



**Financial Results  
For the Financial Year ended  
30 June 2020**

Singapore Exchange Limited  
Incorporated in the Republic of Singapore  
Company Registration Number: 199904940D

## SINGAPORE EXCHANGE LIMITED

### Financial Results for the Financial Year Ended 30 June 2020

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*The full year financial results set out in Sections 2 to 6, 8, 10 to 14, 16 to 17 and 19 to 22 of this announcement have been extracted from the audited financial statements for the full year ended 30 June 2020. The audit report dated 30 July 2020 on the financial statements of the Company and its subsidiaries for the full year ended 30 June 2020 is attached to this announcement.*

## 1. Performance Summary

### Financial Overview

- Revenue: \$1,053 million, up 16% from a year earlier
- EBITDA: \$656 million, up 25%
- Net profit: \$472 million, up 21%
- Earnings per share: 44.1 cents, up 21%
- Proposed final quarterly dividend: 8.0 cents per share in 4Q FY2020, up 0.5 cent per share

*All figures are for the year except for figures in brackets, which are for the year earlier unless otherwise stated. Figures may be subject to rounding.*

SGX recorded EBITDA of \$655.7 million (\$523.5 million) and a net profit of \$472.0 million (\$391.1 million) in FY2020. Earnings per share was 44.1 cents (36.5 cents). The Board of Directors has proposed a final quarterly dividend of 8.0 cents per share, payable on 9 October 2020, for approval at the forthcoming annual general meeting. Barring unforeseen circumstances, the annualised quarterly dividend going forward will be 32 cents per share, an increase of 7%. The higher quarterly dividend is in line with our policy to pay a sustainable and growing dividend over time, consistent with our long-term growth prospects.

Revenue increased \$142.9 million or 16% to \$1,052.7 million (\$909.8 million). Total expenses increased \$38.1 million or 8% to \$486.9 million (\$448.8 million).

Please refer to the Business Performance and Expense Overview below for more details.

Cash from operating activities was \$624.2 million (\$417.5 million).

Total equity was \$1,249.3 million (\$1,090.8 million) as of 30 June 2020.

### Business and Expenses Overview

#### Fixed Income, Currencies and Commodities Business (FICC)

FICC revenue increased \$32.4 million or 23% to \$171.4 million (\$139.0 million), and accounted for 16% (15%) of total revenue.

##### **FICC: Fixed Income**

Fixed Income revenue increased \$0.2 million or 2% to \$12.8 million (\$12.6 million).

- Listing revenue: \$9.4 million, up 2% from \$9.2 million
- Corporate actions and other revenue: \$3.4 million, comparable

There were 1,032 bond listings raising \$452.1 billion, compared to 1,066 bond listings raising \$451.8 billion a year earlier.

##### **FICC: Currencies and Commodities - Derivatives**

Currencies and Commodities - Derivatives revenue increased \$32.2 million or 25% to \$158.7 million (\$126.4 million), accounting for 15% (14%) of total revenue.

- Trading and clearing revenue: \$107.9 million, up 27% from \$84.8 million
- Treasury and other revenue: \$50.7 million, up 22% from \$41.6 million

Trading and clearing revenue grew as commodities futures volumes increased 22% to 24.3 million contracts (19.9 million contracts). This was driven primarily by increased volumes in our iron ore derivatives contracts. Currency futures volume also increased 27% to 26.4 million contracts (20.8 million contracts).

Treasury and other revenue increased mainly from higher treasury income. Treasury income increased primarily due to higher margin balances.

<b>Table 1: Currencies and Commodities Volumes ('000)</b>			
	<b>FY2020</b>	<b>FY2019</b>	<b>Change</b>
Currency futures	26,444	20,848	27%
Iron Ore derivatives	20,968	16,773	25%
Rubber futures	1,819	1,923	-5%
Freight derivatives	1,033	969	7%
Others	897	719	25%
<b>Total</b>	<b>51,161</b>	<b>41,232</b>	<b>24%</b>

## Equities Business

Equities revenue increased \$91.4 million or 14% to \$759.7 million (\$668.3 million), and accounted for 72% (73%) of total revenue.

### Equities - Cash

Equities - Cash revenue increased \$64.3 million or 19% to \$399.3 million (\$335.0 million), accounting for 38% (37%) of total revenue.

- Listing revenue: \$35.3 million, down 4% from \$36.6 million
- Corporate actions and other revenue: \$29.1 million, down 6% from \$30.8 million

We recorded 10 new equity listings which raised \$2.3 billion, compared to 20 new equity listings raising \$1.7 billion a year earlier. Secondary equity funds raised were \$16.5 billion (\$4.7 billion).

- Trading and clearing revenue: \$224.4 million, up 30% from \$173.0 million

Daily average traded value (DAV) increased 26% to \$1.32 billion (\$1.04 billion). Total traded value increased by 28% to \$332.1 billion (\$259.5 billion). This was made up of Cash Equities<sup>1</sup>, where total traded value increased by 32% to \$319.6 billion (\$241.4 billion), and Other Products<sup>2</sup>, where traded value decreased 30% to \$12.6 billion (\$18.1 billion). There were 252 (250) trading days in the year.

Average clearing fees for Cash Equities declined to 2.75 basis points (2.82 basis points) due to higher participation from market makers. Average clearing fee for Other Products increased to 0.98 basis points (0.59 basis points) due to increased activity from higher yielding Exchange Traded Funds. Overall turnover velocity for the year was 45% (36%).

- Securities settlement and depository management revenue: \$100.8 million, up 18% from \$85.7 million
- Treasury and other revenue: \$9.8 million, up 9% from \$9.0 million

Securities settlement and depository management revenue increased mainly due to higher subsequent settlement activities.

<sup>1</sup> Cash Equities include ordinary shares, real-estate investment trusts and business trusts

<sup>2</sup> Other Products include structured warrants, exchange-traded funds, daily leverage certificates, debt securities and American depository receipts

**Table 2: Key Metrics for Cash Equities Market**

	FY2020	FY2019	Change
Total traded value (\$ billion)	332	259	28%
Period-end total market capitalisation (\$ billion)	817	981	-17%
· <i>Primary-listed</i>	545	656	-17%
· <i>Secondary-listed</i>	272	326	-17%
Turnover velocity (primary-listed)	45%	36%	25%
Total traded volume (in billion)	369	344	7%

**Equities – Derivatives**

Equities - Derivatives revenue increased \$27.1 million or 8% to \$360.4 million (\$333.3 million), accounting for 34% (37%) of total revenue.

- Trading and clearing revenue: \$212.0 million, up 2% from \$207.3 million
- Treasury, licence and other revenue: \$148.4 million, up 18% from \$126.0 million

Clearing revenue increased mainly due to higher volumes in our MSCI Singapore, Nikkei 225, Nifty 50, and MSCI Taiwan index futures contracts. This was partially offset by lower volumes in our FTSE China A50 futures contract.

Treasury and other revenue increased mainly from higher treasury income. Treasury income increased mainly due to higher margin balances.

**Table 3: Equity Derivatives Volumes ('000)**

	FY2020	FY2019	Change
SGX FTSE China A50 Index futures	88,338	105,820	-17%
Japan Nikkei 225 Index futures	26,073	22,561	16%
Nifty derivatives	24,254	21,121	15%
MSCI Taiwan Index futures	22,758	21,035	8%
MSCI Singapore Index futures	11,758	10,039	17%
MSCI Indonesia Index futures	140	264	-47%
Japan Nikkei 225 Index options	10,724	9,980	7%
MSCI Net Total Return derivatives	5,552	6,776	-18%
Single Stock Futures	2,728	975	180%
Others	169	455	-63%
<b>Total</b>	<b>192,493</b>	<b>199,026</b>	<b>-3%</b>

**Average Fees**

Average fee per contract for Equity, Currency and Commodity derivatives was higher at \$1.18 (\$1.09) mainly due to an increase in proportion of volume from higher-fee paying customers.

## Data, Connectivity and Indices Business

Data, Connectivity and Indices revenue increased \$19.1 million or 19% to \$121.6 million (\$102.5 million), accounting for 12% (11%) of total revenue.

- Market data and Indices revenue: \$59.4 million, up 38% from \$43.0 million
- Connectivity revenue: \$62.2 million, up 5% from \$59.5 million

Market data and indices revenue increased 38% mainly due to the consolidation of revenues from Scientific Beta Pte. Ltd. ("Scientific Beta"), which was acquired in January 2020, excluding which, Market data and indices revenue would increase by \$2.0 million.

Connectivity revenue increased 5% main due to the continued growth of our colocation services business, and an increase in derivatives connectivity subscriptions.

### Expenses Overview

Total expenses increased \$38.1 million or 8% to \$486.9 million (\$448.8 million). It comprises operating expenses, and depreciation and amortisation.

Operating expenses increased \$10.8 million or 3% to \$397.0 million (\$386.3 million) mainly from higher staff costs, processing and royalties expenses, and cost relating to the SGX Care Package. This was partially offset by credits from the Job Support Scheme provided by the government of Singapore.

- Total staff costs increased \$23.8 million or 12% to \$215.2 million (\$191.3 million). Fixed staff costs increased \$8.1 million or 6% to \$137.5 million (\$129.4 million) mainly due to the consolidation of staff cost of Scientific Beta, annual staff salary increments, and an increase in headcount. This was partially offset by a one-off \$5.5 million credit from the Job Support Scheme. Average headcount for the year was 872 (820), including 34 staff from Scientific Beta. Provisions for variable staff costs increased \$15.7 million or 25% to \$77.7 million (\$62.0 million), in line with higher profitability.
- Technology expenses decreased \$10.5 million or 13% to \$68.9 million (\$79.4 million) primarily from lower costs recorded under system maintenance and rental. This was due to the adoption of new accounting standard SFRS(I) 16 Leases<sup>3</sup>, excluding which, Technology expenses would have been comparable.
- Processing and royalties increased \$6.5 million or 14% to \$53.7 million (\$47.3 million) in line with higher volumes in our Iron Ore, Nifty, and Nikkei 225 futures contracts, partially offset by lower volumes in our FTSE China A50 futures contract.
- Premises expenses decreased \$10.0 million or 50% to \$9.9 million (\$19.9 million) mainly due to the adoption of new accounting standard SFRS(I) 16 Leases<sup>3</sup>, excluding which, Premises expenses would have increased \$2.0 million or 10% to \$21.8 million.
- Other expenses increased \$2.1 million or 6% to \$35.9 million (\$33.8 million) mainly from a SGX Care Package to assist listed companies affected by the COVID-19 pandemic and fund national healthcare-support programs, as well as donations to the SGX Bull Charge charity. This was partially offset by a decline in marketing and travelling expenses.

Depreciation and amortisation increased \$27.4 million or 44% to \$89.9 million (\$62.5 million) primarily from the adoption of new accounting standard SFRS(I) 16 Leases<sup>3</sup>. Excluding the impact of SFRS (I) 16, Depreciation and amortisation would have increased \$7.2 million or 12% to \$69.7 million, mainly due to the amortisation of intangible assets relating to Scientific Beta, and higher depreciation from the implementation of new systems.

An impairment loss of \$6.2 million was recognised in 4Q FY2020 on an investment in associated company, Freightos Limited. The loss reflects the impact of COVID-19 on the freight industry.

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<sup>3</sup> Under SFRS(I) 16 Leases, rental expenses relating to operating leases for data centers and office premises that were recorded as technology and premises expenses respectively, are now recorded as depreciation expense and finance charges. SFRS(I) 16 Leases took effect on 1 July 2019.

Tax expense for the year was \$99.0 million (\$81.9 million). The effective tax rate was 17% (17%).

Technology-related capital expenditure was \$40.6 million (\$54.6 million). These investments were mainly for the enhancements of our key technology infrastructure, digitalisation of retail investor services, and upgrades to our Titan OTC commodities trade reporting system.

### **Regulatory Overview**

In FY2020, Singapore Exchange Regulation (SGX RegCo) introduced various initiatives, including several measures in response to the COVID-19 situation.

These measures included guidance on the conduct of virtual annual general meetings, which we updated as the situation evolved, extensions to the deadline for full-year financial reporting for companies with certain year-ends, a doubling of the share issue mandate for Mainboard companies and virtual inspections of member firms.

Other measures in the year included the adoption of a more risk-based approach towards quarterly reporting where higher-risk issuers must report results every quarter while other companies need only do so every half-year.

We removed the minimum trading price (MTP) rule in favour of other more effective anti-manipulation tools. Our Trade with Caution (TWC) alerts were strengthened with restrictions on trading by certain accounts. We consulted on and have decided to introduce price collars in the future to guard against severe price dislocations during the opening, midday and closing market auctions.

Our oversight of Issue Managers was enhanced while our rules governing de-listings by way of a general offer now require such offers to be fair and reasonable. A whistle-blowing office for dealing with feedback and complaints about listed issuers was set up. We consulted on the requirement for all issuers to have a Singapore-registered auditor and on new rules on property valuers and valuation reports. SGX RegCo and The Law Society of Singapore also issued towards the end of the year a best practices guide for Singapore lawyers in their listed issuer dealings.

### **Commitment to Clearing Funds**

SGX's commitment to the CDP and SGX-DC clearing funds was \$60 million and \$150 million respectively. The total CDP clearing fund was \$100 million and the total SGX-DC clearing fund was \$525 million as of 30 June 2020.

## Outlook

SGX achieved a strong performance in FY2020, reporting growth in all business segments and the highest revenue since listing.

We are well underway in advancing our strategic priority of building a multi-asset exchange. Our new organisational structure enables a streamlined client-engagement model that allows us to offer holistic services across asset classes. We further enhanced our platform offering, and invested in growing our business pillars, including the acquisition of Scientific Beta. As volatility in global markets heightened in the second half of FY2020 due to COVID-19, our clients intensified the use of our solutions to manage their Asian portfolio risks across asset classes.

The breadth and depth of our multi-asset offerings, supported by our global network, better positioned us to meet the needs of our clients in this current low-interest rate and uncertain environment. Through our international sales effort, our currency derivatives business grew with a 53% increase in volume during the overnight (T+1) session. Activity from financial market participants in our commodity derivatives business increased by more than 35%, as participants used our iron ore contract as a macro-economic proxy to Asia's industrial activity. Our equity derivatives business saw higher volumes in most contracts, as global participants continued to manage their portfolio risks round-the-clock. With news flowing across time zones, equity derivatives trading activity in the overnight (T+1) session grew by more than 25% against last year.

Our cash equities business saw higher trading activity from all customer segments, and new retail CDP accounts increased by more than 35% from a year ago. We digitalised essential Central Depository (CDP) services to bring efficiencies and better customer experience. With support from the Grant for Equity Market Singapore Scheme (GEMS), we worked with the research community to include more companies that previously had little or no industry research coverage.

Looking forward to FY2021, market activity could ease following heightened volumes in the second half of FY2020. However, asset prices have recovered from recent lows, and a prolonged low interest rate environment may prompt investors to turn to capital markets for alternative returns. Risk management activities could grow from continued uncertainty as geopolitical tensions between US and China escalate, and global economies recover from the COVID-19 pandemic at differing pace.

SGX intends to bring to clients even greater benefits from its multi-asset portfolio amidst this environment. We will refresh and expand our derivatives suite before the expiry of our licencing agreement with MSCI in February 2021. In line with increasing demands from clients for sustainable investments, we will also introduce ESG-related investment opportunities. Our product shelf of daily leverage certificates and single-stock futures will also be expanded.

Our newly acquired subsidiaries, Scientific Beta and BidFX, will enable us to provide a broader spectrum of products and services for our customers. Scientific Beta will bring us intellectual property through its deep research and smart-beta capabilities to tap on the secular trend of passive investment. BidFX will enable our customers to access over-the-counter and on-exchange currency derivatives through an integrated platform.

Our total expense for FY2021 is projected to be between \$535 million and \$545 million. The increase is due to costs associated with Scientific Beta and BidFX, excluding which, total expense would be lower by \$15 million year-on-year. FY2021 capital expenditure is projected to be between \$55 million and \$60 million, as we continue to invest in growth. The increase is due to capital expenditure of BidFX, excluding which capital expenditure would be lower by \$11 million.



## 2. Income Statement - Group

4QFY2020	4QFY2019	Change		FY2020	FY2019	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			<b>Operating revenue</b>			
41,181	40,403	1.9	<b>Fixed Income, Currencies and Commodities</b>	171,414	138,991	23.3
200,975	181,649	10.6	<b>Equities</b>	759,680	668,287	13.7
36,246	25,980	39.5	<b>Data, Connectivity and Indices</b>	121,604	102,530	18.6
<b>278,402</b>	<b>248,032</b>	<b>12.2</b>	<b>Operating revenue</b>	<b>1,052,698</b>	<b>909,808</b>	<b>15.7</b>
			<b>Operating expenses</b>			
57,473	54,205	6.0	<b>Staff</b>	215,172	191,337	12.5
18,915	21,255	(11.0)	<b>Technology</b>	68,937	79,391	(13.2)
13,054	13,407	(2.6)	<b>Processing and royalties</b>	53,739	47,258	13.7
2,317	4,903	(52.7)	<b>Premises</b>	9,879	19,892	(50.3)
4,850	3,794	27.8	<b>Professional fees</b>	13,394	14,603	(8.3)
10,269	11,561	(11.2)	<b>Others</b>	35,921	33,798	6.3
<b>106,878</b>	<b>109,125</b>	<b>(2.1)</b>	<b>Operating expenses</b>	<b>397,042</b>	<b>386,279</b>	<b>2.8</b>
171,524	138,907	23.5	<b>Earnings before interest, tax, depreciation and amortisation</b>	655,656	523,529	25.2
22,701	16,098	41.0	<b>Depreciation and amortisation</b>	89,862	62,512	43.8
<b>148,823</b>	<b>122,809</b>	<b>21.2</b>	<b>Operating profit</b>	<b>565,794</b>	<b>461,017</b>	<b>22.7</b>
			<b>Non-operating gains/(losses)</b>			
2,936	3,307	(11.2)	- Other revenue including interest income	16,055	13,527	18.7
(850)	-	NM	- Finance charges	(2,888)	-	NM
(186)	2	NM	- Net foreign exchange gains/(losses)	488	(59)	NM
(6,200)	-	NM	- Impairment loss on investment in associated company	(6,200)	-	NM
<b>(4,300)</b>	<b>3,309</b>	<b>NM</b>	<b>Non-operating gains/(losses)</b>	<b>7,455</b>	<b>13,468</b>	<b>(44.6)</b>
144,523	126,118	14.6	<b>Profit before tax and share of results of associated companies and joint venture</b>	573,249	474,485	20.8
1,307	(287)	NM	Share of results of associated companies and joint venture, net of tax	(2,301)	(1,500)	53.4
<b>145,830</b>	<b>125,831</b>	<b>15.9</b>	<b>Profit before tax</b>	<b>570,948</b>	<b>472,985</b>	<b>20.7</b>
(24,638)	(21,981)	12.1	Tax	(98,963)	(81,887)	20.9
<b>121,192</b>	<b>103,850</b>	<b>16.7</b>	<b>Net profit after tax</b>	<b>471,985</b>	<b>391,098</b>	<b>20.7</b>
			<b>Attributable to:</b>			
121,083	103,850	16.6	Equity holders of the Company	471,815	391,098	20.6
109	-	NM	Non-controlling interests	170	-	NM

## 3. Statement of Comprehensive Income - Group

4QFY2020	4QFY2019	Change		FY2020	FY2019	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
121,192	103,850	16.7	<b>Net profit after tax</b>	471,985	391,098	20.7
			<b>Other comprehensive income:</b>			
			<b>a) Items that may be reclassified subsequently to profit or loss:</b>			
			<u>Foreign exchange translation</u>			
(3,393)	(3,817)	(11.1)	Exchange differences arising during the year	(530)	(6,161)	(91.4)
			<u>Cash flow hedges</u>			
2,065	(136)	NM	- Fair value gains/(losses) arising during the year	(1,843)	(96)	NM
1,929	(30)	NM	- Transferred to profit or loss	2,316	1,373	68.7
			<u>Financial assets, at FVOCI</u>			
263	103	NM	- Fair value gains arising during the year	152	92	65.2
60	-	NM	- Transferred to profit or loss	17	-	NM
			<b>b) Items that will not be reclassified subsequently to profit or loss:</b>			
			<u>Foreign exchange translation</u>			
(2)	-	NM	Exchange differences arising during the year	87	-	NM
			<u>Financial assets, at FVOCI</u>			
43,973	8,836	NM	Fair value gains arising during the year	45,220	8,716	NM
44,895	4,956	NM	<b>Other comprehensive income for the year, net of tax</b>	45,419	3,924	NM
<b>166,087</b>	<b>108,806</b>	<b>52.6</b>	<b>Total comprehensive income for the year</b>	<b>517,404</b>	<b>395,022</b>	<b>31.0</b>
			<b>Total comprehensive income attributable to:</b>			
165,980	108,806	52.5	Equity holders of the Company	517,147	395,022	30.9
107	-	NM	Non-controlling interests	257	-	NM

NM: Not meaningful

#### 4. Detailed Notes on Revenue - Group

4QFY2020 S\$'000	4QFY2019 S\$'000	Change %		FY2020 S\$'000	FY2019 S\$'000	Change %
<b>Operating revenue</b>						
<b>Fixed Income, Currencies and Commodities</b>						
<b>- Fixed Income</b>						
1,453	2,759	(47.3)	- Listing	9,406	9,225	2.0
822	919	(10.6)	- Corporate actions and other	3,353	3,344	0.3
2,275	3,678	(38.1)		12,759	12,569	1.5
<b>- Currencies and Commodities - Derivatives</b>						
26,659	24,723	7.8	- Trading and clearing	107,908	84,779	27.3
12,247	12,002	2.0	- Treasury and other	50,747	41,643	21.9
38,906	36,725	5.9		158,655	126,422	25.5
41,181	40,403	1.9		171,414	138,991	23.3
<b>Equities</b>						
<b>- Equities - Cash</b>						
8,560	9,030	(5.2)	- Listing	35,266	36,555	(3.5)
7,009	9,664	(27.5)	- Corporate actions and other	29,068	30,760	(5.5)
65,809	44,390	48.3	- Trading and clearing	224,390	172,975	29.7
27,437	22,911	19.8	- Securities settlement and depository management	100,763	85,675	17.6
2,770	2,260	22.6	- Treasury and other	9,815	8,995	9.1
111,585	88,255	26.4		399,302	334,960	19.2
<b>- Equities - Derivatives</b>						
47,957	57,537	(16.7)	- Trading and clearing	211,992	207,317	2.3
41,433	35,857	15.6	- Treasury, licence and other	148,386	126,010	17.8
89,390	93,394	(4.3)		360,378	333,327	8.1
200,975	181,649	10.6		759,680	668,287	13.7
<b>Data, Connectivity and Indices</b>						
20,744	10,757	92.8	- Market data and Indices	59,363	42,997	38.1
15,502	15,223	1.8	- Connectivity	62,241	59,533	4.5
36,246	25,980	39.5		121,604	102,530	18.6
278,402	248,032	12.2	<b>Operating revenue</b>	1,052,698	909,808	15.7

## 5. Detailed Notes on Expenses - Group

4QFY2020	4QFY2019	Change		FY2020	FY2019	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
<b>Operating expenses</b>						
<b>Staff</b>						
34,585	33,939	1.9	- Fixed staff costs	137,512	129,384	6.3
19,487	16,902	15.3	- Variable bonus	63,071	51,794	21.8
3,401	3,364	1.1	- Variable share-based payment	14,589	10,159	43.6
57,473	54,205	6.0		215,172	191,337	12.5
<b>Technology</b>						
17,940	20,183	(11.1)	- System maintenance and rental	65,174	75,728	(13.9)
975	1,072	(9.0)	- Communication charges	3,763	3,663	2.7
18,915	21,255	(11.0)		68,937	79,391	(13.2)
13,054	13,407	(2.6)	<b>Processing and royalties</b>	53,739	47,258	13.7
2,317	4,903	(52.7)	<b>Premises</b>	9,879	19,892	(50.3)
4,850	3,794	27.8	<b>Professional fees</b>	13,394	14,603	(8.3)
<b>Others</b>						
3,050	3,942	(22.6)	- Marketing	7,284	8,444	(13.7)
(99)	1,663	NM	- Travelling	1,963	4,534	(56.7)
(7)	(120)	(94.2)	- Allowance/(reversal) for impairment of trade receivables (net)	1,029	797	29.1
164	397	(58.7)	- Net write-off of property, plant and equipment and software	1,038	407	NM
146	203	(28.1)	- Net loss on disposal of property, plant and equipment and software	378	203	86.2
792	856	(7.5)	- Directors' fees	2,735	3,446	(20.6)
1,605	1,549	3.6	- Regulatory fees	6,235	6,022	3.5
4,618	3,071	50.4	- Miscellaneous	15,259	9,945	53.4
10,269	11,561	(11.2)		35,921	33,798	6.3
106,878	109,125	(2.1)	<b>Operating expenses</b>	397,042	386,279	2.8

## 6. Earnings Per Share - Group

4QFY2020	4QFY2019		FY2020	FY2019
<b>Earnings per ordinary share for the period attributable to the Company's equity holders (cents)</b>				
11.3	9.7	(a) Based on weighted average number of ordinary shares in issue	44.1	36.5
11.3	9.7	(b) On a fully diluted basis	43.9	36.4
1,069,771	1,069,826	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,070,387	1,070,155
4,893	3,873	Adjustment for assumed vesting of shares granted under share plans ('000)	4,625	3,617
1,074,664	1,073,699	Weighted average number of ordinary shares for diluted earnings per share ('000)	1,075,012	1,073,772

## 7. Half Yearly Income Statement - Group

	1H		Change %
	FY2020 S\$'000	FY2019 S\$'000	
<b>Operating revenue</b>			
<b>Fixed Income, Currencies and Commodities</b>			
<b>- Fixed Income</b>			
- Listing	4,898	4,091	19.7
- Corporate actions and other	1,600	1,585	0.9
	6,498	5,676	14.5
<b>- Currencies and Commodities - Derivatives</b>			
- Trading and clearing	52,445	37,742	39.0
- Treasury and other	25,819	18,212	41.8
	78,264	55,954	39.9
	84,762	61,630	37.5
<b>Equities</b>			
<b>- Equities - Cash</b>			
- Listing	17,822	18,245	(2.3)
- Corporate actions and other	15,878	14,624	8.6
- Trading and clearing	90,706	87,504	3.7
- Securities settlement and depository management	47,528	41,396	14.8
- Treasury and other	4,441	4,505	(1.4)
	176,375	166,274	6.1
<b>- Equities - Derivatives</b>			
- Trading and clearing	99,057	98,131	0.9
- Treasury, licence and other	65,954	56,524	16.7
	165,011	154,655	6.7
	341,386	320,929	6.4
<b>Data, Connectivity and Indices</b>			
- Market data and Indices	21,437	20,996	2.1
- Connectivity	30,913	29,459	4.9
	52,350	50,455	3.8
<b>Operating revenue</b>	<b>478,498</b>	<b>433,014</b>	<b>10.5</b>
<b>Net profit after tax reported for the first half year</b>	<b>213,255</b>	<b>187,591</b>	<b>13.7</b>

## 7. Half Yearly Income Statement - Group

	2H		Change %
	FY2020 S\$'000	FY2019 S\$'000	
<b>Operating revenue</b>			
<b>Fixed Income, Currencies and Commodities</b>			
<b>- Fixed Income</b>			
- Listing	4,508	5,134	(12.2)
- Corporate actions and other	1,753	1,759	(0.3)
	6,261	6,893	(9.2)
<b>- Currencies and Commodities - Derivatives</b>			
- Trading and clearing	55,463	47,037	17.9
- Treasury and other	24,928	23,431	6.4
	80,391	70,468	14.1
	86,652	77,361	12.0
<b>Equities</b>			
<b>- Equities - Cash</b>			
- Listing	17,444	18,310	(4.7)
- Corporate actions and other	13,190	16,136	(18.3)
- Trading and clearing	133,684	85,471	56.4
- Securities settlement and depository management	53,235	44,279	20.2
- Treasury and other	5,374	4,490	19.7
	222,927	168,686	32.2
<b>- Equities - Derivatives</b>			
- Trading and clearing	112,935	109,186	3.4
- Treasury, licence and other	82,432	69,486	18.6
	195,367	178,672	9.3
	418,294	347,358	20.4
<b>Data, Connectivity and Indices</b>			
- Market data and Indices	37,926	22,001	72.4
- Connectivity	31,328	30,074	4.2
	69,254	52,075	33.0
<b>Operating revenue</b>	<b>574,200</b>	<b>476,794</b>	<b>20.4</b>
<b>Net profit after tax reported for the second half year</b>	<b>258,730</b>	<b>203,507</b>	<b>27.1</b>

## 8. Statement of Financial Position - Group

	As at	
	30 Jun 2020 S\$'000	30 Jun 2019 S\$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	907,378	666,670
Trade and other receivables	758,294	885,451
Derivative financial instruments	2,485	256
Financial assets, at FVOCI	48,136	24,780
	1,716,293	1,577,157
<b>Non-current assets</b>		
Financial assets, at FVOCI	119,269	58,783
Investment property	24,348	24,596
Property, plant and equipment	50,777	60,951
Software	168,198	182,090
Right-of-use assets	87,124	-
Intangible assets	108,312	57,566
Goodwill	329,176	85,299
Investments in associated companies	71,877	78,967
Investment in joint venture	90	100
Derivative financial instruments	3,096	5,851
Other assets	928	928
	963,195	555,131
<b>Total assets</b>	<b>2,679,488</b>	<b>2,132,288</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	808,664	911,506
Derivative financial instruments	2,084	1,293
Borrowings	304,071	-
Lease liabilities	19,483	-
Taxation	109,558	77,167
Provisions	13,935	11,507
	1,257,795	1,001,473
<b>Non-current liabilities</b>		
Financial liability	40,548	-
Lease liabilities	69,547	-
Deferred tax liabilities	62,315	39,966
	172,410	39,966
<b>Total liabilities</b>	<b>1,430,205</b>	<b>1,041,439</b>
<b>Net assets</b>	<b>1,249,283</b>	<b>1,090,849</b>
<b>Equity</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	429,738	429,113
Treasury shares	(20,996)	(13,233)
Cash flow hedge reserve	345	(128)
Currency translation reserve	(3,827)	(3,297)
Fair value reserve	54,909	8,931
Securities clearing fund reserve	25,000	25,000
Derivatives clearing fund reserve	34,021	34,021
Share-based payment reserve	24,554	18,865
Other reserve	(40,506)	-
Retained profits	656,092	511,342
Proposed dividends	85,518	80,235
	1,244,848	1,090,849
<b>Non-controlling interests</b>	<b>4,435</b>	<b>-</b>
<b>Total equity</b>	<b>1,249,283</b>	<b>1,090,849</b>

**9. Net Asset Value - Group**

	As at	
	30 Jun 2020	30 Jun 2019
	S\$	S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	1.16	1.02

**10. Borrowings and Debt Securities - Group****(a) Aggregate amount of the Group's borrowings and debt securities**

	As at 30 Jun 2020		As at 30 Jun 2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on	Nil	304,071	Nil	Nil
Amount repayable after one year	Nil	Nil	Nil	Nil

**(b) Details of any collaterals**

None.

## 11. Statement of Cash Flows - Group

4QFY2020 S\$'000	4QFY2019 S\$'000		FY2020 S\$'000	FY2019 S\$'000
<b>Cash flows from operating activities</b>				
144,523	126,118	Profit before tax and share of results of associated companies and joint venture	573,249	474,485
Adjustments for:				
22,701	16,098	Depreciation and amortisation	89,862	62,512
3,401	3,364	Share-based payment expense	14,934	10,485
6,200	-	Impairment loss on investment in associated company	6,200	-
850	-	Finance charges	2,888	-
164	397	Net write-off of property, plant and equipment and software	1,038	407
146	203	Net loss on disposal of property, plant and equipment and software	378	203
(3,014)	(3,360)	Interest income	(13,437)	(12,748)
(271)	(88)	Gains on dilution of interests in associated companies	(3,803)	(221)
(77)	(43)	Dividend income from other investments	(161)	(99)
174,623	142,689	<b>Operating cash flow before working capital change</b>	671,148	535,024
Change in working capital:				
1,123	2,553	Cash committed for National Electricity Market of Singapore	2,245	10,831
228,809	(289,740)	Trade and other receivables	141,118	(59,368)
(239,482)	277,726	Trade and other payables	(117,955)	10,675
165,073	133,228	Cash generated from operations	696,556	497,162
(483)	(430)	Income tax paid	(72,385)	(79,694)
164,590	132,798	<b>Net cash provided by operating activities</b>	624,171	417,468
<b>Cash flows from investing activities</b>				
-	-	Acquisition of a subsidiary, net of cash acquired	(271,871)	-
-	-	Acquisition of associated companies	-	(71,693)
(12,446)	(11,707)	Purchases of property, plant and equipment and software	(34,626)	(47,347)
(68)	(15,339)	Purchase of financial assets, at FVOCI	(23,452)	(48,947)
4,329	5,028	Interest received	13,342	13,181
-	-	Dividend received from associated company	2,416	-
60	48	Dividends received from other investments	138	104
-	-	Purchase and sale of call options	-	(5,541)
(8,125)	(21,970)	<b>Net cash used in investing activities</b>	(314,053)	(160,243)
<b>Cash flows from financing activities</b>				
(80,241)	(80,238)	Dividends paid	(321,193)	(401,402)
(8,816)	(235)	Purchase of treasury shares	(17,002)	(9,502)
(5,404)	-	Repayment of lease liabilities	(20,860)	-
295,694	-	Proceeds from bank borrowings	585,124	-
(295,694)	-	Repayment of bank borrowings	(295,694)	-
(113)	-	Interest paid	(113)	-
(94,574)	(80,473)	<b>Net cash used in financing activities</b>	(69,738)	(410,904)
61,891	30,355	<b>Net increase/(decrease) in cash and cash equivalents held</b>	240,380	(153,679)
625,108	365,459	Cash and cash equivalents at the beginning of the year	445,512	549,597
-	50,000	Decrease in cash committed for Singapore Exchange Derivatives Clearing Limited - Derivatives Clearing Fund	-	50,000
(569)	(302)	Effects of currency translation on cash and cash equivalents	538	(406)
686,430	445,512	<b>Cash and cash equivalents at the end of the year</b>	686,430	445,512
<b>Reconciliation of cash and cash equivalents</b>				
For the purpose of the Statement of Cash Flows, the cash and cash equivalents comprised the following:				
686,430	445,512	Cash and cash equivalents per Statement of Cash Flows	686,430	445,512
Add: Cash committed for				
150,021	150,021	- Singapore Exchange Derivatives Clearing Limited - Derivatives Clearing Fund	150,021	150,021
60,000	60,000	- The Central Depository (Pte) Limited - Securities Clearing Fund	60,000	60,000
8,892	11,137	- National Electricity Market of Singapore	8,892	11,137
2,035	-	Bank overdrafts repayable on demand and used for cash management purposes	2,035	-
907,378	666,670	Cash and cash equivalents per Statement of Financial Position - Group	907,378	666,670



12. Statement of Changes in Equity - Group

	Attributable to equity holders of the Company													Non-controlling interests	Total equity \$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Fair value reserve *	Securities clearing fund reserve *	Derivatives clearing fund reserve *	Share-based payment reserve *	Other reserve *	Retained profits	Proposed dividends	Total			
	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$S'000	\$'000		
<b>(i) Group - 4Q FY2020</b>															
<b>Balance at 1 April 2020</b>	429,738	(12,544)	(3,649)	(434)	10,147	25,000	34,021	21,153	(40,506)	620,982	-	1,083,908	4,357	1,088,265	
<b>Changes in equity for the period</b>															
<b>Transactions with equity holders, recognised directly in equity</b>															
<u>Contributions by and distributions to equity holders</u>															
Dividends paid															
- Over provision of 3Q FY2020 interim dividends	-	-	-	-	-	-	-	-	-	11	-	11	-	11	
Proposed dividends															
- FY2020 - Final dividends	-	-	-	-	-	-	-	-	-	(85,518)	85,518	-	-	-	
Employees' share plans - Value of employees' services	-	-	-	-	-	-	3,401	-	-	-	-	3,401	-	3,401	
Purchase of treasury shares	-	(8,816)	-	-	-	-	-	-	-	-	-	(8,816)	-	(8,816)	
Tax effect on treasury shares ^^	-	364	-	-	-	-	-	-	-	-	-	364	-	364	
Transfer upon disposal of equity investments	-	-	-	-	466	-	-	-	-	(466)	-	-	-	-	
<b>Total contributions by and distributions to equity holders</b>	-	(8,452)	-	-	466	-	-	3,401	-	(85,973)	85,518	(5,040)	-	(5,040)	
<u>Change in equity holders' interests in subsidiary</u>															
Adjustments to non-controlling interests upon acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(29)	(29)	
<b>Total change in equity holders' interests in subsidiary</b>	-	-	-	-	-	-	-	-	-	-	-	-	(29)	(29)	
<b>Total transactions with equity holders</b>	-	(8,452)	-	-	466	-	-	3,401	-	(85,973)	85,518	(5,040)	(29)	(5,069)	
Total comprehensive income for the period	-	-	3,994	(3,393)	44,296	-	-	-	-	121,083	-	165,980	107	166,087	
<b>Balance at 30 June 2020</b>	429,738	(20,996)	345	(3,827)	54,909	25,000	34,021	24,554	(40,506)	656,092	85,518	1,244,848	4,435	1,249,283	
<b>(ii) Group - 4Q FY2019</b>															
<b>Balance at 1 April 2019</b>	429,113	(13,001)	38	520	39	25,000	34,021	15,501	-	487,680	-	978,911	-	978,911	
<b>Changes in equity for the period</b>															
Proposed dividends															
- FY2019 - Final dividends	-	-	-	-	-	-	-	-	-	(80,235)	80,235	-	-	-	
Employees' share plans - Value of employees' services	-	-	-	-	-	-	3,364	-	-	-	-	3,364	-	3,364	
Purchase of treasury shares	-	(235)	-	-	-	-	-	-	-	-	-	(235)	-	(235)	
Tax effect on treasury shares ^^	-	3	-	-	-	-	-	-	-	-	-	3	-	3	
Transfer upon disposal of equity investments	-	-	-	-	(47)	-	-	-	-	47	-	-	-	-	
-	-	(232)	-	-	(47)	-	-	3,364	-	(80,188)	80,235	3,132	-	3,132	
Total comprehensive income for the period	-	-	(166)	(3,817)	8,939	-	-	-	-	103,850	-	108,806	-	108,806	
<b>Balance at 30 June 2019</b>	429,113	(13,233)	(128)	(3,297)	8,931	25,000	34,021	18,865	-	511,342	80,235	1,090,849	-	1,090,849	

\* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and share-based payment expense relating to employees' and directors' services.

12. Statement of Changes in Equity - Group

	Attributable to equity holders of the Company													Non-controlling interests	Total equity
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Fair value reserve *	Securities clearing fund reserve *	Derivatives clearing fund reserve *	Share-based payment reserve *	Other reserve *	Retained profits	Proposed dividends	Total			
	S\$'000	S\$'000	S\$'000	S\$'000	\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>(iii) Group - FY2020</b>															
<b>Balance at 1 July 2019</b>	429,113	(13,233)	(128)	(3,297)	8,931	25,000	34,021	18,865	-	511,342	80,235	1,090,849	-	1,090,849	
<b>Changes in equity for the year</b>															
<b>Transactions with equity holders, recognised directly in equity</b>															
<u>Contributions by and distributions to equity holders</u>															
Dividends paid															
- FY2019 - Final dividends	-	-	-	-	-	-	-	-	-	-	(80,235)	(80,235)	-	(80,235)	
- Under provision of FY2019 final dividends	-	-	-	-	-	-	-	-	-	(86)	-	(86)	-	(86)	
- FY2020 - Interim dividends	-	-	-	-	-	-	-	-	-	(240,872)	-	(240,872)	-	(240,872)	
Proposed dividends															
- FY2020 - Final dividends	-	-	-	-	-	-	-	-	-	(85,518)	85,518	-	-	-	
Employees' share plans - Value of employees' services	-	-	-	-	-	-	14,589	-	-	-	-	14,589	-	14,589	
Restricted share plan - Value of directors' services	-	-	-	-	-	-	345	-	-	-	-	345	-	345	
Vesting of shares under share-based remuneration plans	567	8,333	-	-	-	-	(8,900)	-	-	-	-	-	-	-	
Vesting of shares under restricted share plan	58	287	-	-	-	-	(345)	-	-	-	-	-	-	-	
Purchase of treasury shares	-	(17,002)	-	-	-	-	-	-	-	-	-	(17,002)	-	(17,002)	
Tax effect on treasury shares ^^	-	619	-	-	-	-	-	-	-	-	-	619	-	619	
Transfer upon disposal of equity investments	-	-	-	-	589	-	-	-	-	(589)	-	-	-	-	
Forward liability to acquire non-controlling interests	-	-	-	-	-	-	-	-	(40,506)	-	-	(40,506)	-	(40,506)	
<b>Total contributions by and distributions to equity holders</b>	<b>625</b>	<b>(7,763)</b>	<b>-</b>	<b>-</b>	<b>589</b>	<b>-</b>	<b>-</b>	<b>5,689</b>	<b>(40,506)</b>	<b>(327,065)</b>	<b>5,283</b>	<b>(363,148)</b>	<b>-</b>	<b>(363,148)</b>	
<u>Change in equity holders' interests in subsidiary</u>															
Non-controlling interests upon acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	4,178	4,178	
<b>Total change in equity holders' interests in subsidiary</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,178</b>	<b>4,178</b>	
<b>Total transactions with equity holders</b>	<b>625</b>	<b>(7,763)</b>	<b>-</b>	<b>-</b>	<b>589</b>	<b>-</b>	<b>-</b>	<b>5,689</b>	<b>(40,506)</b>	<b>(327,065)</b>	<b>5,283</b>	<b>(363,148)</b>	<b>4,178</b>	<b>(358,970)</b>	
Total comprehensive income for the year	-	-	473	(530)	45,389	-	-	-	-	471,815	-	517,147	257	517,404	
<b>Balance at 30 June 2020</b>	<b>429,738</b>	<b>(20,996)</b>	<b>345</b>	<b>(3,827)</b>	<b>54,909</b>	<b>25,000</b>	<b>34,021</b>	<b>24,554</b>	<b>(40,506)</b>	<b>656,092</b>	<b>85,518</b>	<b>1,244,848</b>	<b>4,435</b>	<b>1,249,283</b>	
<b>(iv) Group - FY2019</b>															
<b>Balance at 1 July 2018</b>	<b>429,236</b>	<b>(11,363)</b>	<b>(1,405)</b>	<b>2,864</b>	<b>111</b>	<b>25,000</b>	<b>34,021</b>	<b>15,875</b>	<b>-</b>	<b>441,377</b>	<b>160,516</b>	<b>1,096,232</b>	<b>-</b>	<b>1,096,232</b>	
<b>Changes in equity for the year</b>															
Dividends paid															
- FY2018 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	-	(160,516)	(160,516)	-	(160,516)	
- FY2018 - Under provision of final base and variable dividends	-	-	-	-	-	-	-	-	-	(84)	-	(84)	-	(84)	
- FY2019 - Interim dividends	-	-	-	-	-	-	-	-	-	(240,802)	-	(240,802)	-	(240,802)	
Proposed dividends															
- FY2019 - Final dividends	-	-	-	-	-	-	-	-	-	(80,235)	80,235	-	-	-	
Employees' share plans - Value of employees' services	-	-	-	-	-	-	10,159	-	-	-	-	10,159	-	10,159	
Restricted share plan - Value of directors' services	-	-	-	-	-	-	326	-	-	-	-	326	-	326	
Vesting of shares under share-based remuneration plans	(109)	7,278	-	-	-	-	(7,169)	-	-	-	-	-	-	-	
Vesting of shares under restricted share plan	(14)	340	-	-	-	-	(326)	-	-	-	-	-	-	-	
Purchase of treasury shares	-	(9,502)	-	-	-	-	-	-	-	-	-	(9,502)	-	(9,502)	
Tax effect on treasury shares ^^	-	14	-	-	-	-	-	-	-	-	-	14	-	14	
Transfer upon disposal of equity investments	-	-	-	-	12	-	-	-	-	(12)	-	-	-	-	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>1,277</b>	<b>(6,161)</b>	<b>8,808</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>391,098</b>	<b>-</b>	<b>395,022</b>	<b>-</b>	<b>395,022</b>	
<b>Balance at 30 June 2019</b>	<b>429,113</b>	<b>(13,233)</b>	<b>(128)</b>	<b>(3,297)</b>	<b>8,931</b>	<b>25,000</b>	<b>34,021</b>	<b>18,865</b>	<b>-</b>	<b>511,342</b>	<b>80,235</b>	<b>1,090,849</b>	<b>-</b>	<b>1,090,849</b>	

\* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and share-based payment expense relating to employees' and directors' services.

### 13. Segment Information - Group

#### (i) Group - 4Q FY2020 and 4Q FY2019

4Q FY2020						4Q FY2019				
Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000		Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000
41,181	200,975	36,246	-	278,402	<b>Operating revenue</b>	40,403	181,649	25,980	-	248,032
11,769	138,105	21,650	-	171,524	<b>Earnings before interest, tax, depreciation and amortisation</b>	11,993	112,566	14,348	-	138,907
5,838	12,459	4,404	-	22,701	Depreciation and amortisation	4,659	10,324	1,115	-	16,098
5,931	125,646	17,246	-	148,823	<b>Operating profit</b>	7,334	102,242	13,233	-	122,809
-	-	-	(4,300)	(4,300)	Non-operating gains/(losses)	-	-	-	3,309	3,309
-	-	-	1,307	1,307	Share of results of associated companies and joint venture, net of tax	-	-	-	(287)	(287)
-	-	-	(24,638)	(24,638)	Tax	-	-	-	(21,981)	(21,981)
				121,192	<b>Net profit after tax</b>					103,850

#### (ii) Group - FY2020 and FY2019

FY2020						FY2019				
Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000		Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000
171,414	759,680	121,604	-	1,052,698	<b>Operating revenue</b>	138,991	668,287	102,530	-	909,808
65,301	515,512	74,843	-	655,656	<b>Earnings before interest, tax, depreciation and amortisation</b>	43,185	420,968	59,376	-	523,529
23,471	52,641	13,750	-	89,862	Depreciation and amortisation	19,119	38,583	4,810	-	62,512
41,830	462,871	61,093	-	565,794	<b>Operating profit</b>	24,066	382,385	54,566	-	461,017
-	-	-	7,455	7,455	Non-operating gains	-	-	-	13,468	13,468
-	-	-	(2,301)	(2,301)	Share of results of associated companies and joint venture, net of tax	-	-	-	(1,500)	(1,500)
-	-	-	(98,963)	(98,963)	Tax	-	-	-	(81,887)	(81,887)
				471,985	<b>Net profit after tax</b>					391,098

\* The corporate segment is a non-operating segment

#### 14. Statement of Financial Position - Company

	As at	
	30 Jun 2020 S\$'000	30 Jun 2019 S\$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	132,291	257,422
Trade and other receivables	371,977	19,579
Derivative financial instruments	48	198
Financial assets, at FVOCI	48,136	24,780
	552,452	301,979
<b>Non-current assets</b>		
Property, plant and equipment	24,609	35,318
Software	40,985	36,539
Right-of-use assets	86,683	-
Investments in subsidiaries	872,730	867,730
Investment in associated company	4,389	4,389
Other receivables	4,539	4,545
Other assets	333	333
	1,034,268	948,854
<b>Total assets</b>	<b>1,586,720</b>	<b>1,250,833</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	115,760	280,019
Derivative financial instruments	70	-
Borrowings	302,036	-
Lease liabilities	19,132	-
Taxation	6,356	4,148
Provisions	9,245	7,355
	452,599	291,522
<b>Non-current liabilities</b>		
Lease liabilities	69,475	-
Deferred tax liabilities	3,900	6,753
	73,375	6,753
<b>Total liabilities</b>	<b>525,974</b>	<b>298,275</b>
<b>Net assets</b>	<b>1,060,746</b>	<b>952,558</b>
<b>Equity</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	429,738	429,113
Treasury shares	(20,996)	(13,233)
Cash flow hedge reserve	(52)	154
Fair value reserve	(64)	261
Share-based payment reserve	24,554	18,865
Retained profits	542,048	437,163
Proposed dividends	85,518	80,235
<b>Total equity</b>	<b>1,060,746</b>	<b>952,558</b>

#### 15. Net Asset Value - Company

	As at	
	30 Jun 2020 S\$	30 Jun 2019 S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	0.99	0.89

## 16. Statement of Changes in Equity - Company

	Attributable to equity holders of the Company							Total equity S\$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Fair value reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	
	S\$'000	S\$'000	S\$'000	\$'000	S\$'000	S\$'000	\$'000	
<b>(i) Company - 4Q FY2020</b>								
<b>Balance at 1 April 2020</b>	429,738	(12,544)	29	(1,413)	21,153	523,999	-	960,962
<b>Changes in equity for the period</b>								
Dividends paid								
- Over provision of 3Q FY2020 interim dividends	-	-	-	-	-	11	-	11
Proposed dividends								
- FY2020 - Final dividends	-	-	-	-	-	(85,518)	85,518	-
Employees' share plans - Value of employees' services	-	-	-	-	3,401	-	-	3,401
Purchase of treasury shares	-	(8,816)	-	-	-	-	-	(8,816)
Tax effect on treasury shares ^^	-	364	-	-	-	-	-	364
Transfer upon disposal of equity investments	-	-	-	466	-	(466)	-	-
	-	(8,452)	-	466	3,401	(85,973)	85,518	(5,040)
Total comprehensive income for the period	-	-	(81)	883	-	104,022	-	104,824
<b>Balance at 30 June 2020</b>	429,738	(20,996)	(52)	(64)	24,554	542,048	85,518	1,060,746
<b>(ii) Company - 4Q FY2019</b>								
<b>Balance at 1 April 2019</b>	429,113	(13,001)	(17)	39	15,501	416,436	-	848,071
<b>Changes in equity for the period</b>								
Proposed dividends								
- FY2019 - Final dividends	-	-	-	-	-	(80,235)	80,235	-
Employees' share plans - Value of employees' services	-	-	-	-	3,364	-	-	3,364
Purchase of treasury shares	-	(235)	-	-	-	-	-	(235)
Tax effect on treasury shares ^^	-	3	-	-	-	-	-	3
Transfer upon disposal of equity investments	-	-	-	(47)	-	47	-	-
	-	(232)	-	(47)	3,364	(80,188)	80,235	3,132
Total comprehensive income for the period	-	-	171	269	-	100,915	-	101,355
<b>Balance at 30 June 2019</b>	429,113	(13,233)	154	261	18,865	437,163	80,235	952,558

\* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and share-based payment expense relating to employees' and directors' services.

**16. Statement of Changes in Equity - Company**
**Attributable to equity holders of the Company**

	Share capital	Treasury shares	Cash flow hedge reserve *	Fair value reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	Total equity
	S\$'000	S\$'000	S\$'000	\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>(iii) Company - FY2020</b>								
<b>Balance at 1 July 2019</b>	429,113	(13,233)	154	261	18,865	437,163	80,235	952,558
<b>Changes in equity for the year</b>								
Dividends paid								
- FY2019 - Final dividends	-	-	-	-	-	-	(80,235)	(80,235)
- Under provision of FY2019 final dividends	-	-	-	-	-	(86)	-	(86)
- FY2020 - Interim dividends	-	-	-	-	-	(240,872)	-	(240,872)
Proposed dividends								
- FY2020 - Final dividends	-	-	-	-	-	(85,518)	85,518	-
Employees' share plans - Value of employees' services	-	-	-	-	14,589	-	-	14,589
Restricted share plan - Value of directors' services	-	-	-	-	345	-	-	345
Vesting of shares under share-based remuneration plans	567	8,333	-	-	(8,900)	-	-	-
Vesting of shares under restricted share plan	58	287	-	-	(345)	-	-	-
Purchase of treasury shares	-	(17,002)	-	-	-	-	-	(17,002)
Tax effect on treasury shares ^^	-	619	-	-	-	-	-	619
Transfer upon disposal of equity investments	-	-	-	589	-	(589)	-	-
	625	(7,763)	-	589	5,689	(327,065)	5,283	(322,642)
Total comprehensive income for the year	-	-	(206)	(914)	-	431,950	-	430,830
<b>Balance at 30 June 2020</b>	429,738	(20,996)	(52)	(64)	24,554	542,048	85,518	1,060,746
<b>(iv) Company - FY2019</b>								
<b>Balance at 1 July 2018</b>	429,236	(11,363)	(32)	111	15,875	376,534	160,516	970,877
<b>Changes in equity for the year</b>								
Dividends paid								
- FY2018 - Final base and variable dividends	-	-	-	-	-	-	(160,516)	(160,516)
- FY2018 - Under provision of final base and variable dividends	-	-	-	-	-	(84)	-	(84)
- FY2019 - Interim dividends	-	-	-	-	-	(240,802)	-	(240,802)
Proposed dividends								
- FY2019 - Final dividends	-	-	-	-	-	(80,235)	80,235	-
Employees' share plans - Value of employees' services	-	-	-	-	10,159	-	-	10,159
Restricted share plan - Value of directors' services	-	-	-	-	326	-	-	326
Vesting of shares under share-based remuneration plans	(109)	7,278	-	-	(7,169)	-	-	-
Vesting of shares under restricted share plan	(14)	340	-	-	(326)	-	-	-
Purchase of treasury shares	-	(9,502)	-	-	-	-	-	(9,502)
Tax effect on treasury shares ^^	-	14	-	-	-	-	-	14
Transfer upon disposal of equity investments	-	-	-	12	-	(12)	-	-
	(123)	(1,870)	-	12	2,990	(321,133)	(80,281)	(400,405)
Total comprehensive income for the year	-	-	186	138	-	381,762	-	382,086
<b>Balance at 30 June 2019</b>	429,113	(13,233)	154	261	18,865	437,163	80,235	952,558

\* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/(liability) on the difference between consideration paid for treasury shares and share-based payment expense relating to employees' and directors' services.

## 17. Bank Facilities, Contingent Liabilities and Commitments - Group

### Bank Facilities

- As at 30 June 2020, the Group had \$651 million (30 June 2019: \$554 million) of bank credit facilities comprising committed unsecured credit lines for prudent risk management and to maintain adequate liquid resources.

### Contingent Liabilities and Other Commitments

- As at 30 June 2020, the Group had contingent liabilities to banks for US\$250 million (30 June 2019: US\$240 million) of unsecured standby letters of credit issued to Chicago Mercantile Exchange as margin and performance bond for futures trading.
- The Group has committed cash of \$219 million (30 June 2019: \$221 million) for the following:
  - Singapore Exchange Derivatives Clearing Limited - Derivatives Clearing Fund \$150 million (30 June 2019: \$150 million);
  - The Central Depository (Pte) Limited - Securities Clearing Fund \$60 million (30 June 2019: \$60 million); and
  - National Electricity Market of Singapore \$9 million (30 June 2019: \$11 million)

The manner in which the cash can be used is defined under Singapore Exchange Derivatives Clearing Limited clearing rules, The Central Depository (Pte) Limited clearing rules and Singapore electricity market rules respectively.

## 18. Dividend - Company

### Interim Dividends

Name of Dividend	FY2020			FY2019		
	Interim - tax-exempt	Interim - tax-exempt	Interim - tax-exempt	Interim - tax-exempt	Interim - tax-exempt	Interim - tax-exempt
Dividend Type	Cash	Cash	Cash	Cash	Cash	Cash
Dividend Rate	7.5 cents per ordinary share	7.5 cents per ordinary share	7.5 cents per ordinary share	7.5 cents per ordinary share	7.5 cents per ordinary share	7.5 cents per ordinary share
Books Closure Date	5 May 2020, 5pm	3 February 2020, 5pm	4 November 2019, 5pm	6 May 2019, 5pm	1 February 2019, 5pm	29 October 2018, 5pm
Date Paid	13 May 2020	10 February 2020	11 November 2019	13 May 2019	12 February 2019	5 November 2018

### Proposed Final Dividends

Name of Dividend	FY2020	FY2019
	Final - tax-exempt	Final - tax-exempt
Dividend Type	Cash	Cash
Dividend Rate	8.0 cents per ordinary share	7.5 cents per ordinary share
Books Closure Date	2 October 2020, 5pm	11 October 2019, 5pm
Date Payable/Paid	9 October 2020	18 October 2019

### Total Dividends

Total dividends on ordinary shares for the year ended 30 June 2020 and 30 June 2019 were \$326,390,000 and \$321,037,000 respectively.

### Dividend policy

SGX aims to pay a sustainable and growing dividend over time, consistent with long term growth prospects. Dividends will be paid on a quarterly basis and will be at the discretion of the Board.

## 19. Share Capital - Company

The total number of issued ordinary shares as at 30 June 2020 was 1,071,642,400 (30 June 2019: 1,071,642,400), of which 2,663,540 (30 June 2019: 1,839,286) were held by the Company as treasury shares.

During the three months ended 30 June 2020, the Company purchased 1,046,100 (4Q FY2019: 31,900) of its ordinary shares by way of on-market purchases at share prices ranging from \$8.00 to \$9.79 (4Q FY2019: \$7.35 to \$7.37). The total amount paid to purchase the shares was \$8.8 million (4Q FY2019: \$0.2 million). During 4Q FY2020, no shares under the Company's share-based remuneration plans and restricted share plan have vested (4Q FY2019: Nil).

For FY2020, the Company purchased 2,002,000 (FY2019: 1,327,748) of its ordinary shares by way of on-market purchases at share prices ranging from \$8.00 to \$9.79 (FY2019: \$6.74 to \$7.37). The total amount paid to purchase the shares was \$17.0 million (FY2019: \$9.5 million). During FY2020, 1,177,746 shares under the Company's share-based remuneration plans and restricted share plan have vested (FY2019: 1,024,231).

The movement of treasury shares for the period is as follows:

4QFY2020	4QFY2019		FY2020	FY2019
1,617,440	1,807,386	Balance at beginning of period	1,839,286	1,535,769
1,046,100	31,900	Purchase of treasury shares	2,002,000	1,327,748
-	-	Shares transferred to employees pursuant to share-based remuneration plans and to directors pursuant to restricted share plan	(1,177,746)	(1,024,231)
2,663,540	1,839,286	Balance at end of period	2,663,540	1,839,286

The Company holds the shares bought back as treasury shares and plans to use the shares to fulfill its obligations under the Company's share-based remuneration plans and restricted share plan.

## 20. Accounting Policies - Group

### (a) New accounting policies applicable to SGX

The same accounting policies and methods of computation used in the FY2019 audited annual financial statements have been applied for the current reporting period, except for the adoption of the new SFRS(I) applicable for the financial year beginning on 1 July 2019 as follows:

- SFRS(I) 16 Leases ("SFRS(I) 16")

SFRS(I) 16 results in leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. Under the new accounting standard, an asset recognising the right-of-use of the leased item and a lease liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. Lessor accounting remains largely similar to the previous accounting standard.

The Group has applied SFRS(I) 16 from 1 July 2019 and the modified retrospective approach is used with no restatement of comparative amounts for the year prior to first adoption.

On 1 July 2019, the Group recognised right-of-use assets of \$85,801,000 and lease liabilities of \$85,801,000.

### (b) Restatement to presentation of income statement and segment information

Effective from 1 July 2019, SGX Group implemented changes to the organisation structure to capitalise on its strength as an international multi-asset exchange to pursue growth opportunities and build scale in multiple asset classes.

The new organisation structure comprises of three business units - Fixed Income, Currencies and Commodities; Equities (Cash and Derivatives); and Data, Connectivity and Indices. As a result of the new organisation structure, presentation of income statement has been updated with effect from FY2020. Segment reporting has also been updated to reflect the Executive Management Committee's review of segment performance and resources allocation. Assets and liabilities of SGX Group are managed as a whole.

The tables below illustrate the restatements for 4Q FY2019 and FY2019.

#### Operating revenue - Group

New classification	As restated		Previous classification	As previously disclosed	
	4Q FY2019 S\$'000	FY2019 S\$'000		4Q FY2019 S\$'000	FY2019 S\$'000
<b>Fixed Income, Currencies and Commodities</b>			<b>Equities and Fixed Income</b>		
- <b>Fixed Income</b>			- <b>Issuer Services</b>		
- Listing	2,759	9,225	- Listing	11,789	45,780
- Corporate actions and other	919	3,344	- Corporate actions and other	10,535	33,951
	3,678	12,569		22,324	79,731
- <b>Currencies and Commodities - Derivatives</b>			- <b>Securities Trading and Clearing</b>		
- Trading and clearing	24,723	84,779	- Securities clearing	35,296	138,850
- Treasury and other	12,002	41,643	- Access	9,142	34,266
	36,725	126,422	- Collateral management, membership and other	2,260	8,995
	40,403	138,991		46,698	182,111
<b>Equities</b>			- <b>Post Trade Services</b>		
- <b>Equities - Cash</b>			- Securities settlement	20,463	76,555
- Listing	9,030	36,555	- Depository management	2,448	9,132
- Corporate actions and other	9,664	30,760		22,911	85,687
- Trading and clearing	44,390	172,975		91,933	347,529
- Securities settlement and depository management	22,911	85,675			
- Treasury and other	2,260	8,995			
	88,255	334,960			
- <b>Equities - Derivatives</b>			<b>Derivatives</b>		
- Trading and clearing	57,537	207,317	- Equity and Commodities	82,260	292,096
- Treasury, licence and other	35,857	126,010	- Collateral management, licence, membership and other	47,859	167,653
	93,394	333,327		130,119	459,749
	181,649	668,287			
<b>Data, Connectivity and Indices</b>			<b>Market Data and Connectivity</b>		
- Market data and Indices	10,757	42,997	- Market data	10,757	42,997
- Connectivity	15,223	59,533	- Connectivity	15,223	59,533
	25,980	102,530		25,980	102,530
<b>Operating revenue</b>	<b>248,032</b>	<b>909,808</b>	<b>Operating revenue</b>	<b>248,032</b>	<b>909,808</b>



20. Accounting Policies - Group (continued)

**Operating expenses - Group**

New classification	As restated		Previous classification	As previously disclosed	
	4Q FY2019 S\$'000	FY2019 S\$'000		4Q FY2019 S\$'000	FY2019 S\$'000
<b>Staff</b>			<b>Staff</b>		
- Fixed staff costs	33,939	129,384	- Fixed staff costs	33,959	129,464
- Variable bonus	16,902	51,794	- Variable bonus	16,902	51,794
- Variable share-based payment	3,364	10,159	- Variable share-based payment	3,364	10,159
	<u>54,205</u>	<u>191,337</u>		<u>54,225</u>	<u>191,417</u>
<b>Technology</b>			<b>Technology</b>		
- System maintenance and rental	20,183	75,728	- System maintenance and rental	20,183	75,728
- Communication charges	1,072	3,663	- Depreciation and amortisation	13,377	51,283
	<u>21,255</u>	<u>79,391</u>	- Communication charges	1,072	3,663
				<u>34,632</u>	<u>130,674</u>
<b>Processing and royalties</b>	13,407	47,258	<b>Processing and royalties</b>	13,407	47,258
<b>Premises</b>	4,903	19,892	<b>Premises</b>		
<b>Professional fees</b>	3,794	14,603	- Rental and maintenance of premises	4,903	19,892
<b>Others</b>			- Depreciation of furniture and fittings, building and leasehold improvements	2,153	8,939
- Marketing	3,942	8,444		<u>7,056</u>	<u>28,831</u>
- Travelling	1,663	4,534	<b>Professional fees</b>	3,794	14,603
- Allowance/(reversal) for impairment of trade receivables (net)	(120)	797	<b>Others</b>		
- Net write-off of property, plant and equipment and software	397	407	- Marketing	3,942	8,444
- Net loss on disposal of property, plant and equipment and software	203	203	- Travelling	1,663	4,534
- Directors' fees	856	3,446	- Allowance/(reversal) for impairment of trade receivables (net)	(120)	797
- Regulatory fees	1,549	6,022	- Net write-off of property, plant and equipment and software	397	407
- Miscellaneous	3,071	9,945	- Net loss on disposal of property, plant and equipment and software	203	203
	<u>11,561</u>	<u>33,798</u>	- Directors' fee	856	3,446
			- Regulatory fee	1,549	6,022
			- Amortisation of intangible assets	548	2,210
			- Miscellaneous	3,071	9,945
				<u>12,109</u>	<u>36,008</u>
<b>Operating expenses</b>	<b>109,125</b>	<b>386,279</b>	<b>Operating expenses</b>	<b>125,223</b>	<b>448,791</b>
Depreciation and amortisation	16,098	62,512			
<b>Total operating expenses including depreciation and amortisation</b>	<b>125,223</b>	<b>448,791</b>			

The revised presentation does not result in a change in the Group's total operating revenue, total operating expenses including depreciation and amortisation, net profit before and after tax.

Restated quarterly and annual income statement for FY2019 can be found in the following link:

<http://investorrelations.sgx.com/financial-information/quarterly-results>

20. Accounting Policies - Group (continued)

Segment Information - Group

4Q FY2019 As restated					4Q FY2019 As previously disclosed					
Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000		Equities and Fixed Income S\$'000	Derivatives S\$'000	Market Data and Connectivity S\$'000	Corporate * S\$'000	Group S\$'000
40,403	181,649	25,980	-	248,032	<b>Operating revenue</b>	91,933	130,119	25,980	-	248,032
11,993	112,566	14,348	-	138,907	<b>Earnings before interest, tax, depreciation and amortisation</b>	-	-	-	-	-
4,659	10,324	1,115	-	16,098	Depreciation and amortisation	-	-	-	-	-
7,334	102,242	13,233	-	122,809	<b>Operating profit</b>	37,740	71,816	13,253	-	122,809
-	-	-	3,309	3,309	Non-operating gains	-	-	-	3,309	3,309
-	-	-	(287)	(287)	Share of results of associated companies and joint venture, net of tax	-	-	-	(287)	(287)
-	-	-	(21,981)	(21,981)	Tax	-	-	-	(21,981)	(21,981)
				103,850	<b>Net profit after tax</b>					103,850
-	-	-	-	-	<b>Segment assets #</b>	769,469	500,916	25,630	836,273	2,132,288
					<b>Segment assets include:</b>					
-	-	-	-	-	Investments in associated companies and joint venture	-	-	-	79,067	79,067
					Additions to:					
-	-	-	-	-	- Property, plant and equipment and software	11,744	7,454	2,070	-	21,268
-	-	-	-	-	<b>Segment liabilities #</b>	664,785	241,285	9,305	126,064	1,041,439
					<b>Other information</b>					
-	-	-	-	-	Depreciation and amortisation	8,406	6,577	1,115	-	16,098

\* The corporate segment is a non-operating segment

# With effect from 1 July 2019, SGX Group's assets and liabilities are managed as a whole. Comparatives are not presented for the restated amounts for 4Q FY2019.

20. Accounting Policies - Group (continued)

FY2019 As restated					FY2019 As previously disclosed					
Fixed Income, Currencies and Commodities S\$'000	Equities S\$'000	Data, Connectivity and Indices S\$'000	Corporate * S\$'000	Group S\$'000		Equities and Fixed Income S\$'000	Derivatives S\$'000	Market Data and Connectivity S\$'000	Corporate * S\$'000	Group S\$'000
138,991	668,287	102,530	-	909,808	<b>Operating revenue</b>	347,529	459,749	102,530	-	909,808
43,185	420,968	59,376	-	523,529	<b>Earnings before interest, tax, depreciation and amortisation</b>	-	-	-	-	-
19,119	38,583	4,810	-	62,512	Depreciation and amortisation	-	-	-	-	-
24,066	382,385	54,566	-	461,017	<b>Operating profit</b>	156,063	250,382	54,572	-	461,017
-	-	-	13,468	13,468	Non-operating gains	-	-	-	13,468	13,468
-	-	-	(1,500)	(1,500)	Share of results of associated companies and joint venture, net of tax	-	-	-	(1,500)	(1,500)
-	-	-	(81,887)	(81,887)	Tax	-	-	-	(81,887)	(81,887)
				391,098	<b>Net profit after tax</b>					391,098
-	-	-	-	-	<b>Segment assets #</b>	769,469	500,916	25,630	836,273	2,132,288
					<b>Segment assets include:</b>					
-	-	-	-	-	Investments in associated companies and joint venture	-	-	-	79,067	79,067
					Additions to:					
-	-	-	-	-	- Property, plant and equipment and software	36,977	17,294	4,080	-	58,351
-	-	-	-	-	<b>Segment liabilities #</b>	664,785	241,285	9,305	126,064	1,041,439
					<b>Other information</b>					
-	-	-	-	-	Depreciation and amortisation	29,964	27,733	4,815	-	62,512

\* The corporate segment is a non-operating segment

# With effect from 1 July 2019, SGX Group's assets and liabilities are managed as a whole. Comparatives are not presented for the restated amounts for FY2019.

## 21. Acquisition of Scientific Beta Pte. Ltd.

On 31 January 2020, SGX acquired 93% of the equity interest in Scientific Beta Pte. Ltd. (SB) for a consideration of EUR 192.8 million, subject to closing adjustments. Consequently, SB became a subsidiary of SGX.

The principal activity of SB is that of an independent index provider specialising in smart beta strategies, with expertise in factor-based and risk-managed solutions. This acquisition strengthens SGX's research-based index design capabilities as well as broadens the range of index products and clientele for SB and SGX.

### a) Purchase consideration (subject to closing adjustments)

	S\$'000
Cash paid	289,547
<b>Consideration transferred for the business</b>	<b>289,547</b>

### b) Effect on cash flows of the Group

	S\$'000
Cash paid (as above)	289,547
Less: Cash and cash equivalents in subsidiary acquired	(17,676)
<b>Cash outflow on acquisition</b>	<b>271,871</b>

### c) Identifiable assets acquired and liabilities assumed (provisionally determined)

	S\$'000
Cash and cash equivalents	17,676
Trade and other receivables	13,812
Property, plant and equipment	4
Intangible assets	54,055
<b>Total assets</b>	<b>85,547</b>
Trade and other payables	11,828
Taxation	3,435
Deferred tax liabilities	10,595
<b>Total liabilities</b>	<b>25,858</b>
<b>Total identifiable net assets</b>	<b>59,689</b>
Less: Non-controlling interests based on proportionate interest	(4,178)
Add: Goodwill	234,036
<b>Consideration transferred for the business</b>	<b>289,547</b>

### d) Acquisition-related costs

Total acquisition-related costs amounted to \$1.6 million. The costs are included in FY2020 consolidated income statement under Professional fees, Travelling and Others as well as the operating cash flows in the consolidated statement of cash flows.

### e) Acquired receivables

The fair value and gross contractual amount of Trade and other receivables is \$13.8 million.

### f) Intangible assets

The fair values of the intangible assets (technical know-how and customer relationships) were estimated to amount to \$54.1 million based on relief-from-royalty method for technical know-how and multi-period excess earnings method for customer relationships. The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the technical know-how being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.

### g) Goodwill

The goodwill of \$234.0 million relates to synergies expected to arise from growth in the index business as well as wider range of product offerings and clients for SB and SGX.

### h) Revenue and profit contribution

The acquired business contributed revenue of \$14.4 million and \$2.4 million net profit after tax to the Group for the period from 31 January 2020 to 30 June 2020.

Had SB been consolidated from 1 July 2019, consolidated revenue and consolidated profit for the financial year ended 30 June 2020 would have been \$1,072.8 million and \$477.2 million respectively.

## 22. Subsequent Event

On 7 July 2020, SGX Group completed the acquisition of the remaining 80% equity interest in BidFX Systems Ltd. for a cash consideration of approximately US\$128 million, subject to certain adjustments. This acquisition would expand SGX's reach beyond foreign exchange futures into the global foreign exchange over-the-counter market. Details of the other information required by SFRS(I) 3 *Business Combinations* are not disclosed, as the initial accounting for the business combination is not available at the date that these financial results have been authorised.

For the financial year ended 30 June 2020, SGX Group holds a 20% stake in BidFX Systems Ltd. through its wholly-owned subsidiary, Asian Gateway Investments Pte. Ltd., and accounted for it as investment in associated company.

## 23. Other Listing Manual Requirements

### **Interested Person Transactions - Group**

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

### **Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

### **Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual, SGX confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

Seah Kim Ming Glenn  
Ding Hui Yun  
Company Secretaries  
30 July 2020



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## Independent auditors' report

Members of the Company  
Singapore Exchange Limited

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Singapore Exchange 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 30 June 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and 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, as set out on pages FS1 to FS121.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the 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 30 June 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the financial performance and 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.

Impairment of Goodwill (Refer to Note 23 to the financial statements)	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 30 June 2020, the Group's goodwill arising from the acquisitions of Energy Market Company Pte Ltd, Baltic Exchange Limited and Scientific Beta Pte Ltd amounted to \$329 million.</p> <p>The Group is required to perform an impairment assessment of goodwill annually. Goodwill is impaired if the carrying amount of the cash generating units ("CGUs"), including goodwill, is not supported by the recoverable amount of the respective CGUs.</p> <p>The recoverable amounts were determined based on the value-in-use method, which involves significant management judgement and estimation.</p> <p>In this respect, the key areas of judgement and application of assumptions include:</p> <ul style="list-style-type: none"> <li>• methodology and inputs used in determining the appropriate discount rates;</li> <li>• estimating the long-term growth rates; and</li> <li>• estimating the future cash flows.</li> </ul>	<p>We engaged our valuation specialists to assess the methodology and inputs applied for deriving:</p> <ul style="list-style-type: none"> <li>• discount rates by independently estimating the discount rates using external data sources for risk free rate, beta, market risk premium and small capitalisation premium; and</li> <li>• long-term growth rates by comparing the rates to market data and long-term inflation rates.</li> </ul> <p>We assessed management's future cash flow forecasts for consistency with historical cash flows and operating plans, taking into consideration market developments.</p> <p>We also performed sensitivity analysis on the cash flow forecasts, discount rates and long-term growth rates to assess the impact on the recoverable amounts of the CGUs.</p> <p>Based on the procedures performed, the carrying amount of the respective CGUs, including goodwill, is supported by the recoverable amount.</p> <p>We also found the disclosures of the methodology and key inputs applied in deriving the recoverable amounts in Note 23 to the financial statements to be appropriate.</p>



Acquisition of Scientific Beta Pte Ltd  
(Refer to Note 24 to the financial statements)

*The key audit matter*

*How the matter was addressed in our audit*

The Group completed its acquisition of Scientific Beta Pte Ltd (referred to as "SB") during the financial year. The acquisition was accounted for as a business combination.

The accounting for the acquisition requires the purchase price of EUR 193 million (Singapore dollar equivalent of approximately \$290 million) to be allocated to the fair value of the identifiable assets acquired, including intangible assets, and liabilities assumed (the "purchase price allocation" or "PPA"). The Group engaged an external valuation specialist to undertake the PPA process.

The PPA process also has consequential impact on the non-controlling interest and goodwill amounts.

Significant judgement and subjectivity were involved in identifying and valuing the assets acquired and liabilities assumed.

We reviewed the sale and purchase and related agreements to understand the terms of the acquisition.

Together with our valuation specialists, we discussed the PPA with management and the external valuation specialist to understand the basis of identifying and valuing the identified assets and liabilities.

In particular, we assessed the valuation approach and key assumptions applied in the valuation of the intangible assets relating to technical know-how and customer relationships. We challenged the reasonableness of these inputs and assumptions by comparing to historical results and market data.

The valuation methodologies used by the external valuation specialist are in line with generally accepted market practices and the assumptions applied in the valuation of the intangible assets are within a reasonable range.

The resultant non-controlling interest and goodwill amounts are appropriately accounted for.

We also found the disclosures of the SB acquisition in the financial statements to be adequate.





*Other matter*

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Company for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 31 July 2019.

*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 obtained the Directors' Statement prior to the date of this auditors' report. The other sections of the annual report ('the Reports') are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will 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 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, 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 to 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 subsidiaries 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 Leong Kok Keong.

*KPMG LLP*

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**

30 July 2020