bonds repaid	-	173.9	196.8	173.9
Net interest paid on borrowings and swaps	(183.0)	(237.8)	(392.5)	(463.3)
Purchase of performance shares	(7.3)	(11.5)	(15.7)	(23.0)
Final dividend paid to shareholders of the Company	-	-	(889.7)	(1,746.7)
Interim dividend paid to shareholders of the Company	(383.2)	(1,110.0)	(383.2)	(1,110.0)
Dividend paid to non-controlling interests	(5.4)	(5.2)	(5.4)	(5.2)
Others	(2.2)	(2.6)	(7.5)	(8.5)
Net cash used in financing activities	(1,243.5)	(1,351.2)	(3,190.0)	(2,456.6)
Net change in cash and cash equivalents	80.8	402.0	(247.2)	439.9
Exchange effects on cash and cash equivalents	(13.3)	44.1	(2.1)	37.2
Cash and cash equivalents at beginning of period/ year	673.0	543.7	989.8	512.7
Cash and cash equivalents at end of period/ year (Note 3)	740.5	989.8	740.5	989.8

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the second half year and financial year ended 31 March 2021***Note (1): Investment in a joint venture**

In the previous financial year, Singtel paid S\$735 million for subscription to Bharti Airtel Limited's rights issue based on its rights entitlement for its direct stake of 15%.

Note (2): Payments for acquisition of subsidiaries

- (a) On 27 November 2020, NCS Pte. Ltd., a wholly-owned subsidiary of the Group, completed the acquisition of 2359 Media Pte. Ltd, a digital services consultancy firm, for S\$4.1 million. The fair values of identifiable net assets and the cash outflow on the acquisition were as follows -

	31 March 2021 S\$ Mil
Identifiable intangible assets (provisional)	3.7
Non-current assets	0.3
Cash and cash equivalents	0.2
Current assets (excluding cash and cash equivalents)	1.3
Total liabilities	<u>(1.4)</u>
Net assets acquired	4.1
Goodwill (provisional)	<u>-</u>
Total cash consideration	4.1
Less: Consideration unpaid as at 31 March 2021	(1.7)
Less: Cash and cash equivalents acquired	<u>(0.2)</u>
Net outflow of cash	<u>2.2</u>

- (b) On 1 February 2021, Optus Mobile Pty Limited, a wholly-owned subsidiary of the Group, completed the acquisition of the mobile business of amaysim Australia Limited for S\$255 million (A\$250 million). The fair values of identifiable net assets and the cash outflow on the acquisition were as follows -

	31 March 2021 S\$ Mil
Non-current assets	2.8
Cash and cash equivalents	*
Current assets (excluding cash and cash equivalents)	3.5
Total liabilities	<u>(16.5)</u>
Net liabilities acquired	(10.2)
Goodwill (provisional)	<u>264.8</u>
Total cash consideration	254.6
Less: Consideration unpaid as at 31 March 2021	(0.3)
Less: Cash and cash equivalents acquired	<u>*</u>
Net outflow of cash	<u>254.3</u>

* denotes less than +/-S\$0.05 million.

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the second half year and financial year ended 31 March 2021***Note (2): Payments for acquisition of subsidiaries (Continued)**

- (c) In the current financial year, deferred payment of S\$4.6 million (2020: S\$4.2 million) was made in respect of the acquisition of Hivint Pty Limited.

Note (3): For the purposes of the consolidated cash flow statement, cash and cash equivalents comprised:

Group (Audited)	As at 31 Mar	
	2021 S\$ Mil	2020 S\$ Mil
Fixed deposits	155.6	152.0
Cash and bank balances	599.1	847.6
Cash and cash equivalents in the Consolidated Statement of Financial Position	754.7	999.6
<i>Less: Restricted cash</i>	(14.2)	(9.8)
Cash and cash equivalents in the Consolidated Statement of Cash Flows	740.5	989.8

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.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

1. BASIS OF PREPARATION

The Group has applied the same accounting policies and methods of computation 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 2020, except for the mandatory adoption of new standards effective as of 1 April 2020. The adoption of the new standards has no significant impact on the financial statements.

2. OPERATING EXPENSES

The income statement included the following items -

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Impairment of trade receivables	51.7	108.7	155.3	191.5
Allowance for/ (Writeback of) inventory obsolescence (net)	7.5	(0.3)	12.2	1.6

3. OTHER INCOME

Other income included the following items -

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Rental income	1.6	1.6	3.1	3.2
Net exchange (losses)/ gains	(7.8)	3.2	(4.8)	5.2
Net (losses)/ gains on disposal of property, plant and equipment	(2.6)	3.9	(6.1)	3.6

4. DEPRECIATION AND AMORTISATION

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Depreciation of property, plant and equipment	975.7	903.1	1,896.9	1,825.6
Depreciation of right-of-use assets	215.9	214.8	427.4	403.0
Amortisation of intangibles	185.7	176.7	360.5	351.7
	1,377.3	1,294.6	2,684.8	2,580.3

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

5. EXCEPTIONAL ITEMS

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Exceptional gains				
Gain on dilution of interest in joint ventures	97.5	582.3	647.6	671.6
Gain on disposal of property	5.8	90.3	5.8	96.6
	103.3	672.6	653.4	768.2
Exceptional losses				
Impairment of goodwill of subsidiaries ⁽¹⁾	(840.5)	(194.8)	(840.5)	(194.8)
Impairment of other intangibles ⁽¹⁾	(84.0)	(1.9)	(84.0)	(1.9)
Impairment of property, plant and equipment	(166.9)	-	(166.9)	-
Write-off of property, plant and equipment	(44.5)	-	(44.5)	-
Payroll review programme and other charges ⁽²⁾	(100.5)	(14.2)	(102.0)	(20.2)
Staff restructuring costs	(8.5)	(20.2)	(17.8)	(50.1)
Impairment of investment in associate	(2.0)	-	(2.0)	-
Deconsolidation of subsidiary	-	(85.5)	-	(85.5)
	(1,246.9)	(316.6)	(1,257.7)	(352.5)
	(1,143.6)	356.0	(604.3)	415.7

Notes:

- (1) The Group recorded impairment charges to the goodwill and other intangibles of Amobee and Global Cyber Security Business during the current financial year.
- (2) Comprised staff payroll adjustments, professional fees as well as remediation of systems and processes by Optus.

6. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Share of ordinary results	912.8	943.0	1,798.1	1,744.3
Share of tax of ordinary results	(256.9)	(249.9)	(521.2)	(466.0)
Share of exceptional items (post-tax) ⁽¹⁾⁽²⁾⁽³⁾	241.6	(435.8)	(670.2)	(1,807.9)
	897.5	257.3	606.7	(529.6)

Notes:

- (1) Comprised share of exceptional items from Airtel, Telkomsel, Globe and Intouch.
- (2) Airtel's exceptional items included additional provisions for regulatory costs on account of the Supreme Court of India's decision on the Adjusted Gross Revenue matter, tax charges from a re-assessment of the carrying amounts of deferred tax balances (including minimum alternate tax credits), asset impairments as well as other provisions partly mitigated by a gain on deemed disposal of a subsidiary. Airtel's exceptional items in the previous financial year included provisions made for regulatory costs arising from an adverse ruling on the definition of Adjusted Gross Revenue and one-time spectrum charge.
- (3) Telkomsel's exceptional items in the current financial year included a gain from the first phase of its sale of telecommunication towers.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

7. INTEREST AND INVESTMENT (EXPENSE)/ INCOME (NET)

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Interest income from				
- bank deposits	1.0	3.0	2.2	6.5
- others	0.6	0.7	1.2	1.2
	1.6	3.7	3.4	7.7
Dividends from joint ventures	-	-	-	10.8
Gross dividends and income from FVOCI investments	4.6	93.1	13.6	148.4
Fair value gains/ (losses) on fair value hedges				
- hedged items	96.9	(68.2)	140.2	(149.5)
- hedging instruments	(96.9)	72.0	(142.1)	149.9
	*	3.8	(1.9)	0.4
Fair value gains/ (losses) on cash flow hedges				
- hedged items	179.5	(324.2)	555.0	(431.8)
- hedging instruments	(179.5)	324.2	(555.0)	431.8
	-	-	-	-
Other fair value (losses)/ gains	(6.3)	(0.7)	(5.4)	1.5
Other foreign exchange (losses)/ gains	(3.4)	7.9	(6.8)	11.2
	(3.5)	107.8	2.9	180.0

** denotes less than +/-S\$0.05 million.

8. FINANCE COSTS

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Interest expense on				
- bonds	141.4	155.5	289.9	309.6
- bank loans	9.3	21.9	22.5	51.1
- lease liabilities	39.5	40.6	77.9	81.7
	190.2	218.0	390.3	442.4
Less: Amounts capitalised	(0.4)	-	(0.4)	-
	189.8	218.0	389.9	442.4
Financing related costs	11.9	8.7	24.4	16.8
Effects of hedging using interest rate swaps	(14.3)	(1.8)	(16.2)	2.6
	187.4	224.9	398.1	461.8

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

9. TAX EXPENSE

Group	Second Half 31 Mar		Year 31 Mar	
	2021	2020	2021	2020
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Audited)	S\$ Mil (Audited)
Current and deferred tax (credit)/ expense attributable to current period/ year's profits	(23.9)	169.2	44.7	365.0
Current and deferred tax adjustments in respect of prior years	3.3	(0.7)	3.7	(1.2)
Withholding taxes on dividend income from associate and joint ventures	43.4	37.7	145.7	149.4
	22.8	206.2	194.1	513.2

10. BREAKDOWN OF SALES

Group	Year		% change
	31 Mar 21 S\$ Mil (Unaudited)	31 Mar 20 S\$ Mil (Unaudited)	
Sales reported for first half year	7,424.6	8,264.8	-10.2%
Operating profit/ (loss) after tax before deducting non-controlling interest reported for first half year	468.8	(139.2)	nm
Sales reported for second half year	8,219.4	8,277.5	-0.7%
Operating profit after tax before deducting non-controlling interest reported for second half year	91.1	1,191.4	-92.4%

"nm" denotes not meaningful.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

11. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group	Second Half 31 Mar		Year 31 Mar	
	2021 '000	2020 '000	2021 '000	2020 '000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	16,400,530	16,322,123	16,361,860	16,322,412
Adjustment for dilutive effect of performance share plans	24,666	26,816	24,666	26,816
Weighted average number of ordinary shares for calculation of diluted earnings per share	16,425,196	16,348,939	16,386,526	16,349,228

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.

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 -

- quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- 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
- inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

The following table presents the assets and liabilities measured at fair value as at 31 March 2021:

Group - 31 Mar 21 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	309.3	-	-	309.3
- Unquoted investments	-	-	341.6	341.6
	309.3	-	341.6	650.9
Derivative financial instruments	-	86.1	-	86.1
	309.3	86.1	341.6	737.0
Financial liabilities				
Derivative financial instruments	-	368.0	-	368.0

SELECTED NOTES TO THE FINANCIAL STATEMENTS*For the second half year and financial year ended 31 March 2021***12. FAIR VALUE MEASUREMENTS (Continued)**

Group - 31 Mar 20 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	158.4	-	-	158.4
- Unquoted investments	-	-	356.6	356.6
	158.4	-	356.6	515.0
Derivative financial instruments	-	854.7	-	854.7
	158.4	854.7	356.6	1,369.7
Financial liabilities				
Derivative financial instruments	-	136.9	-	136.9

Company - 31 Mar 21 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	3.3	-	-	3.3
Derivative financial instruments	-	4.9	-	4.9
	3.3	4.9	-	8.2
Financial liabilities				
Derivative financial instruments	-	80.8	-	80.8

Company - 31 Mar 20 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	4.0	-	-	4.0
Derivative financial instruments	-	139.5	-	139.5
	4.0	139.5	-	143.5
Financial liabilities				
Derivative financial instruments	-	45.1	-	45.1

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

12. FAIR VALUE MEASUREMENTS (Continued)

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 31 March 2021:

31 Mar 21 (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	8,998.2	6,753.0	2,690.3	-	9,443.3
Company					
Bonds	799.4	965.8	-	-	965.8

31 Mar 20 (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	9,356.5	7,848.9	1,951.0	-	9,799.9
Company					
Bonds	942.5	1,071.7	-	-	1,071.7

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

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 and forward foreign exchange contracts 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.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

12. FAIR VALUE MEASUREMENTS (Continued)

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

(Audited)	Group	
	31 Mar 21	31 Mar 20
	S\$ Mil	S\$ Mil
FVOCI investments - unquoted		
Balance as at 1 April	356.6	625.0
Total (losses)/ gains included in 'Fair Value Reserve'	(24.6)	56.2
Additions	20.1	33.1
Disposals	(5.6)	(18.7)
Transfer out from Level 3 ⁽¹⁾	-	(339.1)
Translation differences	(4.9)	0.1
Balance as at 31 March	341.6	356.6

Note:

(1) Included the transfer of the Group's direct equity investment of 5.5% in Airtel Africa Plc, which was listed on the London Stock Exchange and Nigeria Stock Exchange during the previous financial year, to Level 1 of the fair value hierarchy.

13. GROUP'S BORROWINGS AND DEBT SECURITIES

(Audited)	Group		Company	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Unsecured borrowings				
Repayable within one year	1,612.3	3,588.2	-	-
Repayable after one year	9,042.4	8,384.0	799.4	942.5
	10,654.7	11,972.2	799.4	942.5
Secured borrowings				
Repayable within one year	421.6	382.3	60.6	63.2
Repayable after one year	1,783.2	1,818.1	524.0	581.2
	2,204.8	2,200.4	584.6	644.4
	12,859.5	14,172.6	1,384.0	1,586.9

Unsecured borrowings of the Group comprise 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.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

14. SHARE CAPITAL AND OTHER EQUITY INFORMATION**Share Capital**

Group and Company (Unaudited)	Second Half			
	31 Mar 2021		31 Mar 2020	
	Number of shares Mil	Share capital S\$ Mil	Number of shares Mil	Share capital S\$ Mil
Balance as at 1 October	16,329.1	4,127.3	16,329.1	4,127.3
Shares issued under the Singtel Scrip Dividend Scheme ⁽¹⁾	185.5	446.2	-	-
Balance as at 31 March	16,514.6	4,573.5	16,329.1	4,127.3

Group and Company (Audited)	Year			
	31 Mar 2021		31 Mar 2020	
	Number of shares Mil	Share capital S\$ Mil	Number of shares Mil	Share capital S\$ Mil
Balance as at 1 April	16,329.1	4,127.3	16,329.1	4,127.3
Shares issued under the Singtel Scrip Dividend Scheme ⁽¹⁾	185.5	446.2	-	-
Balance as at 31 March	16,514.6	4,573.5	16,329.1	4,127.3

Note:

(1) Share capital amount is net of issuance costs.

As at 31 March 2021, the issued and paid up capital excluding treasury shares comprised 16,507.5 million (31 March 2020: 16,320.7 million) ordinary shares.

Treasury Shares

Group	Second Half		Year	
	31 Mar		31 Mar	
	2021 (Unaudited)	2020 (Unaudited)	2021 (Audited)	2020 (Audited)
Balance at beginning of period/ year	4,128,886	4,795,241	8,482,014	8,601,289
Shares transferred to employees under the Singtel Performance Share Plan 2012	(120,337)	(42,681)	(6,395,990)	(5,544,022)
Purchase of treasury shares	3,155,032	3,729,454	5,077,557	5,424,747
Balance at end of period/ year	7,163,581	8,482,014	7,163,581	8,482,014

As at 31 March 2021, the number of treasury shares represented 0.04% (31 March 2020: 0.05%) of the total number of issued shares.

During the second half year ended 31 March 2021, 120,337 (31 March 2020: 42,681) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 3,155,032 (31 March 2020: 3,729,454) treasury shares were purchased.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

14. SHARE CAPITAL AND OTHER EQUITY INFORMATION (Continued)

During the financial year ended 31 March 2021, 6,395,990 (31 March 2020: 5,544,022) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 5,077,557 (31 March 2020: 5,424,747) treasury shares were purchased.

Except for the transfers, there was no other sale, disposal, cancellation and/or other use of treasury shares for the second half year and financial year ended 31 March 2021.

The Company's subsidiaries do not hold shares in the Company as at 31 March 2021 and 31 March 2020.

Performance Shares

As at 31 March 2021, the number of outstanding performance shares granted under the Singtel Performance Share Plan 2012 was 36,612,735 (31 March 2020: 34,218,109).

15. DIVIDENDS

(Audited)	Group		Company	
	2021 S\$ Mil	2020 S\$ Mil	2021 S\$ Mil	2020 S\$ Mil
Total annual exempt (one-tier) dividend				
Final dividend	889.7	1,746.7	889.9	1,747.2
Interim dividend	832.5	1,110.0	832.8	1,110.4
Total	1,722.2	2,856.7	1,722.7	2,857.6

During the financial year, a final one-tier exempt ordinary dividend of 5.45 cents per share, totalling S\$890 million was paid in respect of the previous financial year ended 31 March 2020. In addition, an interim one-tier exempt ordinary dividend of 5.1 cents per share totalling S\$833 million was paid in respect of the current financial year ended 31 March 2021, of which S\$449 million was settled by issuance of shares under the Singtel Scrip Dividend Scheme.

The amount paid by the Group differed from that paid by the Company due to dividends on performance shares held by the Trust that were eliminated on consolidation of the Trust.

The Directors have proposed a final one-tier exempt ordinary dividend of 2.4 cents per share, totalling approximately S\$396 million in respect of the current financial year ended 31 March 2021. The Singtel Scrip Dividend Scheme will not be applied to the final dividend. The final dividend, if approved by shareholders of the Company at the forthcoming Annual General Meeting, will be paid on 18 August 2021.

This report does not reflect the above final dividend payable of approximately S\$396 million, which will be accounted for in the Shareholders' Equity as an appropriation of 'Retained Earnings' in the next financial year ending 31 March 2022.

Subject to the approval of the final dividend by shareholders at the forthcoming Annual General Meeting, the Transfer Book and the Register of Members of the Company will be closed on 6 August 2021 for the preparation of dividend warrants. Duly completed registrable transfers of the ordinary shares of the Company received by the Company's share registrar up to 5.00 p.m. on 5 August 2021 will be registered to determine members' entitlements to the final dividend.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

16. NET ASSET VALUE

(Audited)	Group		Company	
	As at	As at	As at	As at
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
	S\$	S\$	S\$	S\$
Net asset value per ordinary share	1.60	1.64	1.32	1.25

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.

17. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES**(a) Guarantees**

As at 31 March 2021,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$337.2 million and S\$141.6 million (31 March 2020: S\$622.7 million and S\$202.7 million) respectively.
- (ii) The Company provided guarantees for loans of S\$280 million (31 March 2020: S\$1.69 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly owned subsidiary, with maturities between September 2021 and May 2023.
- (iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$5.29 billion (31 March 2020: S\$5.03 billion) due between September 2021 and June 2030.

- (b) In 2016 and 2017, Singapore Telecom Australia Investments Pty Limited ("**STAI**") received amended assessments from the Australian Taxation Office ("**ATO**") in connection with the acquisition financing of Optus. The assessments comprised primary tax of A\$268 million, interest of A\$58 million and penalties of A\$67 million. STAI's holding company, Singtel Australia Investment Ltd, would be entitled to refund of withholding tax estimated at A\$89 million. STAI's objections to the amended assessments were disallowed by the ATO on 27 September 2019. Based on legal advice, STAI has appealed the ATO's objection decisions in the Federal Court of Australia on 11 November 2019. In accordance with the ATO administrative practice, STAI paid a minimum amount of 50% of the assessed primary tax on 21 November 2016. This payment continued to be recognised as a receivable as at 31 March 2021.

The Group has received advice from external experts in relation to this matter and will vigorously defend its position. Accordingly, no provision has been made as at 31 March 2021.

- (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.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

18. CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES**(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\$955 million) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S\$1.54 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\$332 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 31 March 2021 amounted to approximately Rs. 102.8 billion (S\$1.89 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.

CAT Telecom Public Company Limited (“CAT”) has demanded that AIS’ subsidiary, Digital Phone Company Limited (“DPC”), pay additional revenue share of THB 3.4 billion (S\$146 million) arising from the abolishment of excise tax, as well as to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S\$577 million) or to pay the same amount plus interest.

In January 2021, CAT’s demand in respect of transferring telecommunications systems under the Concession Agreement from DPC or to pay THB 13.4 billion (S\$577 million) plus interest at 7.5% per annum was dismissed by the Arbitration Committee. CAT is eligible to appeal within 90 days.

TOT Public Company Limited (“TOT”) has demanded that AIS pay the following:

- (a) additional charges for porting of subscribers from 900MHz to 2100MHz network of THB 41.1 billion (S\$1.77 billion) plus interest.
- (b) additional revenue share of THB36.2 billion (S\$1.55 billion) plus interest based on gross interconnection income from 2007 to 2015.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

18. CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES (Continued)

- (c) additional revenue share of THB 62.8 billion (S\$2.70 billion) arising from what TOT 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 to pay THB 31.1 billion (S\$1.33 billion) and 1.25% interest per month after 30 November 2015. In April 2020, AIS filed a motion to the Central Administrative Court to set aside the award which was followed by TOT's appeal to the Central Administrative Court to increase the award to THB 62.8 billion (S\$2.70 billion).
- (d) additional revenue share from disputes on roaming rates from 2013 to 2015 of THB 16.3 billion (S\$698 million).

As at 31 March 2021, other claims against AIS and its subsidiaries which are pending adjudication amounted to THB 13.2 billion (S\$567 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 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. This case is pending arbitration.

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\$335 million) plus fines and interest. The cases are pending arbitration.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

18. CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES (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 31 March 2021, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 465 billion (S\$43 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

19. GROUP SEGMENT INFORMATION

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

The Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, which focus on driving greater value and performance from the core carriage business including mobile, pay TV, fixed broadband and voice, as well as equipment sales. It also includes the Group's regional investments in AIS and Intouch (which has an equity interest of 40.5% in AIS in Thailand), Airtel in India, Africa and Sri Lanka, Globe in the Philippines, and Telkomsel in Indonesia), as well as two key digital businesses – mobile financial business, and gaming and digital content business.

Group Enterprise comprises the business groups across Singapore, Australia, United States of America, Europe and the region, and focuses on growing the Group's position in the enterprise markets. Key services include mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT services and professional consulting.

Group Digital Life (“**GDL**”) focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage. It has two key businesses – digital marketing (Amobee) as well as advanced analytics and intelligence capabilities (DataSpark). It also serves as Singtel's digital innovation engine through Innov8.

Corporate comprises the costs of Group functions not allocated to the business segments.

The measurement of segment results which is before exceptional items, is 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 FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

19. GROUP SEGMENT INFORMATION (Continued)

For the financial year ended 31 March 2021

Group - 31 Mar 21 (Audited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	8,789.4	5,938.9	915.7	-	15,644.0
Operating expenses	(6,472.8)	(4,457.7)	(933.8)	(89.6)	(11,953.9)
Other income/ (expense)	116.6	26.3	3.6	(5.0)	141.5
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	2,433.2	1,507.5	(14.5)	(94.6)	3,831.6
Share of pre-tax results of associates and joint ventures					
- Airtel	23.2	-	-	-	23.2
- Telkomsel	915.0	-	-	-	915.0
- Globe	346.2	-	-	-	346.2
- AIS	334.1	-	-	-	334.1
- Intouch	93.5	-	-	-	93.5
- Others	0.6	-	-	85.5	86.1
	1,712.6	-	-	85.5	1,798.1
EBITDA and share of pre-tax results of associates and joint ventures	4,145.8	1,507.5	(14.5)	(9.1)	5,629.7
Depreciation and amortisation	(1,838.8)	(747.9)	(93.2)	(4.9)	(2,684.8)
Earnings before interest and tax ("EBIT")	2,307.0	759.6	(107.7)	(14.0)	2,944.9
Segment assets					
Investment in associates and joint ventures					
- Airtel	5,408.4	-	-	-	5,408.4
- Telkomsel	3,127.8	-	-	-	3,127.8
- Globe	1,380.5	-	-	-	1,380.5
- AIS	1,009.4	-	-	-	1,009.4
- Intouch	1,691.5	-	-	-	1,691.5
- Others	33.1	-	-	433.0	466.1
	12,650.7	-	-	433.0	13,083.7
Goodwill on acquisition of subsidiaries	9,460.9	898.4	407.9	-	10,767.2
Other assets	15,138.9	6,339.2	932.6	1,736.8	24,147.5
	37,250.5	7,237.6	1,340.5	2,169.8	47,998.4

SELECTED NOTES TO THE FINANCIAL STATEMENTS

For the second half year and financial year ended 31 March 2021

19. GROUP SEGMENT INFORMATION (Continued)

For the financial year ended 31 March 2021

Group - 31 Mar 20 (Audited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	9,371.0	6,025.9	1,145.4	-	16,542.3
Operating expenses	(6,404.1)	(4,488.5)	(1,195.8)	(91.3)	(12,179.7)
Other income	123.5	49.2	2.2	3.9	178.8
EBITDA	3,090.4	1,586.6	(48.2)	(87.4)	4,541.4
Share of pre-tax results of associates and joint ventures					
- Airtel	(403.2)	-	-	-	(403.2)
- Telkomsel	1,168.9	-	-	-	1,168.9
- Globe	410.2	-	-	-	410.2
- AIS	365.0	-	-	-	365.0
- Intouch	101.0	-	-	-	101.0
- Others	1.3	-	-	99.4	100.7
	1,643.2	-	-	99.4	1,742.6
EBITDA and share of pre-tax results of associates and joint ventures	4,733.6	1,586.6	(48.2)	12.0	6,284.0
Depreciation and amortisation	(1,755.3)	(728.7)	(91.6)	(4.7)	(2,580.3)
EBIT	2,978.3	857.9	(139.8)	7.3	3,703.7
Segment assets					
Investment in associates and joint ventures					
- Airtel	6,127.6	-	-	-	6,127.6
- Telkomsel	3,107.1	-	-	-	3,107.1
- Globe	1,350.9	-	-	-	1,350.9
- AIS	950.5	-	-	-	950.5
- Intouch	1,698.5	-	-	-	1,698.5
- Others	30.1	-	-	447.1	477.2
	13,264.7	-	-	447.1	13,711.8
Goodwill on acquisition of subsidiaries	9,184.5	1,254.6	990.8	-	11,429.9
Other assets	13,588.4	6,302.1	1,113.8	2,808.9	23,813.2
	36,037.6	7,556.7	2,104.6	3,256.0	48,954.9

SELECTED NOTES TO THE FINANCIAL STATEMENTS*For the second half year and financial year ended 31 March 2021***19. GROUP SEGMENT INFORMATION (Continued)***For the financial year ended 31 March 2021*

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

Group (Audited)	31 Mar 21 S\$ Mil	31 Mar 20 S\$ Mil
EBIT	2,944.9	3,703.7
Exceptional items	(604.3)	415.7
Share of exceptional items of associates and joint ventures (post-tax)	(670.2)	(1,806.2)
Share of tax of associates and joint ventures	(521.2)	(466.0)
Profit before interest, investment income (net) and tax	1,149.2	1,847.2
Interest and investment income (net)	2.9	180.0
Finance costs	(398.1)	(461.8)
Profit before tax	754.0	1,565.4

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

Group (Audited)	31 Mar 21 S\$ Mil	31 Mar 20 S\$ Mil
Mobile service	4,657.6	4,854.5
Sale of equipment	2,360.5	2,567.5
Handset operating lease income	133.9	200.4
Mobile	7,152.0	7,622.4
Data and internet	3,404.9	3,611.9
Infocomm Technology	3,259.3	3,052.4
Digital businesses	937.8	1,168.6
Fixed voice	546.6	705.2
Pay television	285.6	313.5
Others	57.8	68.3
Operating revenue	15,644.0	16,542.3

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 39% (31 March 2020: 39%) and 52% (31 March 2020: 51%) of the consolidated revenue for the financial year ended 31 March 2021, with the remaining 9% (31 March 2020: 10%) 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.

OTHER INFORMATION

- 20.** The statements of financial position as at 31 March 2021 and the income statement, statement of comprehensive income, changes in equity and cash flows for the financial year ended 31 March 2021 presented in this announcement have been audited in accordance with Singapore Standards on Auditing.

21. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the second half and financial year ended 31 March 2021.

- 22. 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 second half and financial year ended 31 March 2021.

- 23. 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 second half and financial year ended 31 March 2021.

24. INTERESTED PERSON TRANSACTIONS

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

- 25. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

- 26. 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.

27. SUBSEQUENT EVENTS

- (a) In April 2021, the Group issued S\$1.0 billion of subordinated perpetual securities at 3.30% per annum and also launched its first sustainability-linked revolving credit facility of S\$750 million for general corporate purposes.
- (b) In May 2021, the Group acquired 40% equity interest in A5-DB Operations (S) Pte. Ltd., which will hold the Singapore Digibank Licence and conduct digital banking business in Singapore.

The auditors' report on the full financial statements of Singapore Telecommunications Limited for the financial year ended 31 March 2021 is as follows:

“Independent auditors’ report

Members of Singapore Telecommunications Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Telecommunications Limited (‘the Company’) and its subsidiaries (‘the Group’), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2021 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (‘the Act’) and Singapore Financial Reporting Standards (International) (‘SFRS(I)s’) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (‘SSAs’). Our responsibilities under those standards are further described in the ‘*Auditors’ responsibilities for the audit of the financial statements*’ section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (‘ACRA Code’) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
For the main Operating Revenues – Mobile Service, Data and Internet and Sale of Equipment, there is an inherent risk around the accuracy and timing of revenue recognition given the complexity of systems and the large volume of data processed, which are also impacted by changing pricing models and the introduction of new products and tariff arrangements.	<p>We obtained an understanding of the nature of the various revenue streams and the related revenue recording processes, systems and controls. We have also ascertained that revenue was recognised in accordance with the adopted accounting policies.</p> <p>Our audit approach included controls testing as well as substantive procedures. For our procedures on the design and operating effectiveness of controls over significant IT systems, we involved our IT specialists.</p>

Significant management judgements and estimates are required when accounting for revenue from long-term contracts with respect to the Group Enterprise Infocomm Technology ("ICT") Operating Revenues. For some of these ICT contracts, estimates are required in determining the completeness and valuation of provisions against contracts that are expected to be loss-making and the recoverability of the contract assets.

The accounting policies for revenue recognition are set out in Note [•] to the financial statements and the various revenue streams for the Group have been disclosed in Note [•] to the financial statements.

In particular, our procedures included:

- *IT systems*: Testing of the design and implementation, and the operating effectiveness of automated controls over the capture of data at the network switches and interfaces between relevant IT applications, measurement and billing of revenue, and the recording of entries in the general ledger.
- *Manual controls*: Testing of the design and implementation, and the operating effectiveness of manual controls over the initiation, authorisation, recording, and processing of revenue transactions. This included evaluating process controls over authorising new price plans and rate changes and the adjustments to the relevant billing systems. We had also tested the access controls and change management controls over the relevant billing systems.
- Testing of contracts in the ICT business for appropriate revenue recognition and provisioning for contracts that were expected to be loss-making. We challenged management's underlying assumptions in making their judgements on the provisions required, including those relating to the recoverability of contract assets.
- Assessing the appropriateness of the revenue recognition policies for the products and services offered by the Group in applying SFRS(I) 15 *Revenue from Contracts with Customers*, which included but was not limited to:
 - Assessing the appropriateness of the transaction price and its allocation to performance obligations identified within bundled contracts based on stand-alone selling prices; and
 - Inspection of customer contracts to evaluate whether performance obligations were satisfied over time or at a point in time, and assessed the reasonableness of estimates used in respect to revenue recognition and deferral of revenue.
- Testing of manual journal entries recorded in the general ledger relating to revenue recognition.

Findings

We found that the processes and controls to account for revenue were operating effectively.

We found that the key assumptions used and estimates made in regard to revenue recognition were reasonable.

Impairment assessment of goodwill	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment.</p> <p>At 31 March 2021, the Group's statement of financial position includes goodwill amounting to S\$10.8 billion, primarily related to the following cash generating units ("CGUs"):</p> <p>Singtel Optus Pty Limited ("Optus") : S\$9.5 billion Amobee, Inc. ("Amobee") : S\$0.4 billion Global Cyber Security: S\$0.7 billion</p> <p>The Group performed impairment assessments for each of the CGUs by estimating the recoverable amounts. The recoverable amount is the discounted sum of individually forecasted cash flows for each year over a period of 7 or 10 years and the value of the cash flows for the years thereafter using a long-term growth rate.</p> <p>For Amobee and Global Cyber Security, the recoverable amounts were assessed to be below the carrying values of the CGUs and an impairment loss of S\$841 million (S\$532 million for Amobee and S\$309 million for Global Cyber Security) was recognised in the income statement with a corresponding reduction of the carrying values.</p> <p>As the recoverable amount for the other CGUs was assessed to be in excess of the respective carrying amounts, no impairment was determined.</p> <p>Forecasting of future cash flows is a highly judgemental process which requires estimation of revenue growth rates, profit margins, discount rates and future economic conditions.</p> <p>Refer to Note [•] to the financial statements for the impairment assessments.</p>	<p>We evaluated whether CGUs were appropriately identified by management based on our understanding of the current business structure of the Group.</p> <p>We involved our valuation specialists in the overall assessment of the recoverable amounts of the respective CGUs.</p> <p>In particular, our procedures included:</p> <p><u>Optus, Amobee and Global Cyber Security</u> We assessed the reasonableness of the key assumptions used by management in developing the cash flow forecasts and the discount rates used in computing the recoverable amounts, which included but are not limited to:</p> <ul style="list-style-type: none"> • Agreeing the cash flow forecasts used in the impairment model to Board approved forecasts and budgets; • Considering management's expectations of the future business developments and corroborated certain information with market data; we also considered planned operational improvements to the businesses and how these plans would impact future cash flows and whether these were appropriately reflected in the cash flow forecasts used; • Challenging the appropriateness of cash flow forecasts used by comparing against historical performance and industry trends. Where relevant, assessing whether budgeted cash flows for prior years were achieved to assess forecasting accuracy; • Comparing the discount rates and terminal growth rates to observable market data; and • Performing a sensitivity analysis of the key assumptions used to determine which reasonable changes to assumptions would change the outcome of the impairment assessment.
<p><u>Findings</u> We found the identification of CGUs to be reasonable and appropriate.</p> <p>We found the key assumptions and estimates used in determining the impairment losses recorded to be within a supportable range.</p> <p>We found the computation of the impairment amount to be reasonable.</p>	

Share of joint ventures' reported contingent liabilities and provision for losses relating to regulatory litigations and tax disputes

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group's significant joint ventures have a number of on-going disputes and litigations with their local regulators and tax authorities. The Group may be exposed to significant losses as a result of the unfavourable outcome of such disputes.</p> <p>Significant judgement is required by management in assessing the likelihood of the outcome of each matter and whether the risk of loss is remote, possible or probable and whether the matter is considered a contingent liability to be disclosed. Where the risk of loss is probable, management is required to estimate the provision amount based on the expected economic outflow resulting from the disputes and litigations.</p> <p>Please refer to Note [●] to the financial statements for 'Significant Contingent Liabilities of Associates and Joint Ventures'.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Inquiring with management and legal counsel of the joint ventures to understand the process and internal controls relating to the identification and assessment of the disputes and litigations, and recognition of the related liabilities, where appropriate. • Reviewing the audit working papers of the auditors of the joint ventures ('Component Auditors'), in particular their assessment on the regulatory litigations and tax disputes that may have a material impact to the financial statements. • Discussing with the Component Auditors on their evaluation of the probability and magnitude of losses relating to the disputes and litigations, and their conclusions reached in accordance with SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.
<p>Findings We found management's assessment of the regulatory litigations and tax disputes to be reasonable, and the disclosure of contingent liabilities to be appropriate. The Group's share of losses relating to the joint ventures' litigations and disputes were also found to be appropriately recorded.</p>	
Taxation	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group is exposed to tax disputes with local tax authorities in the jurisdiction it operates in on a regular basis. The assessment of the outcome of such disputes requires significant judgement and could have a material impact on the financial statements.</p> <p><u>Australian Tax Office ("ATO") audit</u> The Group has been responding to an on-going specific issue audit by the ATO in connection with the acquisition financing of Optus.</p> <p>The Group has engaged external specialists to advise on this matter and to assist in raising objections to the amended assessments. Significant judgement is required in assessing the probability and timing of the outlays necessary for the resolution of this matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Inquiring with management on the tax issues raised by the tax authorities and assessing their impact to the financial statements; • Involving our tax specialists in assessing the appropriateness of the accounting treatments of significant tax issues adopted by the Group; and • Assessing the reasonableness of management's position and the accounting impact to the financial statements.

<p>Please refer to Note [●] to the financial statements.</p>	<p>With respect to the ATO matter:</p> <ul style="list-style-type: none"> • Involving our tax specialist in assessing the appropriateness of management's judgements taken on this matter, and the disclosure as a contingent liability, and that the amount paid continues to represent a receivable as at 31 March 2021; • Examining the advice that the Group had obtained from external specialists to support the position taken by management; and • Discussing with management and external specialists on the appropriateness of the management's position on the matter.
<p><u>Findings</u></p> <p>We found the position of management and the basis for it to be appropriate.</p> <p>We found the disclosures to the consolidated financial statements to be adequate and appropriate in accordance to SFRS(I) 1-37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>.</p>	

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have not obtained any other information prior to the date of this auditors' report. The other information is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Mr Ong Pang Thye.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

25 May 2021”