TUAS

Building Better Connections

Annual Report 2021

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

Tuas Limited and its controlled entities | ABN 70 639 685 975

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Chairman's letter

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

Dear Shareholders

On behalf of the Board of Directors, I am pleased to present the first annual report for Tuas Limited.

The Board is pleased to report that the performance of the TPG Singapore business has been positive.

We met our announced expectation that TPG Singapore would be EBITDA breakeven when it had acquired between 400,000 and 500,000 mobile subscribers. For the 12 months ending in July 2021, TPG Singapore achieved EBITDA of $0.9million with 392,000 paying mobile subscribers.

As a new entrant in an established market, TPG Singapore had many challenges to overcome since acquiring spectrum rights in December 2016, including building out our mobile network, meeting milestones, building and operating customer support systems, and acquiring customers. We continue to invest in our network and infrastructure, ensuring that we can meet and exceed our customers' expectations.

We are focused on ensuring that TPG Singapore provides good value services and benefit to Singapore consumers. We believe that Singaporeans are the winners from the increasingly competitive market, and we look forward to bringing new initiatives and plans to our customers in the near future.

I thank the TPG Singapore team led by our CEO, Richard Tan, for their dedication and outstanding performance.

I also thank my fellow directors for their contribution during the year and shareholders for their continued support of the Company.

Sincerely

David Teoh
Executive Chairman

The Directors present their report together with the financial report of the Group, being Tuas Limited ('the Company') and its controlled entities, for the period from 11 March 2020 (date of incorporation) to 31 July 2021, and the auditor's report thereon.

Tuas Limited and its controlled entities

Directors' report

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

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Tuas Limited and its controlled entities

Directors' report

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

1. Establishment of Tuas

In 2016, the company formerly known as TPG Telecom Limited (ASX:TPM) (**TPM**) established a subsidiary in Singapore to compete in the Singapore mobile telecommunications market. That subsidiary is named TPG Telecom Pte Ltd (**TPG Singapore**). TPG Singapore incorporated a subsidiary in Malaysia called Tuas Solutions Sdn Bhd (**Tuas Malaysia**), which employs certain staff to provide services for TPG Singapore.

In 2018, TPM and Vodafone Hutchison Australia Limited entered a Scheme Implementation Deed to merge their two businesses (**Merger**) by a scheme of arrangement (**Scheme**). Under the Scheme, it was agreed that TPM shareholders would be entitled to retain their indirect economic interest in the TPG Singapore business.

The Board of TPM resolved to demerge the TPG Singapore business by an in-specie dividend to TPM shareholders. Tuas was incorporated on 11 March 2020 as the vehicle to own TPG Singapore and to be listed on the Australian Stock Exchange as the listed holding company. Shares in Tuas were distributed to TPM Shareholders to give effect to the demerger.

On 26 June 2020, TPM transferred all its shares in TPG Singapore to Tuas. On 29 June 2020, the Scheme became effective and Tuas was admitted to the ASX. Tuas shares commenced trading on a conditional and deferred settlement basis on 30 June 2020 and the distribution of shares in Tuas to TPM shareholders occurred on 13 July 2020.

In this annual report, the **Group** refers to Tuas, TPG Singapore and Tuas Malaysia.

As a result of the fact that Tuas first became a public company in March 2020, it was permitted under the Corporations Act to choose the date for its initial financial year end (not more than 18 months after incorporation) and it elected 31 July 2021 as that date. For that reason, this annual report will cover an unusual period, being 11 March 2020 to 31 July 2021.

2. Board of Directors

(a) Details of Directors of the Company who held office on 31 July 2021 and continue to do so are set out below:

Name	Experience
David Teoh Executive Chairman	David Teoh founded the TPG group of companies in 1986 and was the Executive Chairman and CEO of TPG Corporation Limited (formerly known as TPG Telecom Limited (ASX:TPM)) from 2008 until its merger with Vodafone Hutchison Australian Pty Ltd in July 2020. Following the merger, he was Chairman of TPG Telecom Limited (ASX:TPG) until March 2021. David has been a director of Tuas Limited since incorporation on 11 March 2020. Special Responsibilities: Executive Chairman

Robert Millner Non-Executive Director	Robert Millner was appointed to the Board on 14 May 2020. Mr Millner is a current director of TPG Telecom Limited (ASX:TPG). He served as Chairman of TPG Corporation Limited (formerly TPG Telecom Limited (ASX:TPM)) from 2000 until 2008 and then as a Non-Executive Director from 2008 to 2020 when its merger with Vodafone Hutchison Australia Pty Ltd was completed. Mr Millner has over 30 years' experience as a company director and is currently a director of the following listed companies: Apex Healthcare Berhad, Brickworks Limited, BKI Investment Company Limited, New Hope Corporation Limited and Washington H. Soul Pattinson and Company Limited. Mr Millner was also an interim director at Hunter Hall Global Value Limited from April 2017 to June 2017, a director of Australian Pharmaceutical Industries Limited from May 2000 to July 2020 and of Milton Corporation Limited from 1998 until October 2021. Special Responsibilities: Member of the Audit & Risk Committee
Jack Teoh Non-Executive Director	Jack Teoh is a businessman with shareholding and management interests in a number of companies operating in wide ranging industries. He holds a Bachelor of Commerce from the University of New South Wales. He has been a director of TPG Telecom Limited (ASX:TPG) since March 2021. Mr Teoh was appointed as a director of the Company on 14 May 2020. Special Responsibilities: Member of the Remuneration Committee.
Sarah Kenny Independent Non-Executive Director	Sarah Kenny is an accomplished and experienced legal adviser and director, having a 20 year career as a partner with global law firm Herbert Smith Freehills, with whom she continues to work as a consultant. During that time, she advised on a broad range of issues and specialised in regulated industries including technology, telecommunications and media, gaming, wagering, and sport. She held a number of leadership roles including the Head of Sydney Corporate Group. She was a board member of the ASX listed Propertylink Group from 2017 to 2019, on which she filled roles on the Audit and Risk and the Remuneration and Nomination committees. Sarah also serves as Chair of the Advisory Council of Sport Integrity Australia and is a Vice President of World Sailing. Sarah is a Graduate member of the Australian Institute of Company Directors. Ms Kenny was appointed a director on 14 May 2020. Special Responsibilities: Chairman of the Remuneration Committee Member of Audit & Risk Committee

Alan Latimer Independent Non-Executive Director	Alan Latimer (BCom, CA) was Chief Financial Officer for the TPG group of companies from the 1990s until 2008 and then an Executive Director of TPG Telecom Limited (ASX:TPM) until 2014. Over that career, Alan held financial and operational responsibilities, assisting with the growth of the TPG group from being an assembler and distributor of personal computers and other technology equipment through the early days of the internet, to being a national carriage service provider selling voice, internet and mobile services to Australian residential, business, and government customers. Mr Latimer was appointed a director of the Company on 14 May 2020. Special Responsibilities: Chairman of the Audit & Risk Committee Member of Remuneration Committee

(b) Directors who held office during the period of this annual report but no longer hold office:

Name	**Experience**
Stephen Banfield Director	From incorporation on 11 March 2020 to 14 May 2020. Stephen Banfield was Chief Financial Officer and Company Secretary for the TPG Corporation Limited (formerly TPG Telecom) group of companies from 2008 to 2020 and subsequent to the merger of that company with Vodafone Hutchison Australia Pty Ltd, became the Chief Financial Officer for TPG Telecom Limited. He resigned from the role as director of Tuas Limited on 14 May 2020.
Shane Teoh Director	From incorporation on 11 March 2020 to 14 May 2020. Shane Teoh was a director of TPG Corporation Limited (formerly TPG Telecom) group of companies from 2012 to 2020 and then of TPG Telecom Limited until March 2021. Shane is also a director of Vita Life Sciences Limited. He resigned from the role as director of Tuas Limited upon the demerger of Tuas from TPG Corporation becoming effective in 2020.

3. Company secretary

Antony Moffatt Company Secretary	Tony Moffatt was appointed company secretary of the Company on 11 June 2021. Tony was the General Counsel for the TPG Corporation group of companies from 2001 until the merger with Vodafone Hutchison Australia Pty Ltd in July 2020. He then took the role of Company Secretary of TPG Telecom Limited until March 2021. He has been a director of TPG Telecom Limited since March 2021.

4. Directors' meetings

The number of Board and committee meetings held during the reporting period and the number of meetings attended by each of the Directors as a member of the Board or relevant committee were as follows:

Director	Board Meetings		Audit & Risk Committee (ARC) Meetings		Remuneration Committee Meetings	
	A	B	A	B	A	B
D Teoh	15	15	N/A	N/A	N/A	N/A
R Millner	15	15	2	2	N/A	N/A
J Teoh	15	15	N/A	N/A	2	2
S Kenny	15	15	2	2	2	2
A Latimer	15	15	2	2	2	2
S Banfield[1]	0	0	N/A	N/A	N/A	N/A
S Teoh[1]	0	0	N/A	N/A	N/A	N/A

A: Number of meetings attended. B: Number of meetings held while a member

The ARC meetings, disclosed above, do not include separate meetings that the ARC Chairman also had with the audit partner during the reporting period.

[1] Directors resigned on 14 May 2020. There were no meetings of Directors between incorporation and the date of resignation.

5. Operating and financial review

a) Operating results overview

As described earlier, this first financial year of the Company covers the approximately 17-month period of 11 March 2020 to 31 July 2021, and includes the approximately 13 months' results of the operations of TPG Singapore for the period 27 June 2020 to 31 July 2021.

The financial results for the Company were as follows:

	S$'000
Revenue from ordinary activities	34,307
Net profit (loss) for the period attributable to Owners of the company	(32,565)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	(2,448)
Operating Cash Flow	(6,035)

Revenue grew month on month throughout the reporting period to $34.3m, representing an increase of approximately $30m since the interim results published in October 2020. Tuas reported an EBITDA loss for the full reporting period of $2.4m.

However, TPG Singapore, the operational business of the Group, maintained strong subscriber and revenue growth through the reporting period and achieved positive EBITDA of $0.9m for the 12 months to 31 July 2021. It has continued to track positively into the first quarter of FY22.

b) Mobile network rollout

TPG Singapore has established its mobile network, having commenced building in 2017.

Four network quality conditions were set by the Infocomm Media Development Authority of Singapore (**IMDA**) at the time TPG Singapore was issued its facilities-based operator licence (FBO Licence). TPG Singapore has met three of those conditions, being outdoor coverage, in-building coverage, and coverage in road tunnels.

The final condition, required for completion before 31 December 2021, is coverage in the rail tunnels in Singapore. TPG already has coverage in all rail tunnels with the exception of the oldest and busiest rail path, the NSEW MRT Line. TPG is expected to complete its network rollout in the NSEW MRT line by the end of October 2021 and hence meet all the conditions of its FBO Licence.

c) Subscriber performance

When giving its interim financial report on 30 October 2020 for the period from 11 March to 4 September 2020, Tuas announced that TPG Singapore:

- had launched commercial services on 31 March 2020; and
- had paid subscriptions as at 4 September 2020 of about 133,000.

By 31 July 2021, about 11 months later, TPG Singapore had almost tripled its paid subscriptions to 392,000.

d) Cashflow and Capital Expenditure

The following table shows the cash acquired on the completion of the acquisition by Tuas of TPG Singapore, and the utilisation of cash during the reporting period.

From 11 March 2020 to 31 July 2021	S$'000
Cash acquired from acquisition of TPG Singapore	56,025
Proceeds from issue of share capital	88,449
Cash following acquisition of TPG Singapore (as at 26 June 2020)	**144,474**
Acquisition of plant & equipment and other intangibles assets	(45,357)
Net Cash used in operating activities	(6,035)
Lease Liabilities and finance cost paid	(972)
Effect of exchange rate fluctuations	2,473
Cash and Term Deposits at 31 July 2021	**94,583**

The majority of the $45m utilised for capital purchases was for mobile base station equipment and installation costs.

No dividend was declared or paid during the reporting period

e) Outlook

At this early stage of its growth cycle and with a year disrupted by the global pandemic, the Company is not able to provide revenue or EBITDA guidance for the coming financial year. It is expected that TPG Singapore will continue to maintain its EBITDA positive track into FY22.

The Company expects to incur capital expenditure in the amount of approximately $40 million for the financial year ending 31 July 2022, excluding any investment in 5G.

TPG Singapore will focus on continuing to supply good quality excellent value services to its customers in order to grow subscribers through the coming 12 months.

TPG Singapore has been approved to conduct until 31 December 2021 limited commercial trials of its non-standalone 5G network using its already acquired 2.3 GHz spectrum.

f) Principal business risks

Like other businesses, the Group is exposed to a number of risks which may affect future financial performance. The material business risks identified by the Company and how they are addressed are set out below.

1. Competitive environment

Increased competition, including as it arises as a result of technological developments, could impact the Group's financial performance by affecting its ability to grow its customer base and/or its ability to make money from its service offerings.

The Group attempts to mitigate this risk by continually reviewing its customer offerings, their pricing relative to the market and customer needs. This is combined with constant reviews of the Group's cost structures with the objective of optimising costs to ensure the Group is best placed to continue providing value leading services.

2. Business interruption

A significant disruption of the Group's business through network or systems failure, cybersecurity breaches and the like, could cause financial loss for the Group and increased customer churn. The Group maintains business interruption insurance and continually invests in its network and systems to improve their resilience and performance.

3. Regulatory environment

Changes in regulation and the decisions of regulators can significantly impact the Group's business. In addition, failure to comply with regulatory requirements could create financial loss for the Group. The Group attempts to mitigate this risk through close monitoring of regulatory developments, engaging where necessary with the relevant regulatory bodies, and monitoring its own compliance with existing regulations.

4. Data security

Failures or breaches of data protection and systems security can cause reputational damage, regulatory impositions and financial loss. Each of the countries in which the Group operates have regulations that govern privacy and data protection and significantly enhance privacy and data protection for the residents in those countries. The Group's companies are required to comply with those regulations.

The Group has policies regarding information security and risk protection measures in place to promote adherence to regulations and to provide safeguards to Company and customer information. These measures include restricted access to company premises and areas housing equipment, restricted access to systems and network devices, strict change control measures, anti-virus software and firewall protection at various network points.

5. COVID-19

The COVID-19 situation remains fluid and uncertain and it has the potential to inhibit the Group's ambitions to grow market share.

The Group has managed through the COVID-19 restrictions by complying with regulations and generally working with customers and staff to continue its business as effectively as possible.

6. Remuneration report – Audited

6.1 Introduction

This remuneration report sets out the remuneration structures of the Directors of the Company and of other key management personnel ('KMP') of the Group and explains the principles underpinning those remuneration structures.

For the purpose of this report, KMP are defined as those individuals who have authority and responsibility for planning, directing and controlling the activities of the Group. KMP include the Directors of the Company and key Group executives. In this remuneration report, the following individuals are identified as KMP during the reporting period.

Board of Directors:

Mr D Teoh	Executive Chairman, Tuas Limited – from 11 March 2020
Mr R Millner	Non-Executive Director, Tuas Limited – from 14 May 2020
Mr J Teoh	Non-Executive Director, Tuas Limited – from 14 May 2020
Ms S Kenny	Non-Executive Director, Tuas Limited, Independent – from 14 May 2020
Mr A Latimer	Non-Executive Director, Tuas Limited, Independent – from 14 May 2020
Mr S Banfield	Executive Director, Tuas Limited – from 11 March 2020 to 14 May 2020
Mr S Teoh	Non-Executive Director, Tuas Limited – from 11 March 2020 to 14 May 2020

Other KMP of the Company and of the Group during the period were as follows

Mr R Tan	Chief Executive Officer, TPG Singapore – from 26 June 2020
Mr H Wong	Chief Financial Officer, TPG Singapore – from 26 June 2020
Mr B Tan	Chief Technology Officer, TPG Singapore – from 26 June 2020
Mr T Ng Chong	Head of Network Operations, TPG Singapore – from 26 June 2020

6.2 Remuneration principles

Remuneration levels for KMP are designed to attract and retain appropriately qualified and experienced directors and executives. The Remuneration Committee considers the suitability of remuneration packages relative to trends in comparable companies and to the objectives of the Group's remuneration strategy.

The remuneration structures explained below are designed to attract suitably qualified candidates, to reward the achievement of strategic objectives and to achieve the broader outcome of creation of value for shareholders by:

a) providing competitive remuneration packages to attract and retain high calibre executives;
b) ensuring that a significant proportion of executives' remuneration is performance-linked; and
c) setting performance hurdles for the achievement of performance-linked incentives at a sufficiently demanding level as to ensure value creation for shareholders.

It is important to note that the commercial operations of the Group are presently limited to Singapore and, as such, the board of TPG Singapore is ultimately responsible for determining the remuneration for Singapore employees, subject to any guidance from the Remuneration Committee.

Although the Company has only existed for one financial year, the Board notes that the performance of the Company and its increase in market capitalisation have both been positive, and that there is therefore a suitable relationship between the remuneration principles described above and the Company's performance.

The Company has not engaged a remuneration consultant.

6.3 Remuneration structure

Remuneration packages include a mix of fixed and performance-linked remuneration.

(i) Fixed remuneration

Fixed remuneration consists of base salary, employer contributions to superannuation or similar retirement funds, and non-monetary benefits which typically only comprise annual leave entitlements but may also include other benefits.

Fixed remuneration levels are reviewed annually through a process that considers individual performance, overall performance of the Group, and remuneration levels for similar roles in comparable companies. The fixed remuneration of executive directors is determined by the Tuas Board. The fixed remuneration of other KMP is determined by the board of TPG Singapore subject to any guidance from the Remuneration Committee.

(ii) Performance-linked remuneration

Performance-linked remuneration provided by the Group currently includes a performance rights plan and cash bonuses.

Details of the performance rights plan is provided below. Cash bonuses may be paid by the Group, including to KMP, depending on the Group's performance and to reward individual performance. Bonuses awarded to executive directors are determined by the Tuas Board. Bonuses awarded to other KMP and staff are determined by the Board of TPG Singapore subject to any guidance from the Remuneration Committee.

6.4 KMP remuneration detail

(i) Remuneration awarded to David Teoh, Executive Chairman, Tuas Limited

The Company Board recognises the importance at this early stage of development of the TPG Singapore business of having talented and experienced managers to drive the business to achieving its objectives. The Company is fortunate to have secured the agreement of David Teoh to fill an Executive Chairman role. David will be able to bring his many years of experience as an entrepreneur and manager in the telecommunications industry to benefit the Company and TPG Singapore.

David is employed by the Company on a typical form of employment contract which is terminable by either party on three months' written notice.

Under his employment contract with the Company, David's current annual remuneration is A$150,000 plus superannuation up to the amount required under the Superannuation Guarantee (Administration) Act 1992 (Cth).

David is a significant shareholder in the Company and, during the initial phase of the Group's operations, he has not sought to be included in any incentive scheme, and his employment contract does not contain any provision for termination benefits other than as required by law. Remuneration payable to the Executive Chairman will be reviewed annually and fixed by the Company Board.

(ii) Remuneration awarded to non-executive Directors of Tuas Limited

Under the Tuas Constitution, the Tuas Board may decide the total amount paid by the company to each Director as remuneration for their services as a Company Director. However, under the Tuas Constitution and the ASX Listing Rules, the total amount of fees paid to all Non-Executive Directors in any financial year must not exceed the aggregate amount of Non-Executive Directors' fees approved by the Company Shareholders at the Company general meeting. This amount has been fixed by the Company at A$500,000 per annum.

Currently, the annual base fee agreed to be paid by the Company to each of the Non-Executive Directors is A$65,000.

Non-Executive Directors will also be paid Committee fees of A$10,000 per year for each Committee of which they are a member or A$20,000 if they are Chair of the Committee.

All Non-Executive Directors' fees are exclusive of statutory superannuation contributions.

(iii) Remuneration awarded to executives of TPG Singapore

Aside from the Board of Directors, all of the Group's employees are currently employed by TPG Singapore or its subsidiary, Tuas Solutions Sdn Bhd.

The principal remuneration objectives of TPG Singapore are to:
- fairly reward executives having regard to their individual performance against agreed objectives, the overall performance of the TPG Singapore business and the external compensation environment in which TPG Singapore operates;
- enable TPG Singapore to attract and retain key executives capable of contributing to the development of TPG Singapore's business, who will create sustainable value for shareholders and other stakeholders; and
- appropriately align the interests of executives with shareholders.

The remuneration of the Chief Executive Officer of TPG Singapore, Mr Richard Tan, is set out in section 6.4(v) below. For other TPG Singapore executives, remuneration currently predominantly comprises fixed salaries and a specified bonus, the discretionary payment of which is determined on the recommendation of the CEO of TPG Singapore having regard to the overall performance of the KMP and their contribution to the performance of the mobile network. The full amounts of the specified bonuses were paid to KMPs during the reporting period. Fixed salaries are reviewed annually and advised to the executive. Fixed salary levels are benchmarked regularly against competitors. All executives are paid in Singapore dollars.

Performance linked remuneration provided by the group includes cash bonuses to reward individual performance. Bonuses awarded to TPG Singapore executives are determined by the Board of TPG Singapore, subject to any guidance of the Remuneration Committee. Bonuses awarded to other staff are made at the discretion of the Executive Chairman.

(iv) Incentive Scheme for executives and key employees of TPG Singapore and Tuas Malaysia

In response to the recommendation of the Board of TPG Singapore, in April 2021, the Company established an incentive scheme to further align the Group's executives' and key employees' remuneration with the Company shareholders' interests. The incentive scheme takes the form of a performance rights plan under which selected employees are granted performance rights.

Under the rules of the performance rights plan, participants will be awarded fully paid ordinary shares in the Company for no consideration, subject to certain performance conditions. The key terms of the plan are as follows:

- 20% of the performance rights granted will vest following the release of the Group's audited financial statements for each of the five financial years commencing with the financial year ending 31 July 2022, subject to the satisfaction of performance conditions.
- The performance conditions, at each vesting date are:
  - **The Personal Performance Condition:** 40% of the performance rights that are due to vest on that date will vest if the rights holder has been continuously employed by the Group up until and including the relevant vesting date and the individual performance of the TPG Singapore employee meets performance requirements set by TPG Singapore; and
  - **The EBITDA Condition:** Up to 60% of the performance rights that are due to vest on that date will vest (a) if the rights holder meets the Personal Performance Condition AND (b) the Company has met its EBITDA objectives for the financial year immediately preceding the relevant vesting date, in which case the percentage to vest will be as follows:
    - If the Company achieves 95% or more of target EBITDA – the full 60% will vest.
    - If the Company achieves between 80% and 94% of target EBITDA – 45% will vest.
    - If the Company does not achieve at least 80% of target EBITDA – the full 60% will lapse.
- Any performance rights which do not vest, automatically lapse.

The policy principles behind the vesting conditions are the following:

(a) To promote the retention of our most valuable employees, which is critical in the industry in which our Group operates; and

(b) To promote the financial performance of the business, in respect of which the EBITDA objectives are determined annually by the Board.

At total of 4,616,000 performance rights were granted on 27 April 2021 to certain executives and employees of TPG Singapore and Tuas Malaysia which will vest in accordance with the conditions described above. This included awards to KMP:

	No. of Rights
Richard Tan	1,500,000
Harry Wong	211,000
Benjamin Tan	443,000
Ng Chong Teck	267,000

(v) Remuneration awarded to Richard Tan, Chief Executive Officer of TPG Singapore

Richard Tan is employed by TPG Singapore. Richard is entitled to receive annual fixed remuneration of $700,000 (inclusive of base salary and superannuation). Richard is also provided with certain insurance and car allowance benefits by TPG Singapore.

Richard is also entitled to a cash bonus of $300,000 each year, subject to achieving performance metrics set by TPG Singapore. Eligibility for this bonus is determined by the Board of TPG Singapore prior to approval by the Tuas Board. Each year, the Company may set performance objectives to be achieved to entitle Richard to the full bonus amount and may include both individual and Company targets. The determination of the achievement of those criteria will be undertaken by the Company at times of the Company's choosing. For the reported financial period, the factors considered for the cash bonus included the following items

- TPG Singapore EBITDA performance
- Expanding dealer and distribution network
- Product launch

- Network development
- Management of operating expenditure.

Under his employment contract, either Richard or TPG Singapore can terminate Richard's employment by giving the other party two months' notice (or by TPG Singapore making payment in lieu of notice for part or all of the notice period). All payments on termination will be subject to the termination benefits cap under the Corporations Act.

6.5 Directors' and executive officers' remuneration

The tables below set out the statutory remuneration disclosures for each Director of the Company and for other KMP of the Group. The amounts shown reflect the expense recognised in the Group's financial statements.

	Short-term					Post-employment				
Directors	Salary & fees $	(note A) STI cash bonus $	(Note B) Other Allowances	(Note C) Non-monetary benefits $	Total $	Superannuation benefits $	(note D) Share-based payments $	Total $	Proportion of remuneration performance related %	Share-based payments as proportion of remuneration %
Executive Directors										
Mr D Teoh (Executive Chairman)	158,654	-	-	11,540	170,194	15,134	-	185,328	-	-
Mr S Banfield	-	-	-	-	-	-	-	-	-	-
Non-Executive Directors										
Mr R Millner	91,131	-	-	-	91,131	8,689	-	99,820	-	-
Mr J Teoh	91,131	-	-	-	91,131	8,689	-	99,820	-	-
Ms S Kenny	115,433	-	-	-	115,433	11,005	-	126,438	-	-
Mr A Latimer	115,433	-	-	-	115,433	11,005	-	126,438	-	-
Mr S Teoh	-	-	-	-	-	-	-	-	-	-
Executives										
Mr R Tan	766,288	300,000	28,383	50,645	1,145,316	14,476	104,377	1,264,169	32%	8%
Mr H Wong	152,989	-	-	9,957	162,946	13,362	14,682	190,990	8%	8%
Mr B Tan	355,905	80,000	-	21,075	456,980	18,930	30,826	506,736	22%	6%
Mr T Ng Chong	212,625	25,000	-	14,444	252,069	7,770	18,579	278,418	16%	7%

Notes in relation to the table of directors' and executive officers' remuneration

A. The short-term incentive bonuses paid during the year were for performance for the period from 26 June 2020 to 31 July 2021.

B. The other allowances comprise of health insurance reimbursements and a car allowance.

C. The non-monetary benefits comprise movement in accrued annual leave entitlements and health insurance.

D. The fair value of the rights at date of grant was AUD$0.65 per performance right based on the market price of the Tuas shares on that day. Share based payment expense recognition occurs from the grant date. The expense recognition for each year is graded, such that the expense is not straight-lined over the 5 year vesting period. The number of rights granted to each KMP is disclosed below. The rules of the performance rights plan are explained in 6.4(iv) above.

6.6 Share-based payments

As disclosed above, the first allocation of performance rights occurred during the reporting period and no performance rights vested during the reporting period. The number of performance rights outstanding for KMP are set out in the below table.

Name of KMP	Number of Securities	Granted during the period	Held at 31 Jul 2021	Vested during the period	Vested and exercisable at 31 Jul 2021
Mr R Tan	1,500,000	1,500,000	1,500,000	-	-
Mr H Wong	211,000	211,000	211,000	-	-
Mr B Tan	443,000	443,000	443,000	-	-
Mr T Ng Chong	267,000	267,000	267,000	-	-

6.7 KMP shareholdings

The movement during the reporting period in the number of ordinary shares in the Company held directly, indirectly or beneficially by each KMP, including by their related parties, is as follows:

	Held at date of incorporation	**Acquired through in specie distribution of shares in the Company by TPG Telecom Limited**	**Acquired since listing**	**Held at 31 July 2021**
Directors				
D Teoh	0	165,795,573	7,190,590	172,986,163
R Millner	0	4,186,531	1,000,000	5,186,531
J Teoh	0	66,630	0	66,630
S Kenny	0	0	0	0
A Latimer	0	0	150,000	150,000
Executives				
R Tan	0			0
Mr H Wong	0			0
Mr B Tan	0	500	64,500	65,000
Mr T Ng Chong	0			0

There is no difference in shareholding as at 31 July 2021 and Director's report date.

6.8 KMP Employment contract terms

All KMP have usual form employment contract terms that have no fixed expiry date.

The employment contract of the CEO can be terminated by either Richard or TPG Singapore giving the other party two months' notice (or by TPG Singapore making payment in lieu of notice for part or all of the notice period).

The employment contracts of other KMP are standard employment contracts and can be terminated by either the employee or TPG Singapore giving the other party two months' notice (or by TPG Singapore making payment in lieu of notice for part or all of the notice period).

6.9 Transactions with KMP

Loans to KMP and their related parties

There were no loans in existence between the Group and any KMP or their related parties at any time during or since the financial year.

Other KMP transactions with the Company or its controlled entities

From time to time, KMP of the Company or its controlled entities, or their related entities, may purchase goods or services from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers and are trivial or domestic in nature.

7. Principal activities

The Company is a company domiciled in Australia. The address of the Company's registered office is C/-Suite 49, 61-65 Glencoe Street, Sutherland 2232, Australia. On 30 June 2020, the Company was admitted to the Official List of ASX Limited. The Group is a for-profit entity.

The primary operations of the Group are via its investment in TPG Singapore, a company which is primarily involved in owning and operating a mobile network and providing telecommunications services in Singapore.

8. Dividends

Tuas Limited has not paid or declared any dividends during or since the period from 11 March 2020 (date of incorporation) to 31 July 2021.

9. Events subsequent to reporting date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

10. Likely developments

The Company notes that the IMDA has announced plans to conduct an auction for the licence of 2.1 GHz spectrum. TPG Singapore is considering its options in relation to that auction.

11. Environmental regulation

The Group's operations are not subject to significant environmental regulation under a law or legislation of the Commonwealth or of a State or Territory.

12. Directors' interests

The relevant interest of each Director in the shares and options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the Australian Stock Exchange in accordance with S205G(1) of the *Corporations Act 2001*, at the date of this report are as disclosed in section 6 above.

13. Unissued shares note

As also disclosed in section 6.4(iv) of the Remuneration Report, the Company has issued performance rights to employees of the Group, including certain KMP that entitle those employees, upon meeting the vesting criteria, to be issued ordinary shares in the Company. The number of unissued shares of the Company under performance rights are 4,616,000 shares as at date of this report.

14. Indemnification and insurance of officers and directors

Indemnification

The Company has agreed to indemnify all Directors and officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as a Director or as an officer of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance policies

The Group maintains policies in respect of directors' and officers' liability insurance for current and former directors and officers, including senior executives of the Company and directors, senior executives and officers of Group companies. The terms of the insurance contract prohibit disclosure of the premiums payable and other terms of the policies.

15. Non-audit services

During the period KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the period by the auditor and is satisfied that the provision of those non-audit services during the period by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit & Risk Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to KPMG and its related practices for audit and non-audit services provided during the period are set out in note 25 to the financial statements.

16. Proceedings on behalf of the Company

No proceedings have been brought on behalf of the Group, nor have any applications been made in respect of the Group under section 237 of the Corporations Act 2001 (Cth).

17. Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required by Section 307C of the Corporations Act 2001 in included at page 21 of this report.

18. Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Director's Reports) instrument 2016/191 dated 24 March 2016 and, in accordance with that instrument, all financial information presented in Singapore dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

This report is made with a resolution of the Directors.

David Teoh
Chairman
Dated at Sydney this 27th day of October, 2021

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Tuas Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Tuas Limited for the financial period from incorporation on 11 March 2020 to 31 July 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Kenneth Reid
Partner
Sydney
27 October 2021

Tuas Limited and its controlled entities

Consolidated statement of comprehensive income

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

	Note	11-Mar-20 to 31-Jul-21 S$000
Revenue	*4*	34,307
Network, carrier and hardware costs		(18,527)
Employee benefits expense		(9,008)
Other expenses	*5*	(9,220)
Loss before interest, tax, depreciation and amortisation		**(2,448)**
Depreciation – Plant and Equipment and Right of Use Assets	*10,12*	(25,918)
Amortisation of intangibles	*11*	(11,870)
Loss from operating activities		**(40,236)**
Foreign exchange gain		2,424
Interest income		251
Finance and Lease interest expenses		(1,157)
Net financing income		**1,518**
Loss before income tax		**(38,718)**
Income tax benefit	*6*	6,151
Loss after tax		**(32,567)**
Items that may subsequently be reclassified to the income statement, net of tax:		
Foreign currency translation differences		2
Total other comprehensive income, net of tax		**2**
Total comprehensive loss for the period		**(32,565)**
Attributable to:		
Owners of the Company		**(32,565)**
Loss per share attributable to owners of the Company:		
Basic and diluted loss per share (cents)	*7*	(8.89)

The notes on pages 26 to 50 are an integral part of these consolidated financial statements.

Tuas Limited and its controlled entities

Consolidated statement of financial position

As at 31 July 2021

	Note	31-Jul-21 S$000
Assets		
Cash and cash equivalents		61,035
Term deposits		33,548
Trade and other receivables and contract assets	***9***	6,989
Inventories		281
Prepayments and other assets		1,928
Total Current Assets		**103,781**
Plant and equipment	***10***	254,724
Right of use assets	***12***	3,299
Spectrum assets	***11***	117,081
Other intangible assets	***11***	4,433
Deferred tax assets	***6***	9,679
Prepayments and other assets		983
Total Non-Current Assets		**390,199**
Total Assets		**493,980**
Liabilities		
Trade and other payables	***13***	8,623
Lease liabilities	***17***	545
Deferred revenue		2,517
Employee benefits		746
Total Current Liabilities		**12,431**
Lease liabilities	***17***	2,354
Provisions	***15***	441
Total Non-Current Liabilities		**2,795**
Total Liabilities		**15,226**
Net Assets		**478,754**
Equity		
Share capital	***16***	525,000
Share based payment reserve	***16***	327
Common control reserve	***16***	(14,008)
Foreign currency translation reserve		2
Accumulated losses		(32,567)
Total Equity attributable to owners of the Company		**478,754**

The notes on pages 26 to 50 are an integral part of these consolidated financial statements.

Tuas Limited and its controlled entities

Consolidated statement of changes in equity

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

		Attributable to owners of the Company					
		Share capital	Share based payment reserves	Common control reserves	Foreign currency translation reserve	Accumulated losses	Total
	Note	S$000	S$000	S$000	S$000	S$000	S$000
At 11 March 2020 (date of incorporation)		-	-	-	-	-	-
Loss for the period		-	-	-	-	**(32,567)**	**(32,567)**
Other comprehensive income:							
Foreign currency translation differences		-	-	-	2	-	2
Total comprehensive loss for the period		-	-	-	**2**	**(32,567)**	**(32,565)**
Transactions with owners of the Company							
Shares issued during the period	***16***	525,000	-	-	-	-	525,000
Effect of acquisition of a subsidiary under common control	***16***	-	-	(14,008)	-	-	(14,008)
Equity-settled share-based payment	***16***	-	327	-	-	-	327
Total transactions with owners of the Company		**525,000**	**327**	(14,008)	-	-	**511,319**
Balance at 31 July 2021		**525,000**	**327**	**(14,008)**	**2**	**(32,567)**	**478,754**

The notes on pages 26 to 50 are an integral part of these consolidated financial statements.

Tuas Limited and its controlled entities

Consolidated statement of cash flows

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

	Notes	11-Mar-20 To 31-Jul-21 S$000
Cash flows from operating activities		
Cash receipts from customers		38,656
Cash paid to suppliers and employees		(44,942)
Cash used in operating activities		(6,286)
Interest received		251
Net cash used in operating activities		(6,035)
Cash flows from investing activities		
Cash acquired from acquisition of a subsidiary under common control		56,025
Investment in term deposits		(33,548)
Acquisition of plant and equipment		(45,268)
Acquisition of other intangible assets		(89)
Net cash used in investing activities		(22,880)
Cash flows from financing activities		
Proceeds from issue of share capital		88,449
Repayment of lease liabilities		(669)
Net Finance costs paid		(303)
Net cash from financing activities		87,477
Effect of exchange rate fluctuations		2,473
Cash and cash equivalents at 31 July 2021		61,035

The notes on pages 26 to 50 are an integral part of these consolidated financial statements.

Tuas Limited and its controlled entities

Notes to the consolidated financial statements

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

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Tuas Limited and its controlled entities

Notes to the consolidated financial statements

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

1. Reporting entity

Tuas Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is C/-Suite 49, 61-65 Glencoe Street, Sutherland 2232. The consolidated financial statements as at, and for the period from 11 March 2020 (date of incorporation) to 31 July 2021, comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is a for-profit entity and is primarily involved in the development of a mobile network and provision of mobile telecommunications services in the Singapore market.

2. Basis of preparation

a. Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were approved by the Board of Directors on 27 October 2021.

b. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

c. Functional and presentation currency

These consolidated financial statements are presented in Singapore dollars, which is the functional currency of the major/principal subsidiary of the Group.

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and, in accordance with that instrument, all financial information presented in Singapore dollars has been rounded to the nearest thousand dollars unless otherwise stated.

d. Use of estimates and judgements

Preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The significant judgements made by management in applying the Group's accounting policies relate to:

- Commencement of depreciation

Note 2 Basis of preparation (continued)

The Group determines that a network asset is considered completed and ready for use when it is technically ready for commercial paid services to be marketed. The assessment of when the asset is ready for its intended use affects when the depreciation of the asset commences, and the expense to be recognised in profit or loss.

- Impairment of plant and equipment and intangible assets

Impairment is recognised when events and circumstances indicate that the carrying amounts of plant and equipment and intangible assets exceed the recoverable amounts. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. When value in use calculations are undertaken, Management estimates the recoverable amount based on a discounted cash flow model. The cash flows are derived from the forecasts approved by the Management.

In determining the forecasts, the Group is required to make a number of judgements which focus on expected economic and market conditions.

- Deferred tax asset

Significant judgement is required in relation to the recognition and the assessment of recoverability of deferred tax assets relating to the unutilised tax losses of Group companies. The recoverability of deferred tax assets is assessed against forecast income streams and the carrying amount of deferred tax assets is reviewed at each reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the Group company for which the deferred tax asset has been recognised.

- Calculation of lease liability

The Group has applied judgement to determine the lease term for certain lease contracts which include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and Right of Use (ROU) assets recognised.

e. Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group continues to trade and to meet its obligations for at least the next twelve months. This is notwithstanding the fact that the Group is not currently generating profits. The Group is in a net current asset position and believes it has sufficient funds to fully meet its obligations as they fall due and fund its business plans.

3. Segment reporting

The Group determines and presents operating segments based on the information that is internally provided to the Board, which acts as the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses.

The Group's mobile operations in Singapore represents the only reportable segment. The chief operating decision maker for this segment is the CEO and Board of TPG Singapore. There are no inter-segment transactions.

For the period 11 March 2020 to 31 July 2021	**Singapore**	**Reconciling Items**	**Total**
	S$000	**S$000**	**S$000**
Revenue	34,307	-	34,307
Network, carrier and hardware costs	(18,527)	-	(18,527)
Employee benefits expense	(7,861)	(1,147)	(9,008)
Other expenses	(8,303)	(917)	(9,220)
Results from segment activities	**(384)**	**(2,064)**	**(2,448)**

Geographic Information

All the Group's revenue is derived from Singapore based entity.

A geographic analysis of the Group's non-current assets is set out below. Non-current assets exclude deferred tax assets.

Country	**S$000**
Singapore	380,500
Others	20
Total	**380,520**

4. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a product or service to a customer, i.e. when the customer can benefit from the goods or service and decide how to use them.

The Group determines various performance obligations under a contract, allocates the total contract price amongst the performance obligations based on their standalone selling prices, and recognises revenue when the performance obligations are satisfied, i.e. upon delivery of goods sold, and activation of subscription plans.

Note 4: Revenue (Continued)

Mobile Revenue

Performance obligations that arise from contracts with customers comprise the rendering of telecommunications services including provision of data, voice, SMS, roaming and other services. The Group recognises revenue as services are provided over time, i.e. when the customer simultaneously receives and consumes the benefits provided to them.
Billings are made in advance, with each billing cycle currently being 30 days. Invoices are made available to customers electronically via the TPG Singapore online customer portal or mobile application when they login to their accounts.

Project revenue

Revenue derived from technologies and system solution projects are recognised when, or as, performance obligations are satisfied through the transfer of control of a good or service to the customer. For a performance obligation satisfied over time, the Group adopts the cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, to recognise the revenue as this measure faithfully depicts the transfer of control to the customer.

Invoicing is based on a series of performance related milestones. When a milestone is reached, the customer will provide the Company with a statement to certify the progress. At this point, any amount previously recognised as a contract asset will be reclassified to trade receivables upon invoicing to the customer. If the milestone payment exceeds the revenue recognised to date, then the Company recognises a contract liability for the difference.

Payment terms for these contracts are based on payment milestones over the duration of the contract where a 30-day payment term is given to customers.

a. Major product categories:

The following table provides a breakdown of revenue by major product categories.

	S$000
Mobile revenue	31,330
Project revenue	1,769
Other	1,208
Total	**34,307**

b. Contract balances

Contract assets primarily relate to the Group’s rights to consideration for work completed but not billed at the end of the current reporting period. These amounts are transferred to trade receivables when the rights become unconditional.

Deferred revenue liability primarily relates to the advance consideration received from customers for which revenue will be recognised on fulfilment of performance obligations under the customer contracts.

Note 4: Revenue (Continued)

c. ***Remaining performance obligations***

The Group has applied the practical expedient of not disclosing information about the amount of the transaction price allocated to the remaining (unfulfilled) performance obligation where the Group has a right to consideration in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, or the contract duration is less than one year.

5. Other expenses

	S$000
Advertising & marketing costs	3,556
Professional fees	1,268
Licence fees	1,822
Office expenses	1,098
Other expenses	1,476
	9,220

6. Taxes

Income tax expense

	S$000
Current tax expense	-
Deferred tax expense: Origination and reversal of temporary differences including the recognition of tax losses	6,151
Income tax benefit	6,151

Numerical reconciliation between tax benefit and pre-tax accounting loss

Loss before income tax	(38,718)
Income tax benefit using Singapore tax rate of 17%	6,581
Different tax rates in other jurisdictions	180
Non-deductible and non-assessable items	(947)
Non-taxable income	337
Income tax benefit	6,151

Deferred tax assets

Movement in temporary differences during the reporting period

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are attributable to the following:

Tuas Limited and its controlled entities

Notes to the consolidated financial statements

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

Note 6 Taxes (continued)

	Balance 11 March 2020 S$000	**Acquired through business combination S$000**	**Recognised in profit or loss S$000**	**Recognised in equity S$000**	**Balance 31 July 2021 S$000**
Deferred tax assets					
Plant and equipment	-	(7)	4,221	-	4,214
Leases		4	(73)		(69)
Provisions	-	40	129	-	169
Tax losses carried forward	-	3,491	1,874	-	5,365
	-	**3,528**	**6,151**	**-**	**9,679**

As at 31 July 2021, the group has recognised deferred tax assets arising from unutilised tax losses of $5,365,313 which are available for offset against future taxable income subject to compliance with the relevant provisions of local tax laws.
Income tax on the profit or loss for the reporting period comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that do not relate to a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

7. Loss per share

Basic and diluted loss per share

	Cents
Basic and diluted loss per share	(8.89)
	S$000
Loss attributable to owners of the Company used in calculating basic and diluted loss per share	(32,565)
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	366,195,813

The Group presents basic and diluted loss per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. The dilutive potential arises from the application of the share-based payments to TPG Singapore executives and employees as described in the following section.

8. Share-based payment arrangements

A. Description of share-based payment arrangements

In response to the recommendation of the Board of TPG Singapore, in April 2021, the Company established an incentive scheme to further align the Group's executives' and key employees' remuneration with the Company shareholders' interests. The incentive scheme takes the form of a performance rights plan under which selected employees are granted performance rights.

Under the rules of the performance rights plan, participants will be awarded fully paid ordinary shares in the Company for no consideration, subject to certain performance conditions. The key terms of the plan are as follows:

- 20% of the performance rights granted will vest following the release of the Group's audited financial statements for each of the five financial years commencing with the financial year ending 31 July 2022, subject to the satisfaction of performance conditions.
- The performance conditions, at each vesting date are:
    - **The Personal Performance Condition:** 40% of the performance rights that are due to vest on that date will vest if the rights holder has been continuously employed by the Group up until and including the relevant vesting date and the individual performance of the TPG Singapore employee meets performance requirements set by TPG Singapore; and
    - **The EBITDA Condition:** Up to 60% of the performance rights that are due to vest on that date will vest (a) if the rights holder meets the Personal Performance Condition AND (b) the Company has met its EBITDA objectives for the financial year immediately preceding the relevant vesting date, in which case the percentage to vest will be as follows:

Note 8: Share-based payment arrangements (continued)

    - If the Company achieves 95% or more of target EBITDA – the full 60% will vest.
    - If the Company achieves between 80% and 94% of target EBITDA – 45% will vest.
    - If the Company does not achieve at least 80% of target EBITDA – the full 60% will lapse.
- Any performance rights which do not vest, automatically lapse.

The policy principles behind the vesting conditions are the following:

(a) To promote the retention of our most valuable employees, which is critical in the industry in which our Group operates; and

(b) To promote the financial performance of the business, in respect of which the EBITDA objectives are determined annually by the Board.

At total of 4,616,000 performance rights were granted on 27 April 2021 to certain executives and employees of TPG Singapore and Tuas Malaysia which will vest in accordance with the conditions described above. This included awards to KMP:

	No. of Rights
Richard Tan	1,500,000
Harry Wong	211,000
Benjamin Tan	443,000
Ng Chong Teck	267,000

The number of rights outstanding at 31 July 2021 is set out below:

	Number of Rights
Balance as at 11 March 2020	Nil
Granted on 27 April 2021	4,616,000
Forfeited during the year	Nil
Vested during the year	Nil
Balance as at 31 July 2021	**4,616,000**

The fair value of the rights at date of grant was AUD$0.65 per performance right based on the market price of the Tuas shares on that day, adjusted to take into account the terms and conditions upon which the rights were granted including expected dividends, of which there were none. None of these rights expired, were exercised, nor are exercisable during and as at the period end.

Share based payment expense recognition occurs from the grant date. The expense recognition for each year is graded according to the benefit accrued, such that the expense is not straight-lined over the 5 year vesting period.

The amount consequently expensed during the reporting period was therefore $327,117.

9. Trade and other receivables and contract assets

	S$000
Trade receivables	1,902
Other receivables	312
Bank deposits held as guarantees	4,775
	6,989

There were no contract assets held by the Group at the period end.

The Group's exposure to credit and currency risk and impairment losses related to trade and other receivables is disclosed in note 18.

10. Plant and equipment

	Plant and equipment S$000	Office furniture and fittings S$000	Work In Progress S$000	Total S$000
Cost				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	130,195	371	103,887	234,453
Additions	6,230	1,444	42,763	50,437
Transfer	120,683	-	(120,683)	-
Disposal	(5)	(311)	-	(316)
Balance at 31 July 2021	**257,103**	**1,504**	**25,967**	**284,574**
Depreciation				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	(4,720)	(158)	-	(4,878)
Additions	(24,916)	(210)	-	(25,126)
Disposal	3	151	-	154
Balance at 31 July 2021	**(29,633)**	**(217)**	**-**	**(29,850)**
Carrying amounts				
At 11 March 2020 (date of incorporation)	**-**	**-**	**-**	**-**
At 31 July 2021	**227,470**	**1,287**	**25,967**	**254,724**

a. Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes all expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials, associated labour, and the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets form part of the cost of the asset.

Note 10: Plant and Equipment (continued)

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Any gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the item being disposed and are recognised net within other expenses in the income statement.

b. Subsequent costs

Subsequent costs are added to existing assets if it is probable that future economic benefits will flow to the Group.

c. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of each part of an item of plant and equipment.

The estimated useful lives used in the current period are as follows:

- Plant and equipment — 3 – 10 years
- Office furniture and fittings — 10 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

d. Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets, including plant and equipment, to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cashflows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. CGUs are determined according to the lowest level of groups of assets that generate largely independent cashflows.

An impairment loss is recognised whenever the carrying amount of the asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the income statement unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of other assets in the CGU on a pro rata basis.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is

Note 10: Plant and Equipment (continued)

reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

11. Intangible assets

	Spectrum licences S$000	Other intangibles S$000	Work In Progress S$000	Total S$000
Cost				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	129,630	4,981	344	134,955
Additions	551	121	364	1,036
Transfer	-	708	(708)	-
Balance at 31 July 2021	130,181	5,810	-	135,991
Amortisation and impairment				
Balance at 11 March 2020 (date of incorporation)	-	-	-	-
Acquired through business combination	(2,419)	(188)	-	(2,607)
Additions	(10,681)	(1,189)	-	(11,870)
Balance at 31 July 2021	(13,100)	(1,377)	-	(14,477)
Carrying amounts				
At 11 March 2020 (date of incorporation)	-	-	-	-
At 31 July 2021	117,081	4,433	-	121,514

a. Recognition and measurement

Intangible assets with definite useful lives:

Spectrum licences

Spectrum licences are stated at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets comprise software and licences other than spectrum licences. Other intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses.

b. Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates such as operating costs that are incurred in developing or acquiring income producing assets, and capitalised interest related to the acquisition of intangible assets. All other expenditure is expensed as incurred.

Note 11: Intangible assets (continued)

c. Amortisation and impairment

Unless otherwise stated, amortisation is charged to the income statement on a straight-line basis, over the estimated useful lives of intangible assets. Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date following the same policy as detailed in Note 10(d).

The estimated useful lives used in both the current and comparative periods are as follows:

- Spectrum licences - Amortised over useful lives of 159 months.
- Other intangible assets with finite useful lives - Amortised over useful lives of 60 months.

12. Right of use assets

Leases as lessee

The Group leases property. The leases typically run for a period of 6 years with an option to renew. Lease payments are renegotiated upon expiry. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group leases some rooftop spaces for the placement of network equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value assets. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

	Property S$000
Balance at 11 March 2020 (date of incorporation)	-
Acquired through business combination	513
Depreciation	(792)
Addition to right-of-use assets	3,578
Balance at 31 July 2021	**3,299**

Amounts recognised in profit or loss

	11-Mar-20 To 31-Jul-21 S$000
Interest on lease liabilities	24
Expenses relating to short-term leases	1,105
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	60

Amounts recognised in statement of cash flows

	11-Mar-20 To 31-Jul-21 S$000
Total cash outflow for leases	1,834

Tuas Limited and its controlled entities

Notes to the consolidated financial statements

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

13. Trade and other payables

	S$000
Trade creditors	3,618
Other creditors and accruals	5,005
	8,623

Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 18.

14. Employee benefits

a. Current employee benefits

Liabilities for employee benefits that are due within 12 months of the reporting date represent present obligations resulting from employees' services provided up to the reporting date, and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at the reporting date including related on-costs such as workers' compensation insurance and payroll tax.

b. Superannuation

The Group contributes to several defined contribution superannuation and similar retirement savings plans in its countries of operation. Contributions are recognised as an expense in the income statement on an accruals basis as the related service is provided.

The Group contributed $1,434,951 to defined contribution superannuation or other retirement plans during the reporting period.

15. Provisions

At 31 July 2021, the Group has a provision of $440,936 which relates to the Group's estimated costs to make good its leased premises.

16. Capital and reserves

Share capital

	Ordinary shares	S$000
Balance at 11 March 2020 (date of incorporation)	12	-
Ordinary shares issued during the year	463,909,009	525,000
Balance as at 31 July 2021	463,909,021	525,000

Issue of ordinary shares

463,909,021 shares were issued to shareholders of TPG Telecom Limited resulting from demerger of the Group from TPG Telecom Limited. (Refer note 21).

Note 16: Capital and reserves (continued)

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. The Company does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Common control reserve

The reserve of $14,008,187 arises from the difference between the net asset value and the deemed consideration of these net assets acquired through business combination.

Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

Share based payment reserve

The share incentive programme allows the Company's employees to be issued shares of the Company upon the exercise of performance rights as described in the Remuneration Report. The fair value of these share-based employee benefits of $327,117 for this financial period is recognised as an expense with a corresponding recognition in the share-based payment reserve.

17. Lease liabilities

	Lease liabilities S$000
Current	545
Non-Current	2,354
Balance at 31 July 2021	2,899

18. Financial instruments and risk management

Financial Instruments

The Group has no derivative financial assets or liabilities. The Group's non-derivative financial assets and liabilities comprise Cash and Cash equivalents, Term deposits, Trade and Other Receivables, and Trade and Other Payables.

The Group has limited exposure to risks from its use of financial instruments. Consumer customers, who provide the great majority of TPG Singapore's revenue prepay for the use of mobile services.

None of the Company's financial assets are measured at fair value. For Trade and Other Receivables and other Payables, the carrying amount is a reasonable approximation of fair value.

The following table shows the financial instruments:

	Carrying Amount
	S$000
Financial assets	
Cash and cash equivalents	61,035
Term deposits	33,548
Trade and other receivables	6,989
	101,572
Financial liabilities	
Trade and other payables	8,623

Risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations. TPG Singapore requires its consumer mobile customers to prepay for services and, as such, any

Note 18: Financial instruments and risk management (continued)

credit risk to them is insignificant. The trade receivables largely arise from arrangements with project counterparties and interconnected network operators, of financial substance. As such, the Group's exposure to credit risk is low and risk management activity has been limited.

At each reporting date, the Group assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired may include the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly overdue without due circumstance or prior arrangement.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages the cashflow requirements to optimise its return on cash. The Group ensures that it has sufficient cash on demand to meet expected operational expenses.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cashflows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	S$000	S$000	S$000	S$000	S$000	S$000	S$000
Trade and other payables	8,623	8,623	8,623	-	-	-	-
Lease liabilities	2,899	3,000	286	265	511	1,571	367
Total	11,522	11,623	8,909	265	511	1,571	367

It is not expected that the cashflows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Note 18: Financial instruments and risk management (continued)

a) Currency risk

The Group is exposed to currency risk on expenses and payables that are denominated in a currency other than its functional currency, the Singapore dollar (SGD). These other currencies include primarily the Australian dollar (AUD), the Malaysian ringgit (MYR), and the United States dollar (USD). As at 31 July 2021, currency risks associated with the Group's foreign currency denominated payables are not considered to be significant. The Group's exposure to currency risk on income and receivables is not considered to be significant.

b) Interest rate risk

The Group currently has no borrowings or other liabilities with an interest component and, as such, has interest rate risk only on cash and cash equivalents and term deposits. Any risk of adverse consequences is considered insignificant.

19. Capital and other commitments

	S$000
Contracted but not provided for in the financial statements	7,630

The commitments made are for purchases of mobile network equipment. Further commitments are also disclosed in Note 22.

20. Consolidated entities

The following is a list of all entities that formed part of the Group as at 31 July 2021:

Name of Entity	Country of incorporation	*Ownership interest* as at 31 July 2021 %
Parent entity		
Tuas Limited	Australia	
Subsidiaries		
TPG Telecom Pte Ltd[1]	Singapore	**100**
Tuas Solutions Sdn Bhd[1]	Malaysia	**100**

[1] Acquired on 26 June 2020

21. Business combination

Demerger from TPG Corporation Limited

The Company demerged on 13 July 2020 from TPG Corporation Limited ("TPG") which was previously named TPG Telecom Limited.

Prior to the demerger, on implementation of the Demerger Scheme, TPG Telecom Pte Ltd ("TPG Singapore") became a wholly owned subsidiary of Tuas Limited on 26 June 2020.

Note 21: Business combination (continued)

This acquisition has been recognised as a common control transaction. The Group applied the predecessor values method, without any step-up to fair value. All the assets and liabilities acquired were recognised at book value and no goodwill was created or recognised. The book value of the assets acquired and the liabilities assumed as at the demerger date are set out below:

Identifiable assets acquired and liabilities assumed	**S$000**
Cash and cash equivalents	56,025
Trade and other receivables	1,794
Inventories	109
Prepayments and other assets	4,005
Plant and equipment	229,575
Intangible assets	132,348
Right of use assets	513
Trade and other payables[1]	(3,665)
Employee benefits and provisions	(228)
Provisions	(212)
Lease liabilities	(477)
Deferred income	(771)
Deferred tax assets[1]	3,528
Net identifiable assets acquired	**422,544**

[1] There has been a reclassification of $1.755m trade and other payables to deferred tax assets compared to that presented within the Tuas Limited 4E financial report. This represents the tax losses incurred by TPG Singapore in the year of acquisition by Tuas Limited. The net identifiable assets acquired remain the same.

The Group's financial statements include TPG Singapore's results from the date of acquisition.

- TPG transferred its investment in shares at a value of $1 and convertible notes of $436,552,176 issued by TPG Singapore to Tuas Limited at par, being the deemed consideration for the net identifiable assets acquired. The difference of $14,008,187 has been recognised in the common control reserve. In addition, TPG provided equity capital to Tuas prior to implementation of the Demerger Scheme.
- Tuas Limited issued 463,909,021 shares to the value of $525,000,011 to TPG shareholders on implementation of the Demerger Scheme.

Since its acquisition, TPG Telecom Pte Ltd (on a consolidated basis including Tuas Solutions Sdn Bhd) contributed $34,127,630 in loss after tax to the total comprehensive loss of Tuas Limited.

22. Parent entity disclosures

	11-Mar-20 To 31-Jul-21 S$000
Result of the parent entity	
Profit for the period	1,562
Comprising:	
Foreign exchange gain	2,470
Income tax benefit	180
Other	(1,088)
Total profit for the period	1,562
Financial position of parent entity at 31 July 2021	
Current assets	90,202
Non-current assets	436,733
Total assets	526,935
Current liabilities	46
Total liabilities	46
Total equity of the parent entity	526,889
Share capital	525,000
Share based payment reserve	327
Retained earnings	1,562
Total Equity	526,889

Parent entity guarantees

The Company has given a parent guarantee to the Infocomm Media Development Authority to support TPG Singapore's application for a facilities-based operator licence and the expenditure to meet certain conditions specified in that licence. The guarantee will expire upon TPG Singapore meeting the conditions, expected to be completed during 2021.

The Company has also given a performance guarantee to a trade supplier to TPG Singapore, the value of which is limited to US$1.8million.

To support TPG Singapore obtaining bank guarantees in favour of commercial counterparties relating to services being supplied on a project basis mainly for the installation of infrastructure, the Company has committed fixed deposits totalling $33.5million.

23. Reconciliation of cash flows from operating activities

	Note	S$000
Cash flows from operating activities		
Loss after tax for the period		(32,567)
Adjustments for:		
Depreciation	***10, 12***	25,918
Amortisation of intangibles	***11***	11,870
Share based payment		327
Unrealised foreign exchange gain		(2,424)
Interest income		(251)
Tax income	***6***	(6,151)
Operating loss before changes in working capital and provisions		(3,278)
Changes in:		
- Trade and other receivables and contract assets		(5,195)
- Inventories		(172)
- Deferred tax assets		(6,151)
- Prepayments and other assets		1,095
- Trade and other payables		4,922
- Deferred revenue		1,746
- Employee benefits		518
- Provisions		229
Cash used in operating activities		(6,286)

24. Related parties

A. Parent and ultimate controlling party

The parent entity of the Group is Tuas Limited.

B. Subsidiaries

Interest in subsidiaries is set out in Note 20.

C. Transactions with key management personnel

Information regarding transactions with key management personnel (KMP) including their remuneration is as follows:

Key management personnel compensation comprised the following:

	S$
Short-term employee benefits	2,492,972
Non-monetary benefits	107,661
Post-employment benefits	109,059
Share based payment	168,464
	2,878,156

Compensation of the Group's key management personnel includes salaries, short term incentive cash bonus, other allowances, non-monetary benefits and superannuation benefits.

Executive officers also participate in the Group's performance rights plan (see Note 8).

25. Auditors' remuneration

Audit and review services	S$
Auditors of the Company – KPMG, Australia	
- Audit and review of financial statements	60,000
- Other regulatory audit services	-
Network firms of KPMG	
- Audit of TPG Singapore financial statements FY20	107,000
- Audit of TPG Singapore financial statements FY21	146,000
	313,000
Other services	
KPMG, Australia	
- Taxation and other services	18,029
	18,029

26. Subsequent events

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

27. Significant accounting policies

The accounting policies as set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently across the Group.

a. Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (refer (ii) below). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Goodwill is measured as the excess of consideration transferred as compared to the value of identifiable net assets acquired.
In case of common control transactions, the consideration transferred and identifiable net assets acquired are measured at book value and no goodwill is created or recognised.
Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Such changes have been made with effect from the date of acquisition.

Note 27: Significant accounting policies (continued)

(iii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

b. Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Singapore dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Singapore dollars at foreign exchange rates ruling at the dates the fair value was determined.

c. Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

d. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less and includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

e. Leases

As a Lessee

(i) Determining whether an arrangement contains a lease

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For contracts that contain a lease and non-lease component, the consideration in the contract is allocated to each component in proportion to the relative stand-alone prices of the lease and non-lease components.

(ii) Measurement of right of use (ROU) assets and lease liabilities

The Group recognises a ROU asset and lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement

Note 27: Significant accounting policies (continued)

date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee or, as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The ROU asset is initially measured at cost comprising the lease liability amount measured on initial recognition, lease prepayments and any restoration-related costs as reduced by any lease incentives received. The ROU asset is subsequently measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The Group applies judgement to determine the likelihood of exercising renewal options on a lease-by-lease basis. The lease term would include the non-cancellable period plus extension terms for which the Group is reasonably certain to exercise options. The Group uses its weighted average cost of borrowing as an estimate of its incremental borrowing rate. The Group has elected not to recognise ROU assets and lease liabilities for leases with a term of less than twelve months or less and low-value assets such as photocopiers.

f. Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Inland Revenue Authority of Singapore (IRAS) is included as a current asset or liability in the statement of financial position.

Cashflows are included in the statement of cash flows on a gross basis. The GST components of cashflows arising from investing and financing activities which are recoverable from, or payable to, IRAS are classified as operating cashflows.

g. Inventory

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Note 27: Significant accounting policies (continued)

h. Changes in significant accounting policies

A number of new standards are effective from 1 August 2021 but they do not have a material effect on the Group's financial statements.

Tuas Limited and its controlled entities

Directors' declaration

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

1. In the opinion of the Directors of Tuas Limited ('the Company'):

(a) the consolidated financial statements and notes that are set out on pages 22 to 50 and the Remuneration report in section 6 of the Directors' report, set out on pages 11 to 18, are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 July 2021 and of its performance for the financial period 11 March 2020 to 31 July 2021 and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. There are reasonable grounds to believe that the Company and the Group entities will be able to meet any obligations or liabilities to which they are or may become subject to.

3. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial period ended 31 July 2021.

4. The Directors draw attention to note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors.

David Teoh
Chairman
Dated at Sydney this 27th day of October 2021.

Independent Auditor's Report

To the shareholders of Tuas Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Tuas Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group***'s financial position as at 31 July 2021 and of its financial performance for the period from incorporation on 11 March 2020 to 31 July 2021; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 31 July 2021
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the period from incorporation on 11 March 2020 to 31 July 2021
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the period-end or from time to time during the financial period from incorporation on 11 March 2020 to 31 July 2021.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Capitalisation and valuation of non-financial assets
- Mobile revenue recognition

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Capitalisation and valuation of non-financial assets ($376.2m)

Refer to Notes 11 and 12 to the Financial Report

The key audit matter	How the matter was addressed in our audit
Tuas Limited has significant amounts of tangible and intangible non-financial assets. These assets mainly comprised of the mobile network including spectrum licenses and its related infrastructure. The capitalisation and valuation of non-financial assets is a key audit matter due to the audit effort required to assess the judgements used by the Group in applying the criteria in the accounting standards, specifically regarding: • the evaluation of the nature and amount of costs meeting the capitalisation criteria in the accounting standards. This can be inherently subjective for mobile network and related infrastructure due to the allocation of time for employee's not solely working on the mobile network build, and • the Group's assessment of the assets readiness for use, which is the trigger in accounting standards for the commencement of depreciation or amortisation. In assessing these judgements we focused on the objectivity of sources used for assumptions and judgements, and their consistency of application. These factors required significant audit effort and involvement of senior audit team members in assessing this key audit matter.	Our procedures included: • We evaluated the adequacy of the Group's asset capitalisation policies in relation to requirements of the relevant accounting standards. • Testing a sample of the costs capitalised, we checked equipment and third party costs to the underlying invoices noting the descriptions as relating to capitalisable assets or services. For the employee costs category, we challenged the Group's estimation of the proportion of cost associated to the capitalisable activity through checking underlying payroll costs in the period, inquiries with the project managers and CEO and against project plans. • For a sample of the mobile network and related infrastructure assets determined by the Group to be ready for use, we checked this against information evidencing the readiness of these assets, and their AASB 138 eligibility for ongoing capitalisation. For a sample of assets expected to be ready for use in future periods, we challenged the Group's assessment of when they are expected to be ready for use, against our analysis of the nature of costs incurred to date, costs to complete and our industry experience of these types of assets readiness phases. • We evaluated the sufficiency of the quantitative and qualitative disclosures in the financial statements using our understanding

	from our testing and against the requirements of the accounting standard.
Mobile Revenue recognition ($31.3m)	
Refer to Note 4 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The majority of Tuas Limited's revenue is generated from the provision of mobile telecommunications services to consumers. Revenue recognition is a key audit matter due to the: • Magnitude of the balance comprising a high volume of individually low monetary value transactions. We focused on the Group's systems and processes for recording revenue, which included both manual and IT billing systems and tools. • Complexity of the Group's contractual arrangements for mobile telecommunications services when considering the application of the revenue accounting standard to the contracts. Our focus was on the underlying key assessments behind the timing of contracts, their service fulfillment, and the impact to related revenue recognition.	Our procedures included: • We evaluated the Group's revenue recognition accounting policy against the requirements of the accounting standards, and for consistency with our understanding of the key terms of contracts with customers. We evaluated key manual controls including reconciliations of cash receipts to telecommunication services provided over the Group's revenue recognition process. • Working with our IT specialists, we evaluated the automated IT controls within the customer billing systems such as reconciling the billing system to the general ledger. • We manually recalculated revenue and related deferred revenue in the last month of the period for a sample comparing inputs into the IT billing system to the standard contract plans. • By mobile revenue stream we compared the revenue recognised against our expectation based on the number of subscribers and corresponding mobile plan prices. • We evaluated the sufficiency of the quantitative and qualitative disclosures in the financial statements using our understanding from our testing and against the requirements of the accounting standard.

Other Information

Other Information is financial and non-financial information in Tuas Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Tuas Limited for the period from incorporation on 11 March 2020 to 31 July 2021, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 11 to 18 of the Directors' report for the period from incorporation on 11 March 2020 to 31 July 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Kenneth Reid

Partner

Sydney

27 October 2021

Tuas Limited and its controlled entities

ASX additional information

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below. The shareholding information is current as at 30 September 2021. As at that date, there were 463,909,021 ordinary shares held by 16,826 shareholders. There were no restricted securities subject to Escrow.

Substantial shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Name of shareholder	Number of ordinary shares held	% of capital held
David Teoh and Vicky Teoh	172,986,163	37.28
Washington H Soul Pattinson and Company Limited	117,198,061	25.26

Distribution of equity security holders

An analysis of the number of shareholders by size of holding is set out below:

Number of shares held	Number of holders	Total units	% of capital
1 - 1,000	11,430	3,701,238	0.80
1,001 - 5,000	3,634	8,216,093	1.77
5,001 - 10,000	746	5,609,581	1.21
10,001 - 100,000	882	26,942,337	5.81
100,001 and over	134	419,439,772	90.41
	16,826	463,909,021	100.00

The number of shareholders holding less than a marketable parcel of ordinary shares is 7,051.

Voting rights (ordinary shares)

On a show of hands every member present at a meeting in person or by proxy shall have one vote, and upon a poll each share shall have one vote.

Stock exchange

Tuas Limited is listed on the Australian Stock Exchange. The home exchange is Sydney, and the ASX code is TUA.

Other information

Tuas Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

Tuas Limited and its controlled entities

ASX additional information

For the period from 11 March 2020 (date of incorporation) to 31 July 2021

Twenty largest shareholders (as at 30 September 2021)

Name of shareholder	Number of ordinary shares held	% of capital held
SIMBA SG PTY LTD <SIMBA SG FAMILY TRUST A/C>	162,873,607	35.11
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	68,544,117	14.78
WASHINGTON H SOUL PATTINSON	47,253,944	10.19
CITICORP NOMINEES PTY LIMITED	39,763,176	8.57
UBS NOMINEES PTY LTD	16,597,234	3.58
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,912,709	2.57
TSH HOLDINGS NO 3 PTY LTD	7,190,590	1.55
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	5,569,954	1.20
NATIONAL NOMINEES LIMITED	4,951,839	1.07
J S MILLNER HOLDINGS PTY LIMITED	4,485,100	0.97
BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	3,719,058	0.80
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	3,547,209	0.76
FARJOY PTY LTD	3,127,118	0.67
BKI INVESTMENT COMPANY LIMITED	2,755,533	0.59
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,111,698	0.46
MILONISS PTY LTD <TONI ANNE PAINE DISC A/C>	1,829,384	0.39
MILTON CORPORATION LIMITED	1,574,363	0.34
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	1,400,000	0.30
TOTAL PERIPHERALS PTY LTD <SUPER FUND A/C>	1,343,823	0.29
NATIONAL NOMINEES LIMITED <DB A/C>	1,317,899	0.28
	391,868,355	84.47

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