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Pricing Supplement dated 1 March 2021

DBS GROUP HOLDINGS LTD

Issue of U.S.\$500,000,000 1.822 per cent. Subordinated Notes due 2031 (the “Notes”)
under the U.S.\$30,000,000,000 Global Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (as defined below) set forth in the Offering Circular dated 11 March 2020. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular. This Pricing Supplement, together with the information set out in the Schedule to this Pricing Supplement, supplements the Offering Circular and supersedes the information in the Offering Circular to the extent inconsistent with the information included therein.

The Notes have not been registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States. The Notes may not be offered, sold, pledged or otherwise transferred within the United States to, or for the account or benefit of, any U.S. person (as defined in Regulation S) unless the offer or sale would qualify for a registration exemption from, or would not be subject to the registration requirements of the Securities Act and applicable U.S. state securities laws.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Pursuant to the Monetary Authority of Singapore Act, Chapter 186 of Singapore (the “**MAS Act**”) and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the “**MAS Regulations**”), Subordinated Notes and Perpetual Capital Securities would be eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined in the MAS Act) be issued, Subordinated Notes and Perpetual Capital Securities may be subject to cancellation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.

PRIIPs REGULATION - PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE) NOTIFICATION - The Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

1	Issuer:	DBS Group Holdings Ltd
2	(i) Series Number:	29
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	United States dollars (“U.S.\$”)
4	Aggregate Nominal Amount:	
	(i) Series:	U.S.\$500,000,000
	(ii) Tranche:	U.S.\$500,000,000
5	Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000, subject to adjustment following the occurrence of a DBSH Trigger Event or the issue of a Bail-in Certificate
7	(i) Trade Date:	1 March 2021
	(ii) Issue Date:	10 March 2021
	(iii) Interest Commencement Date:	Issue Date
8	Maturity Date:	10 March 2031
9	Interest Basis:	From (and including): <ul style="list-style-type: none"> • the Interest Commencement Date to (but excluding) the Call Date, 1.822 per cent. per annum; and • the Call Date to (but excluding) the Maturity Date, a fixed rate per annum equal to the then-prevailing 5-year U.S. Dollar Treasury Rate plus the Initial Spread (the “Reset Interest Rate”) (further particulars specified below in paragraph 16)
10	Redemption/Payment Basis:	Redemption at par

11	Change of Interest or Redemption:	Applicable (see paragraph 9 above and paragraph 16 below)
12	Put/Call Options:	Issuer Call (further particulars specified below)
13	Status of the Notes:	Subordinated
14	Listing:	SGX-ST
15	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate Note Provisions:	Applicable
	(i) Rate(s) of Interest:	From (and including): <ul style="list-style-type: none"> the Interest Commencement Date to (but excluding) the Call Date, 1.822 per cent. per annum payable semi-annually in arrear; and the Call Date to (but excluding) the Maturity Date, a fixed rate per annum equal to the then-prevailing U.S. Dollar Treasury Rate plus the Initial Spread payable semi-annually in arrear

Where:

“5-year U.S. Dollar Treasury Rate” means the rate per annum (expressed as a percentage) as determined by the Calculation Agent (and notified to the Issuer) that is equal to the yield to maturity for U.S. Treasury securities with a maturity of five years as set forth in H.15(519) under the caption *“Treasury constant maturities”*, as displayed on Reuters page *“FRBCMT”* (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent), at 5:00 p.m. (New York City time) on the Reset Determination Date. If such page (or any successor page or service) does not display the relevant yield at 5:00 p.m. (New York City time) on the Reset Determination Date, **“5-year U.S. Dollar Treasury Rate”** shall mean the rate per annum (expressed as a percentage) equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated by the Calculation Agent using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Reset Determination Date. If there is no Comparable Treasury Price on the relevant Reset Determination Date for whatever reason, **“5-year U.S. Dollar Treasury Rate”** means the rate per annum (expressed as a percentage) as notified by the Calculation Agent in writing to the Issuer equal to the yield on U.S. Treasury securities having a

maturity of five years as set forth in H.15(519) under the caption “*Treasury constant maturities*”, as was displayed on Reuters page “*FRBCMT*” (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent), at 5:00 p.m. (New York City time) on the last available date preceding the Reset Determination Date on which such rate was displayed on Reuters page “*FRBCMT*” (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent);

“**Comparable Treasury Issue**” means the U.S. Treasury security selected by the Independent Adviser as having a maturity of five years that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of five years;

“**Comparable Treasury Price**” means, with respect to the relevant Reset Determination Date, the average of three Reference Treasury Dealer Quotations for the relevant Reset Determination Date;

“**H.15(519)**” means the weekly statistical release designated as such published by the Federal Reserve System Board of Governors, or its successor, available through the website of the Board of Governors of the Federal Reserve System currently at <https://www.federalreserve.gov/releases/h15/>, or any successor page;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer;

“**Initial Spread**” means 1.100 per cent. per annum;

“**Reference Treasury Dealer Quotations**” means with respect to each Reference Treasury Dealer and any Reset Determination Date, the bid price for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Independent Adviser by such Reference Treasury Dealer at approximately 5.15 p.m. (New York City time), on the relevant Reset Determination Date and then notified in writing by the Calculation Agent to the Issuer and the Trustee;

“**Reference Treasury Dealer**” means each of the three nationally recognised investment banking

firms selected by the Independent Adviser that are primary U.S. Government securities dealers; and “Reset Determination Date” means the determination of the Reset Interest Rate as shall be calculated on the second business day in New York immediately preceding the Call Date.

- (ii) Interest Period: Each period from (and including) an Interest Payment Date to (but excluding) the subsequent Interest Payment Date, except that the first Interest Period will commence on (and include) the Issue Date and the final Interest Period shall end on (but exclude) the Maturity Date
- (iii) Interest Payment Date(s): 10 March and 10 September in each year commencing on the Interest Payment Date falling on 10 September 2021 and ending on the Maturity Date, adjusted in accordance with the Business Day Convention
- (iv) Business Day Convention: Following Business Day Convention
- (v) Fixed Coupon Amount(s): From (and including):
- the Interest Commencement Date to (but excluding) the Call Date, U.S.\$9.11 per Calculation Amount; and
 - the Call Date to (but excluding) the Maturity Date, the respective amount to be determined pursuant to paragraph 16(i) and the Day Count Fraction mentioned below,
- in each case subject to adjustment following the occurrence of a DBSH Trigger Event or the issue of a Bail-in Certificate
- (vi) Broken Amount(s): Not Applicable
- (vii) Day Count Fraction: 30/360
- (viii) Determination Dates: Not Applicable
- (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

17 Floating Rate Note Provisions: Not Applicable

18 Zero Coupon Note Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

- 19** Call Option: Applicable
- (i) Optional Redemption Date: 10 March 2026 (the “Call Date”)
- (ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s): U.S.\$1,000 per Calculation Amount, subject to adjustment following the occurrence of a DBSH Trigger Event or the issue of a Bail-in Certificate
- (iii) If redeemable in part: Not Applicable

	– Minimum Redemption Amount:	
	– Maximum Redemption Amount:	
	(iv) Notice period:	In accordance with Condition 5(d)(ii)(B)
20	Put Option:	Not Applicable
21	Variation instead of Redemption (Condition 5(g)):	Applicable
22	Final Redemption Amount of each Note:	U.S.\$1,000 per Calculation Amount, subject to adjustment following the occurrence of a DBSH Trigger Event or the issue of a Bail-in Certificate
23	Early Redemption Amount: Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	U.S.\$1,000, subject to adjustment following the occurrence of a DBSH Trigger Event or the issue of a Bail-in Certificate

PROVISIONS RELATING TO LOSS ABSORPTION

24	Loss Absorption Option: DBSH Write-off on a DBSH Trigger Event (Condition 6(b))	Write-off Applicable
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GENERAL PROVISIONS APPLICABLE TO THE NOTES

25	Form of Notes:	Regulation S Global Note (U.S.\$500,000,000 nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream
26	Financial Centre(s) or other special provisions relating to Payment Dates:	London, New York City
27	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
28	Details relating to Partly-Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
29	Details relating to Instalment Notes: amount of each instalment (Instalment Amount), date on which each payment is to be made (Instalment Date):	Not Applicable
30	Other terms or special conditions:	Not Applicable

DISTRIBUTION

31	(i) If syndicated, names of Managers:	<p><i>Joint Lead Managers:</i></p> <p>DBS Bank Ltd. Crédit Agricole Corporate and Investment Bank, Singapore Branch J.P. Morgan (S.E.A.) Limited Merrill Lynch (Singapore) Pte. Ltd. Société Générale</p> <p><i>Co-Managers :</i></p> <p>BNP Paribas Natixis RBC Europe Limited Wells Fargo Securities International Ltd</p>
	(ii) Stabilisation Coordinator (if any):	Merrill Lynch (Singapore) Pte. Ltd.
32	If non-syndicated, name of Dealer:	Not Applicable
33	Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable:	TEFRA Not Applicable
34	Additional selling restrictions:	Applicable (as further specified in Schedule to the Pricing Supplement)

OPERATIONAL INFORMATION

35	ISIN Code:	XS2310058891
36	Common Code:	231005889
37	CUSIP:	Not Applicable
38	CMU Instrument Number:	Not Applicable
39	Legal Entity Identifier (LEI):	5493007FKT78NKPM5V55
40	Any clearing system(s) other than The Central Depository (Pte) Limited, The Central Moneymarkets Unit Service, Euroclear Bank SA/NV and Clearstream Banking S.A., The Depository Trust Company and/or Austraclear Ltd and the relevant identification number(s):	Not Applicable
41	Delivery:	Delivery against payment
42	Additional Paying Agent(s) (if any):	Not Applicable

GENERAL

43	Applicable Governing Document:	Amended and Restated Trust Deed dated 11 March 2020
44	Governing Law:	English law, save that Condition 6(c) and the provisions in relation to subordination, set-off and payment void and default and enforcement shall be governed by, and construed in accordance with, the laws of Singapore

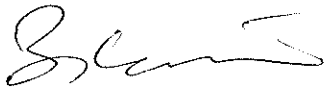
PURPOSE OF THE PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue, and admission to trading on the Singapore Exchange Securities Trading Limited of the Notes described herein pursuant to the U.S.\$30,000,000,000 Global Medium Term Note Programme of DBS Bank Ltd. and DBS Group Holdings Ltd.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of DBS Group Holdings Ltd:

By : 

Edwin Tan
Managing Director, Group Finance

SCHEDULE TO THE PRICING SUPPLEMENT

The Offering Circular is hereby supplemented with the following information, which shall be deemed to be incorporated in, and to form part of, the Offering Circular. Save as otherwise defined herein, terms defined in the Offering Circular have the same meaning when used in this Schedule. For the avoidance of doubt, “DBS Group” refers to DBS Group Holdings Ltd and its consolidated subsidiaries.

PRESENTATION OF FINANCIAL INFORMATION – AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2020 OF DBS GROUP

On 11 February 2021, DBS Group Holdings Ltd published its “Performance Summary” (the “**Performance Summary**”) that included its audited consolidated financial results for the full year ended 31 December 2020. The Performance Summary, which is incorporated by reference into the Offering Circular, is appended hereto as Exhibit A.

The audited consolidated financial statements of DBS Group as at and for each of the years ended 31 December 2019, 2018 and 2017 (as included or incorporated by reference in the Offering Circular) were each prepared based upon conditions existing as at 31 December 2019, 2018 and 2017, respectively. As the outbreak of COVID-19 occurred after 31 December 2019, its impact is considered an event that is indicative of conditions that arose after such reporting period and, accordingly, no adjustments have been made to the DBS Group’s audited consolidated financial statements for the year ended 31 December 2019.

The Group’s business has been, and will continue to be, affected by COVID-19 as the situation evolves globally. In light of the significant uncertainty surrounding the actual and ongoing impact of the COVID-19 pandemic on the DBS Group’s business and financial condition, neither the DBS Group’s results for any of the financial years ended 31 December 2017, 2018 and 2019, nor the financial year ended 31 December 2020, should be taken as indicative of future trends in the DBS Group’s performance.

See further “*Risk Factors – A global or regional financial crisis or financial instability in the countries where the DBS Group does business could adversely affect its operations, asset quality and growth*” and “*Risk Factors – Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the DBS Group’s business, financial condition and results of operations*” in the Offering Circular.

RECENT DEVELOPMENTS

The following section “*Recent Developments*” shall be added as a new section after the section “*Summary of Provisions relating to the Notes while in Global Form*” at pages 217 to 224 of the Offering Circular:

“Recent Developments

On 29 April 2020, Fitch placed all three major Singapore banks’ Long-Term Issuer Default Ratings (“**LT IDRs**”) and Viability Ratings (“**VRs**”) on Rating Watch Negative (“**RWN**”) to reflect the downside risk to their credit profiles resulting from the economic impact of the coronavirus pandemic. On 28 September 2020, Fitch affirmed all the ratings on the three major Singapore banks, removed the RWN on their LT IDRs and VRs, and assigned negative outlook to LT IDRs of the three banks and DBS Group Holdings Ltd. References to “stable outlook” in the Offering Circular in respect of DBSH’s and DBS Bank’s Fitch credit ratings should thus be replaced by “negative outlook”.

See further “*Risk Factors – Any credit ratings on DBSH, DBS Bank or the Notes may not reflect all risks associated with investing in DBSH, DBS Bank or the Notes, and a downgrade in the ratings of DBSH, DBS Bank or the Notes may affect the market price of the Notes.*”

RISK FACTORS

The risk factor “*Risk Factors – Risks Relating to the DBS Group – Increased competition could result in decreased loan margins and reduced market share*” appearing on page 41 of the Offering Circular shall be amended by including the following paragraph immediately after the 3rd paragraph of the sub-section:

“In August 2020, the MAS announced that it will award Significantly Rooted Foreign Bank (“**SRFB**”) privileges to Standard Chartered Bank (Singapore) Limited (“**SCBSL**”), allowing it to operate additional places of business. SCBSL is the first bank to qualify as an SRFB. Under the SRFB Framework, Qualifying Full Banks that are significantly rooted in Singapore and from jurisdictions that have a Free Trade Agreement with Singapore are allowed to establish an additional 25 places of business (such that they may establish up to 50 places of business in total), of which up to 10 may be branches. The MAS also indicated that it will enhance the SRFB Framework so that in the future, an SRFB that substantially exceeds the criteria for significant rootedness in Singapore may be given additional privileges, including the ability to establish a separate subsidiary to develop alternative business models.

In December 2020, the MAS announced two successful DFB applicants and two successful DWB applicants. The new digital banks are expected to commence operations from early 2022.”

REGULATION AND SUPERVISION

The following sub-sections shall be added as new sub-sections at the end of the section “*Regulation and Supervision*” at page 342 of the Offering Circular:

“**COVID-19 Temporary Measures**”

On 7 April 2020, the MAS announced that it will adjust selected regulatory requirements and supervisory programmes to enable financial institutions to focus on dealing with issues related to the COVID-19 pandemic and supporting their customers during this difficult period. The MAS will take the following regulatory and supervisory measures:

- adjust banks’ capital and liquidity requirements, to help sustain their lending activities;
- allow financial institutions to take into account the government’s fiscal assistance and bank’s relief measures in setting more realistic accounting loan loss allowances;
- defer institutions’ implementation of the final set of Basel III reforms, margin requirements for non-centrally cleared derivatives, and other new regulations and policies, to ease a financial institution’s operational burden;
- provide financial institutions with more latitude on submission timelines for regulatory reports and defer non-urgent industry projects; and
- suspend regular onsite inspections and supervisory visits till further notice.

For example, MAS Notice 637 has been amended to allow the full recognition of balances maintained in the regulatory loss allowance reserve accounts as Tier 2 Capital between 31 March 2020 and 30 September 2021 (both dates inclusive) and MAS Notice 652 has been amended to:

- lower the required stable funding factors for all loans from a D-SIB to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50 per cent. to 25 per cent. for the period between 8 April 2020 and 30 September 2021 (both dates inclusive); and

- gradually phase back the required stable funding factors referred to above from 25 per cent. to 50 per cent. by 1 April 2022.

The COVID-19 (Temporary Measures) Act 2020 passed on 7 April 2020 introduced various temporary relief measures for individuals and businesses in financial distress. The measures are in place for six months from the commencement date of the COVID-19 (Temporary Measures) Act 2020 i.e. 20 April 2020 to 19 October 2020, and may be subsequently extended. For example, small and medium enterprises (namely businesses that are at least 30% owned by Singapore citizens and/or permanent residents, where the turnover of the enterprise group does not exceed S\$100 million) are given temporary relief from legal action over loan facilities that are secured against commercial or industrial immovable property, plant, machinery or other equipment used for business purposes in Singapore. A bank or finance company would be prohibited from instituting, among other things, court and insolvency proceedings and enforcing its security over such immovable property or movable property for the period prescribed under the Act. The prescribed period for loans by banks and finance companies to Singapore SMEs was subsequently extended from 19 October 2020 to 19 November 2020.

The measures, laws, and regulations highlighted in this “COVID-19 Temporary Measures” section are non-exhaustive, and should be read together with further updates to such measures and the summary of laws, subsidiary legislation, notices, directives, circulars and guidelines elsewhere in the Offering Circular.

Other Special Financial Relief Programmes

On 31 March 2020, the ABS issued an announcement introducing a Special Financial Relief Programme for individuals. Amongst other measures, this allows individuals with residential property loans to apply to their bank to defer either:

- principal payment; or
- both principal and interest payments,

up to 31 December 2020, with interest accruing only on the deferred principal amount. In order to be eligible for such relief, the individual must not have been in arrears for more than 90 days as at 6 April 2020. Further measures were provided for on 30 April 2020 and allow individuals with commercial and industrial property loans to apply to their bank to defer principal payments up to 31 December 2020, and individuals with mortgage equity withdrawal loans that are granted on or after 6 April 2020 to apply to their bank to defer either principal payment or both principal and interest payments up to 31 December 2020.

On 5 October 2020, the MAS, ABS and Finance Houses Association of Singapore announced an extension of support measures for individuals and SMEs, which will progressively expire over 2021.

Individuals with residential, commercial and industrial property loans who are unable to resume making full loan repayments from 1 January 2021 may apply to their respective bank or finance company to make reduced instalment payments pegged at 60 per cent. of their monthly instalment, for a period of up to 9 months but not exceeding 31 December 2021. Also, individuals with renovation and student loans may apply to their respective bank to extend their loan tenures by up to 3 years.

SMEs can seek relief under the Extended Support Scheme – Standardised (ESS-S), under which SMEs in certain sectors may opt to defer 80 per cent. of principal payments on their secured loans granted by banks or finance companies, as well as loans granted under Enterprise Singapore’s Enhanced Working Capital Loan Scheme and Temporary Bridging Loan Programme until 30 June 2021. In addition, the Extended Support Scheme - Customised (ESS-C), an industry

programme to help SMEs with more than one lender restructure their credit facilities across multiple banks and finance companies, was launched on 1 November 2020.

In connection with these MAS has released updates to certain MAS notices to take into account such loans that have been deferred at the option of the borrower.

Moderation of FY2020 Dividends

The MAS announced on 29 July 2020 that it has called on locally-incorporated banks headquartered in Singapore to cap their total dividends per share (“DPS”) for FY2020 at 60 per cent. of FY2019’s DPS, and offer shareholders the option of receiving the dividends to be paid for FY2020 in scrip in lieu of cash.

The dividend restriction is a pre-emptive measure to bolster the banks’ ability to continue to support the credit needs of businesses and consumers in the current business environment.

Enhancing access to SGD and USD funding

On 3 September 2020, the MAS announced measures to enhance the banking system’s access to SGD and USD funding, which are intended to strengthen banking sector resilience, promote more stable SGD and USD funding conditions, and support credit intermediation amid continued economic headwinds from the COVID-19 pandemic.

A new MAS SGD Term Facility was launched in the week of 28 September 2020, to provide banks and finance companies an additional channel to borrow SGD funds at longer tenors and with more forms of collateral. The MAS SGD Term Facility will offer SGD funds in the 1-month and 3-month tenors, complementing the existing overnight MAS Standing Facility. In line with the Facility’s objective to serve as a liquidity backstop, pricing will be set above prevailing market rates. A wider range of collateral comprising cash and marketable securities in SGD and major currencies will be accepted. In particular, D-SIBs that are incorporated in Singapore will be able to pledge eligible residential property loans as collateral at the MAS SGD Term Facility.

Likewise, the range of collateral that banks in Singapore can use to access USD liquidity from the MAS USD Facility will also be expanded. Presently, banks in Singapore can borrow USD by pledging eligible SGD-denominated collateral. From 28 September 2020, banks are able to obtain USD liquidity by pledging a wider pool of cash and marketable securities, in line with what is accepted at the SGD Term Facility.

The MAS also indicated that it will raise the asset encumbrance limit imposed on locally-incorporated banks under the Banking Act. The asset encumbrance limit will be increased to 10 per cent. of a locally-incorporated bank’s total assets, up from the current limit of 4 per cent.. This increase will give the locally-incorporated banks greater leeway to pledge residential property loans as collateral to access funding, so that they can support the financial needs of individuals and businesses that are affected by the COVID-19 pandemic.

The MAS announced on 12 October 2020 that it will extend the MAS SGD Facility for ESG Loans from 1 April 2021 to 30 September 2021. This Facility provides low-cost funding for banks and finance companies to grant loans under Enterprise Singapore’s Enterprise Financing Scheme - SME Working Capital Loan and Temporary Bridging Loan Programme. It was announced on 17 December 2020 that the MAS USD Facility will also be extended to 30 September 2021.

On 7 April 2020, the MAS announced that the implementation date of the Basel III reforms for banks in Singapore (which include revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks) has been deferred by one year to 1 January 2023, to enable banks to prioritise their resources to respond to the impact of COVID-19.

On 15 October 2020, MAS Notice 648 on Issuance of Covered Bonds by Banks Incorporated in Singapore was amended to provide, among other things, that the aggregate value of assets in the cover pools for all covered bonds issued by the bank itself, through special purpose vehicles or both the bank and the SPV, and residential mortgage loans and assets eligible for inclusion in cover pools (but which have not been included) and which are transferred to the special purpose vehicles, must not exceed 10 per cent. (instead of 4 per cent. previously) of the value of the total assets of the bank at all times.”

Delay to implementation of certain MAS Notices

MAS Notice 643 and MAS Notice 656, both of which were originally scheduled to take effect from 1 October 2020, are now expected to have an effective date of 1 July 2021. MAS Notice 610 issued on 16 July 2019 and last revised on 18 August 2020, which was originally scheduled to take effect from 1 January 2021, is now expected to have an effective date of 1 July 2021.

TAXATION – SINGAPORE TAXATION

The sub-section “*Taxation – Singapore Taxation – Withholding Tax Exemption on Qualifying Payments by Specified Entities*” appearing on page 361 of the Offering Circular shall be deleted and replaced with the following:

“Withholding Tax Exemption on Qualifying Payments by Specified Entities

Pursuant to Section 45I of the Income Tax Act, payments of income which are deemed under Section 12(6) of the Income Tax Act to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 March 2021. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank licensed under the Banking Act or a merchant bank approved under the MAS Act. Pursuant to the Singapore Budget Statement 2021, the above withholding tax exemption is to be extended until 31 December 2026 to cover debt securities issued by such specified entities from 17 February 2012 to 31 December 2026. The MAS will be providing further details of such extension in due course.”

SUBSCRIPTION AND SALE

In the sub-section “*Subscription and Sale – Selling Restrictions – Prohibition of Sales to EEA and UK Retail Investors*”, the entire sub-section appearing on pages 381 and 382 of the Offering Circular shall be deemed to be replaced with:

“Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (11) of MiFID II; or
 - (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.”

EXHIBIT A
PERFORMANCE SUMMARY



Live more, Bank less

To: Shareholders

The Board of Directors of DBS Group Holdings Ltd (“DBSH” or “the Company”) reports the following:

Financial Results for the Year Ended 31 December 2020

Details of the financial results are in the accompanying performance summary.

Dividends

For the financial year ended 31 December 2020, the Directors have recommended a final one-tier tax exempt dividend of 18 cents for each DBSH ordinary share (“FY20 Final Dividend”) to which the DBSH Scrip Dividend Scheme will be applied, subject to shareholders’ approval at the Annual General Meeting to be held on 30 March 2021.

Details of the proposed dividends, along with interim ones paid during the course of the financial year, are as follows:

In \$ millions	2020*	2019
DBSH Ordinary shares		
Interim one-tier tax exempt dividend of 69 cents (2019: 90 cents)	1,752	2,300
Final one-tier tax exempt dividend of 18 cents (2019: 33 cents)	459	838
	<u>2,211</u>	<u>3,138</u>

* The reduction in dividends for 2020 is in line with MAS’ guidance issued on 29 July 2020 for local banks to moderate the dividends for financial year 2020 .

DBSH Scrip Dividend Scheme

The issue price for new shares to be allotted to shareholders who have elected to receive the FY20 Final Dividend in scrip shall be the average of the closing prices of each DBSH ordinary share on the SGX-ST on 7 and 8 April 2021.

Ex-dividend Date

The DBSH ordinary shares will be quoted ex-dividend on 7 April 2021 (Wednesday).

Closure of Books

The Transfer Books and Register of Members of DBSH will be closed from 5.00 p.m. on 8 April 2021 (Thursday) up to (and including) 9 April 2021 (Friday) for the purpose of determining shareholders’ entitlement to the FY20 Final Dividend.

...DBS/

DBS Group Holdings Ltd
12 Marina Boulevard
DBS Asia Central @
Marina Bay Financial
Centre Tower 3
Singapore 018982

Tel: 65.6878 8888

www.dbs.com



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Payment Date

The FY20 Final Dividend will be payable on or about 24 May 2021. In respect of ordinary shares in the securities accounts with The Central Depository (Pte) Limited ("CDP"), the FY20 Final Dividend will be paid by DBSH to CDP, which will in turn distribute the dividend entitlements to shareholders.

A separate announcement which will outline further administrative details on the application of the DBSH Scrip Dividend Scheme to the FY20 Final Dividend will be made in due course.

By order of the Board

Teoh Chia-Yin
Group Secretary

10 February 2021
Singapore

More information on the above announcement is available at www.dbs.com/investor

...DBS/

DBS Group Holdings Ltd
12 Marina Boulevard
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Performance Summary

Financial Results
For the Year Ended
31 December 2020

DBS Group Holdings Ltd
Incorporated in the Republic of Singapore
Company Registration Number: 199901152M

Contents	Page
Overview	2
Financial Review	
Net Interest Income	7
Net Fee and Commission Income	9
Other Non-Interest Income	9
Expenses	10
Allowances for Credit and Other Losses	10
Performance by Business Segment	11
Performance by Geography	14
Customer Loans	18
Non-Performing Assets and Loss Allowance Coverage	19
Customer Deposits	22
Debts Issued	22
Capital Adequacy	23
Unrealised Property Valuation Surplus	23
Financial Statements	
Audited Consolidated Income Statement	24
Audited Consolidated Statement of Comprehensive Income	25
Audited Balance Sheets	26
Audited Consolidated Statement of Changes in Equity	27
Audited Statement of Changes in Equity	29
Audited Consolidated Cash Flow Statement	31
Other Financial Information	32
Additional Information	
Share Capital	33
Interested Party Transactions Pursuant to Listing Rule 920(1)	33
Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)	33
Report of persons occupying managerial positions who are related to a director, CEO or substantial shareholder	33
Attachment: Independent Auditor's Report	

OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its consolidated DBSH Group (“Group”) financial statements in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). The accounting policies and methods of computation applied for the current financial periods are consistent with those applied for the financial year ended 31 December 2019. The amendments and interpretations effective from 1 January 2020 do not have a significant impact on the Group’s financial statements.

Amalgamation of Lakshmi Vilas Bank with DBS Bank India Limited

Lakshmi Vilas Bank (LVB) has been amalgamated with DBS Bank India Limited (DBIL) with effect from 27 November 2020. The scheme of amalgamation is under the special powers of the Government of India and Reserve Bank of India under Section 45 of the Banking Regulation Act, 1949, India. The amalgamation provides stability to LVB’s depositors, customers and employees following a period of uncertainty. It complements the Group’s digibank strategy with an expanded network of 600 branches and 1,000 ATMs, an additional two million retail and 125,000 non-retail customers, as well as a strengthened deposit franchise.

The provisional goodwill from amalgamation of LVB was \$153 million, being the difference between the fair value of its assets and liabilities of \$3.89 billion and \$4.04 billion respectively. As at 31 December 2020, total loans transferred amounted to \$2.14 billion, including net non-performing loans of \$212 million and total deposits transferred amounted to \$3.34 billion.

The fourth quarter results included amalgamation expenses of \$33 million and general allowances of \$87 million. Additional general allowances were set aside at group level to pre-emptively build up general allowance reserves to 9.5% of LVB’s performing loans.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	2nd Half 2020	2nd Half 2019	%	1st Half 2020	%	Year 2020	Year 2019	%
			chg		chg			chg
Selected income statement items (\$m)								
Net interest income	4,291	4,886	(12)	4,785	(10)	9,076	9,625	(6)
Net fee and commission income	1,545	1,555	(1)	1,513	2	3,058	3,052	-
Other non-interest income	1,004	843	19	1,454	(31)	2,458	1,867	32
Total income	6,840	7,284	(6)	7,752	(12)	14,592	14,544	-
Expenses	3,119	3,214	(3)	3,039	3	6,158	6,258	(2)
Profit before allowances	3,721	4,070	(9)	4,713	(21)	8,434	8,286	2
Allowances for credit and other losses	1,131	376	>100	1,935	(42)	3,066	703	>100
ECL ¹ Stage 3 (SP)	681	392	74	672	1	1,353	761	78
ECL ¹ Stage 1 and 2 (GP)	450	(16)	NM	1,263	(64)	1,713	(58)	NM
Profit before tax	2,590	3,694	(30)	2,778	(7)	5,368	7,583	(29)
Net profit	2,309	3,137	(26)	2,412	(4)	4,721	6,391	(26)
Selected balance sheet items (\$m)								
Customer loans	371,171	357,884	4	374,784	(1)	371,171	357,884	4
Constant-currency change			4		1			4
Total assets	649,938	578,946	12	648,204	-	649,938	578,946	12
of which: Non-performing assets	6,686	5,773	16	6,354	5	6,686	5,773	16
Customer deposits	464,850	404,289	15	447,423	4	464,850	404,289	15
Constant-currency change			15		6			15
Total liabilities	595,295	527,147	13	593,945	-	595,295	527,147	13
Shareholders' funds	54,626	50,981	7	53,438	2	54,626	50,981	7
Key financial ratios (%)²								
Net interest margin	1.51	1.88		1.74		1.62	1.89	
Cost/income ratio	45.6	44.1		39.2		42.2	43.0	
Return on assets	0.72	1.08		0.78		0.75	1.13	
Return on equity ³	8.8	12.7		9.5		9.1	13.2	
NPL ratio	1.6	1.5		1.5		1.6	1.5	
(Total allowances + RLAR)/ NPA ⁴	110	94		106		110	94	
(Total allowances + RLAR)/ unsecured NPA ⁴	206	191		199		206	191	
SP for loans/average loans (bp)	33	21		30		31	20	
Common Equity Tier 1 capital adequacy ratio	13.9	14.1		13.7		13.9	14.1	
Leverage ratio ⁵	6.8	7.0		6.8		6.8	7.0	
Average all-currency liquidity coverage ratio ^{6,8}	137	135		134		136	136	
Net stable funding ratio ^{7,8}	125	110		121		125	110	
Per share data (\$)								
Per basic and diluted share								
– earnings	1.76	2.41		1.86		1.81	2.46	
– net book value ⁹	20.08	19.17		19.71		20.08	19.17	

Notes:

- 1 Refers to expected credit loss
 - 2 Return on assets, return on equity, ECL Stage 3 (SP) for loans/average loans and per share data are computed on an annualised basis
 - 3 Calculated based on net profit attributable to the shareholders net of dividends on other equity instruments. Non-controlling interests and other equity instruments are not included as equity in the computation of return on equity
 - 4 Computation includes regulatory loss allowance reserves (RLAR) (31 Dec'20 :Nil; 30 Jun'20: Nil; 31 Dec'19: \$404 million)
 - 5 Leverage Ratio is computed based on MAS Notice 637
 - 6 Liquidity Coverage Ratio (LCR) is computed based on MAS Notice 649. For average SGD LCR and other disclosures required under MAS Notice 651, refer to <https://www.dbs.com/investors/default.page>
 - 7 Net stable funding ratio (NSFR) is computed based on MAS Notice 652
 - 8 Ratios for 2nd Half 2020 and Full-year 2020 exclude impact from LVB
 - 9 Non-controlling interests are not included as equity in the computation of net book value per share
- NM Not meaningful

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	4th Qtr 2020	4th Qtr 2019	% chg	3rd Qtr 2020	% chg
Selected income statement items (\$m)					
Net interest income	2,120	2,426	(13)	2,171	(2)
Net fee and commission income	747	741	1	798	(6)
Other non-interest income	396	294	35	608	(35)
Total income	3,263	3,461	(6)	3,577	(9)
Expenses	1,580	1,600	(1)	1,539	3
Profit before allowances	1,683	1,861	(10)	2,038	(17)
Allowances for credit and other losses	577	122	>100	554	4
ECL ¹ Stage 3 (SP)	363	199	82	318	14
ECL ¹ Stage 1 and 2 (GP)	214	(77)	NM	236	(9)
Profit before tax	1,106	1,739	(36)	1,484	(25)
Net profit	1,012	1,508	(33)	1,297	(22)
Selected balance sheet items (\$m)					
Customer loans	371,171	357,884	4	371,358	-
Constant-currency change			4		1
Total assets	649,938	578,946	12	638,131	2
of which: Non-performing assets	6,686	5,773	16	6,517	3
Customer deposits	464,850	404,289	15	446,886	4
Constant-currency change			15		5
Total liabilities	595,295	527,147	13	583,271	2
Shareholders' funds	54,626	50,981	7	54,031	1
Key financial ratios (%)²					
Net interest margin	1.49	1.86		1.53	
Cost/income ratio	48.4	46.2		43.0	
Return on assets	0.63	1.04		0.81	
Return on equity ³	7.7	12.1		10.0	
NPL ratio	1.6	1.5		1.6	
(Total allowances + RLAR)/ NPA ⁴	110	94		107	
(Total allowances + RLAR)/ unsecured NPA ⁴	206	191		200	
SP for loans/average loans (bp)	34	21		31	
Common Equity Tier 1 capital adequacy ratio	13.9	14.1		13.9	
Leverage ratio ⁵	6.8	7.0		6.9	
Average all-currency liquidity coverage ratio ^{6,8}	139	139		135	
Net stable funding ratio ^{7,8}	125	110		123	
Per share data (\$)					
Per basic and diluted share					
– earnings	1.54	2.31		1.98	
– net book value ⁹	20.08	19.17		19.94	

Notes:

- 1 Refers to expected credit loss
 - 2 Return on assets, return on equity, ECL Stage 3 (SP) for loans/average loans and per share data are computed on an annualised basis
 - 3 Calculated based on net profit attributable to the shareholders net of dividends on other equity instruments. Non-controlling interests and other equity instruments are not included as equity in the computation of return on equity
 - 4 Computation includes regulatory loss allowance reserves (RLAR) (31 Dec'20 :Nil; 30 Sep'20: Nil; 31 Dec'19: \$404 million)
 - 5 Leverage Ratio is computed based on MAS Notice 637
 - 6 Liquidity Coverage Ratio (LCR) is computed based on MAS Notice 649. For average SGD LCR and other disclosures required under MAS Notice 651, refer to <https://www.dbs.com/investors/default.page>
 - 7 Net stable funding ratio (NSFR) is computed based on MAS Notice 652
 - 8 Ratios for 4th Qtr 2020 exclude impact from LVB
 - 9 Non-controlling interests are not included as equity in the computation of net book value per share
- NM Not meaningful

Second Half

Second-half net profit fell 26% from a year ago to \$2.31 billion due to lower net interest margin and higher allowances. Business momentum was resilient as loans grew and fees were stable. Compared to the previous half, net profit declined 4% as the impact of lower net interest margin and other non-interest income were partially offset by lower allowances.

Lakshmi Vilas Bank (LVB) was amalgamated on 27 November 2020 with provisional goodwill of \$153 million. The fourth-quarter results included amalgamation expenses of \$33 million and general allowances of \$87 million.

Net interest income was 12% lower than a year ago at \$4.29 billion. Net interest margin declined 37 basis points to 1.51% with most of the decline occurring in the second and third quarters. The lower net interest margin more than offset the impact of 4% constant currency loan growth to \$371 billion. Deposits rose 15% to \$465 billion as growth in current and savings accounts enabled fixed deposits to be let go. The faster deposit growth than loan growth accounted for a six basis point decline in net interest margin but was accretive to net interest income. Compared to the first half, net interest income was 10% lower due to a 23 basis point fall in net interest margin.

Net fee income was stable from a year ago at \$1.55 billion. Record wealth management fees and higher brokerage commissions offset lower cards and investment banking fees. Net fee income was also little changed from the first half.

Other non-interest income was \$1.00 billion, 19% higher than a year ago but 31% lower than the previous half, as gains from investment securities and net trading income were higher in the first half.

Total income was \$6.84 billion, 6% below a year ago due to a lower net interest margin. It was 12% lower than the previous half as the decline in net interest margin occurred from the second quarter.

Expenses fell 3% to \$3.12 billion from lower general expenses such as travel, advertising and promotions. Expenses were 3% higher than the first half after incorporating expenses from LVB.

Profit before allowances was 9% lower than a year ago and 21% lower than the previous half at \$3.72 billion.

Non-performing assets (NPA) increased 5% from the previous half to \$6.69 billion as new NPA formation was

offset by write-offs and recoveries. The NPL rate was at 1.6%. Specific allowances were \$681 million, or 33 basis points of loans. Allowance coverage was at 110% and at 206% if collateral was considered.

The liquidity coverage ratio was at 137% and the net stable funding ratio was at 125%. The Common Equity Tier 1 ratio was at 13.9%, in line with recent quarters, while the leverage ratio was at 6.8%, all comfortably above regulatory requirements.

Fourth Quarter

Net profit fell 33% to \$1.01 billion due to a lower net interest margin and higher total allowances. Business momentum was healthy with broad-based loan growth and resilient fee income.

Net interest income declined 13% from a year ago and 2% from the previous quarter to \$2.12 billion. Net interest margin was 1.49%, down 37 basis points from a year ago but only four basis points lower than the previous quarter as interest rates stabilised.

Net fee income of \$747 million was 1% higher than a year ago. An increase in wealth management fees was offset by lower contributions from other activities. Cards fees fell 12%, moderating from declines of 21% in the third quarter and 34% in the second quarter compared to year-ago levels even as card spending from travel remained subdued.

Other non-interest income rose 35% from a year ago due to higher trading income. Compared to the previous quarter, other non-interest income was 35% lower due to seasonal factors.

Expenses were little changed from a year ago at \$1.58 billion.

Total allowances were almost five times higher than the year before at \$577 million. Underlying new NPA formation was in line with the quarterly run-rate of the first nine months.

Full Year

Full-year net profit fell 26% from a year ago to \$4.72 billion due to a 27 basis point decline in net interest margin to 1.62% and a quadrupling of allowances to \$3.07 billion. Total income was stable at \$14.6 billion as a 6% decline in net interest income to \$9.08 billion was offset by a 32% increase in other non-interest income to \$2.46 billion.

QUARTERLY BREAKDOWN

(\$m)	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year
Net interest income					
2019	2,310	2,429	2,460	2,426	9,625
2020	2,482	2,303	2,171	2,120	9,076
% chg	7	(5)	(12)	(13)	(6)
Non-interest income					
2019	1,241	1,280	1,363	1,035	4,919
2020	1,544	1,423	1,406	1,143	5,516
% chg	24	11	3	10	12
Total income					
2019	3,551	3,709	3,823	3,461	14,544
2020	4,026	3,726	3,577	3,263	14,592
% chg	13	-	(6)	(6)	-
Expenses					
2019	1,498	1,546	1,614	1,600	6,258
2020	1,556	1,483	1,539	1,580	6,158
% chg	4	(4)	(5)	(1)	(2)
Allowances for credit and other losses					
2019	76	251	254	122	703
2020	1,086	849	554	577	3,066
% chg	>100	>100	>100	>100	>100
Profit before tax					
2019	1,977	1,912	1,955	1,739	7,583
2020	1,384	1,394	1,484	1,106	5,368
% chg	(30)	(27)	(24)	(36)	(29)
Net profit					
2019	1,651	1,603	1,629	1,508	6,391
2020	1,165	1,247	1,297	1,012	4,721
% chg	(29)	(22)	(20)	(33)	(26)

Net profit was lower for each quarter due to significantly higher total allowances. A lower net interest margin also contributed to the decline from the second quarter.

Net interest income was lower from the second quarter due to a lower net interest margin as central banks globally cut interest rates.

Non-interest income was higher by a double-digit percentage in all quarters except for the third quarter. The strong performance in the first and second quarter was due to higher gains from investment securities while the increase in fourth quarter was driven by higher trading income.

Expenses were lower than a year ago from the second quarter due to declines in general expenses and bonus accruals as well as to government grants. The cost-income ratio for the full year improved one percentage point.

Total allowances were higher for all four quarters led by higher general allowances. Specific allowances were also higher for all four quarters.

NET INTEREST INCOME

Average balance sheet	2nd Half 2020			2nd Half 2019			1st Half 2020		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets									
Customer non-trade loans	329,183	3,485	2.11	310,258	5,120	3.27	326,206	4,577	2.82
Trade assets	45,913	400	1.73	46,144	759	3.26	47,619	617	2.61
Interbank assets ¹	74,311	261	0.70	48,784	416	1.70	63,827	384	1.21
Securities and others	115,748	1,155	1.98	110,370	1,468	2.64	115,238	1,329	2.32
Total	565,155	5,301	1.87	515,556	7,763	2.99	552,890	6,907	2.51
Interest-bearing liabilities									
Customer deposits	451,462	701	0.31	399,494	1,965	0.98	435,097	1,474	0.68
Other borrowings	85,858	309	0.72	89,017	912	2.03	87,224	648	1.49
Total	537,320	1,010	0.37	488,511	2,877	1.17	522,321	2,122	0.82
Net interest income/margin²		4,291	1.51		4,886	1.88		4,785	1.74

Average balance sheet	Year 2020			Year 2019		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets						
Customer non-trade loans	327,703	8,062	2.46	306,598	10,247	3.34
Trade assets	46,761	1,017	2.17	45,610	1,574	3.45
Interbank assets ¹	69,098	645	0.93	49,175	877	1.78
Securities and others	115,494	2,484	2.15	108,223	2,894	2.67
Total	559,056	12,208	2.18	509,606	15,592	3.06
Interest-bearing liabilities						
Customer deposits	443,324	2,175	0.49	397,788	4,129	1.04
Other borrowings	86,537	957	1.11	84,736	1,838	2.17
Total	529,861	3,132	0.59	482,524	5,967	1.24
Net interest income/margin²		9,076	1.62		9,625	1.89

Notes:

1 Includes non-restricted balances with central banks.

2 Net interest margin is net interest income expressed as a percentage of average interest-bearing assets.

Second-half net interest income fell 12% from a year ago to \$4.29 billion. Net interest margin was 37 basis points lower as interest rates declined following cuts by central banks at the end of the first quarter. The lower net interest margin more than offset the impact of growth in interest-bearing assets.

Compared to the previous half, net interest income fell 10% as net interest margin declined 23 basis points.

For the full year, net interest income fell 6% to \$9.08 billion as a 27 basis point fall in net interest margin to 1.62% more than offset the impact of asset growth.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Volume and rate analysis (\$m) Increase/(decrease) due to change in	2nd Half 2020 vs 2nd Half 2019			2nd Half 2020 vs 1st Half 2020		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Customer non-trade loans	200	(1,835)	(1,635)	32	(1,173)	(1,141)
Trade assets	(2)	(357)	(359)	(15)	(210)	(225)
Interbank assets	90	(245)	(155)	37	(165)	(128)
Securities and others	54	(367)	(313)	5	(194)	(189)
Total	342	(2,804)	(2,462)	59	(1,742)	(1,683)
Interest expense						
Customer deposits	81	(1,345)	(1,264)	25	(814)	(789)
Other borrowings	(11)	(592)	(603)	(5)	(342)	(347)
Total	70	(1,937)	(1,867)	20	(1,156)	(1,136)
Net impact on net interest income	272	(867)	(595)	39	(586)	(547)
Due to change in number of days			-			53
Net Interest Income			(595)			(494)

Volume and rate analysis (\$m) Increase/(decrease) due to change in	Year 2020 vs Year 2019		
	Volume	Rate	Net change
Interest income			
Customer non-trade loans	519	(2,732)	(2,213)
Trade assets	25	(586)	(561)
Interbank assets	186	(421)	(235)
Securities and others	156	(574)	(418)
Total	886	(4,313)	(3,427)
Interest expense			
Customer deposits	223	(2,190)	(1,967)
Other borrowings	20	(905)	(885)
Total	243	(3,095)	(2,852)
Net impact on net interest income	643	(1,218)	(575)
Due to change in number of days			26
Net Interest Income			(549)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET FEE AND COMMISSION INCOME

(\$m)	2nd Half 2020	2nd Half 2019	% chg	1st Half 2020	% chg	Year 2020	Year 2019	% chg
Brokerage	75	55	36	74	1	149	114	31
Investment banking	85	135	(37)	63	35	148	213	(31)
Transaction services ¹	372	390	(5)	374	(1)	746	760	(2)
Loan-related	191	201	(5)	226	(15)	417	407	2
Cards ²	337	403	(16)	304	11	641	790	(19)
Wealth management	725	643	13	707	3	1,432	1,290	11
Fee and commission income	1,785	1,827	(2)	1,748	2	3,533	3,574	(1)
Less: Fee and commission expense	240	272	(12)	235	2	475	522	(9)
Total	1,545	1,555	(1)	1,513	2	3,058	3,052	-

Notes:

1 Includes trade & remittances, guarantees and deposit-related fees.

2 Net of interchange fees paid

Second-half net fee income was little changed from a year ago at \$1.55 billion as economic activity rebounded from the second-quarter trough. Wealth management fees and brokerage commissions were higher as market sentiment improved in the low interest rate environment but were offset by falls in cards fees and investment banking fees as well as declines in transaction services and loan related fees.

Net fee income was 2% higher than the previous half-year as cards fees partially recovered after bottoming in

the second quarter. Investment banking and wealth management fees were also higher from the previous half. The higher fees were partially offset by declines in loan-related fees.

Full-year net fee income was stable at \$3.06 billion as higher wealth management fees and brokerage commissions were offset by lower cards and investment banking fees.

OTHER NON-INTEREST INCOME

(\$m)	2nd Half 2020	2nd Half 2019	% chg	1st Half 2020	% chg	Year 2020	Year 2019	% chg
Net trading income	653	659	(1)	752	(13)	1,405	1,459	(4)
Net income from investment securities	300	150	100	663	(55)	963	334	>100
Others (include rental income, share of profits of associates, and gain on fixed assets)	51	34	50	39	31	90	74	22
Total	1,004	843	19	1,454	(31)	2,458	1,867	32

Second-half other non-interest income rose 19% from a year ago to \$1.00 billion due to increased gains from investment securities. Bond portfolios designed to benefit from lower interest rates performed strongly as interest rates fell.

Other non-interest income was 31% lower than the previous half as gains from investment securities halved. Trading income was also lower.

For the full year, other non-interest income rose 32% to \$2.46 billion as gains from investment securities almost tripled.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

EXPENSES

(\$m)	2nd Half 2020	2nd Half 2019	% chg	1st Half 2020	% chg	Year 2020	Year 2019	% chg
Staff	1,796	1,788	-	1,754	2	3,550	3,514	1
Occupancy	243	231	5	209	16	452	452	-
Computerisation	523	526	(1)	570	(8)	1,093	1,062	3
Revenue-related	175	187	(6)	159	10	334	353	(5)
Others	382	482	(21)	347	10	729	877	(17)
Total	3,119	3,214	(3)	3,039	3	6,158	6,258	(2)
Staff count at period-end	33,002	28,419	16	28,984	14	33,002	28,419	16
<i>Excluding LVB and insourcing</i>	25,409	25,033	2	25,485	-	25,409	25,033	2
<i>LVB</i>	3,951	-	NM	-	NM	3,951	-	NM
<i>insourcing</i>	3,642	3,386	8	3,499	4	3,642	3,386	8
Included in the above table was:								
Depreciation of properties and other fixed assets	323	312	4	325	(1)	648	609	6

NM Not Meaningful

Second-half expenses fell 3% from a year ago to \$3.12 billion due to lower general expenses such as travel, advertising and promotions.

Expenses were 3% higher than the previous half after incorporating expenses from LVB.

For the full year, expenses were 2% lower at \$6.16 billion due to lower general expenses. Staff costs were little changed as an increase in base salaries from a higher staff count was offset by lower bonus and government grants.

The cost-income ratio for the full year improved one percentage point from a year ago.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	2nd Half 2020	2nd Half 2019	% chg	1st Half 2020	% chg	Year 2020	Year 2019	% chg
ECL¹ Stage 1 and 2 (GP)	450	(16)	NM	1,263	(64)	1,713	(58)	NM
ECL ¹ Stage 3 (SP) for loans ²	618	378	63	556	11	1,174	698	68
Singapore	174	174	-	344	(49)	518	336	54
Hong Kong	124	33	>100	33	>100	157	59	>100
Rest of Greater China	113	27	>100	58	95	171	37	>100
South and Southeast Asia	175	147	19	72	>100	247	267	(7)
Rest of the World	32	(3)	NM	49	(35)	81	(1)	NM
ECL ¹ Stage 3 (SP) for other credit exposures	60	18	>100	116	(48)	176	64	>100
Total ECL¹ Stage 3 (SP)	678	396	71	672	1	1,350	762	77
Allowances for other assets	3	(4)	NM	-	NM	3	(1)	NM
Total	1,131	376	>100	1,935	(42)	3,066	703	>100

Notes:

1 Refers to expected credit loss.

2 SP for loans by geography are determined according to the location where the borrower is incorporated.

NM Not Meaningful

Second-half total allowances tripled from a year ago to \$1.13 billion led by an increase in general allowances. They were 42% lower than the first half due to a 64% fall in general allowances.

Full-year total allowances more than quadrupled to \$3.07 billion, as general allowances of \$1.71 billion were conservatively set aside for potential risks arising from the pandemic. Specific allowances were 78% higher at \$1.35 billion.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY BUSINESS SEGMENTS

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others ¹	Total
Selected income statement items					
2nd Half 2020					
Net interest income	1,443	1,927	479	442	4,291
Net fee and commission income	976	557	-	12	1,545
Other non-interest income	268	252	243	241	1,004
Total income	2,687	2,736	722	695	6,840
Expenses	1,673	1,014	306	126	3,119
Allowances for credit and other losses	162	555	6	408	1,131
Profit before tax	852	1,167	410	161	2,590
1st Half 2020					
Net interest income	1,896	2,068	361	460	4,785
Net fee and commission income	893	603	-	17	1,513
Other non-interest income	291	338	353	472	1,454
Total income	3,080	3,009	714	949	7,752
Expenses	1,615	973	328	123	3,039
Allowances for credit and other losses	294	930	8	703	1,935
Profit before tax	1,171	1,106	378	123	2,778
2nd Half 2019					
Net interest income	2,008	2,142	110	626	4,886
Net fee and commission income	897	636	-	22	1,555
Other non-interest income	228	258	327	30	843
Total income	3,133	3,036	437	678	7,284
Expenses	1,673	1,054	316	171	3,214
Allowances for credit and other losses	153	234	(2)	(9)	376
Profit before tax	1,307	1,748	123	516	3,694
Year 2020					
Net interest income	3,339	3,995	840	902	9,076
Net fee and commission income	1,869	1,160	-	29	3,058
Other non-interest income	559	590	596	713	2,458
Total income	5,767	5,745	1,436	1,644	14,592
Expenses	3,288	1,987	634	249	6,158
Allowances for credit and other losses	456	1,485	14	1,111	3,066
Profit before tax	2,023	2,273	788	284	5,368
Year 2019					
Net interest income	4,037	4,309	138	1,141	9,625
Net fee and commission income	1,790	1,225	-	37	3,052
Other non-interest income	472	539	794	62	1,867
Total income	6,299	6,073	932	1,240	14,544
Expenses	3,280	2,015	614	349	6,258
Allowances for credit and other losses	242	327	(5)	139	703
Profit before tax	2,777	3,731	323	752	7,583

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others ¹	Total
Selected balance sheet and other items²					
31 Dec 2020					
Total assets before goodwill and intangibles	116,845	292,850	160,638	74,282	644,615
Goodwill and intangibles					5,323
Total assets					649,938
Total liabilities	253,893	223,598	66,593	51,211	595,295
Capital expenditure for 2nd Half 2020	70	17	10	242	339
Depreciation for 2nd Half 2020	28	5	2	288	323
30 Jun 2020					
Total assets before goodwill and intangibles	115,462	302,140	143,330	82,101	643,033
Goodwill and intangibles					5,171
Total assets					648,204
Total liabilities	245,794	213,701	83,969	50,481	593,945
Capital expenditure for 1st Half 2020	38	9	9	152	208
Depreciation for 1st Half 2020	19	5	1	300	325
31 Dec 2019					
Total assets before goodwill and intangibles	117,088	278,336	105,538	72,814	573,776
Goodwill and intangibles					5,170
Total assets					578,946
Total liabilities	223,574	195,114	50,815	57,644	527,147
Capital expenditure for 2nd Half 2019	72	23	9	255	359
Depreciation for 2nd Half 2019	21	6	2	283	312

Notes:

1 Balances for 2nd Half 2020, Full Year 2020 and 31 Dec 2020 included impact of LVB

2 Refer to sections on Customer Loans and Non-Performing Assets and Loss Allowance Coverage for more information on business segments.

The business segment results are prepared based on the Group's internal management reporting, which reflects its management structure. As the activities of the Group are highly integrated, internal allocations have been made in preparing the segment information. Amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

The various business segments are described below:

Consumer Banking/ Wealth Management

Consumer Banking/ Wealth Management provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, loans and home finance, cards, payments, investment and insurance products.

Second-half profit before tax was 35% below a year ago at \$852 million. Total income declined 14% to \$2.69 billion. Net interest income fell 28% to \$1.44 billion from a lower net interest margin which was moderated by higher deposit volumes. Non-interest income grew 11% to \$1.24 billion driven by higher investment product sales, moderated by lower fees from bancassurance and cards. Expenses were stable at \$1.67 billion. Total allowances increased 6% to \$162 million.

Compared to the previous half year, profit before tax fell 27%. Total income was 13% lower. Net interest income declined 24% from the impact of lower interest rates. Non-interest income increased 5% led by higher fees from bancassurance and cards. Expenses grew 4% while allowances almost halved due mainly to lower general allowances.

For the full year, profit before tax fell 27% to \$2.02 billion. Total income declined 8% to \$5.77 billion. Net interest income fell 17% to \$3.34 billion as lower interest rates offset the impact of higher deposit volumes. Non-interest income rose 7% to \$2.43 billion driven by higher investment product sales, moderated by lower fees from bancassurance and

cards as consumer spending declined. Expenses were stable at \$3.29 billion. Total allowances almost doubled to \$456 million from higher specific and general allowances.

Institutional Banking

Institutional Banking provides financial services and products to institutional clients, including bank and nonbank financial institutions, government-linked companies, large corporates and small and medium sized businesses. Products and services comprise the full range of credit facilities from short-term working capital financing to specialised lending. It also provides global transactional services such as cash management, trade finance and securities and fiduciary services; treasury and markets products; corporate finance and advisory banking as well as capital markets solutions.

Compared to a year ago, profit before tax fell 33% to \$1.17 billion. Total income was 10% lower at \$2.74 billion. Net interest income fell 10% to \$1.93 billion due to lower net interest margin from cash management, which was offset by higher loan and trade finance volume. Non-interest income fell 10% to \$809 million from lower capital market activities and treasury customer flows. Expenses declined 4% to \$1.01 billion while total allowances increased to \$555 million from higher specific allowances.

Compared to previous half year, profit before tax grew 6%. Total income fell 9% as lower income from cash management and treasury customer flows was offset by higher loan-related activities, trade finance, capital market and strategic advisory activities. Expenses rose 4% and allowances were \$375 million lower.

For the full year, profit before tax fell 39% to \$2.27 billion. Total income fell 5% to \$5.75 billion from cash management, which was offset by higher income from loan-related activities and treasury customer flows. Expenses were stable at \$1.99 billion. Total allowances increased to \$1.49 billion due to higher general allowances.

Treasury Markets

Treasury Markets' activities primarily include structuring, market-making and trading across a broad range of treasury products. Income from sale of treasury products offered to customers of Consumer Banking/Wealth Management and Institutional Banking is reflected in the respective customer segments.

Second-half profit before tax increased more than two-fold from a year ago to \$410 million. Total income increased 65% to \$722 million due to higher contributions from interest rate, equity, credit and foreign exchange activities. Expenses declined 3% to \$306 million due to lower business-related expenses.

Compared to the previous half year, total income was flat as higher income from credit and equity activities was offset by lower contributions from interest rate and foreign exchange activities. Expenses fell 7% due to staff-related expenses.

For the full year, profit before tax more than doubled to \$788 million. Total income increased 54% to \$1.44 billion, mainly due to higher contributions from interest rate, equity, foreign exchange and credit activities. Expenses increased 3% to \$634 million from higher business-related expenses.

Income from treasury customer activities, which have been incorporated fully into Consumer Banking/ Wealth Management and Institutional Banking income rose 11% from a year ago to \$698 million. Higher income from sales of equity, foreign exchange and credit activities was partially offset by lower contributions from interest rate and fixed income products.

Compared to the previous half year, income from treasury customer activities fell 14% due to lower income from sales of interest rate, foreign exchange, credit and fixed income products, moderated by higher contributions from equity sales. For the full year, income rose 18% to \$1.51 billion from broad-based growth in income across all products.

Others

The Others segment encompasses the results of corporate decisions that are not attributed to business segments as well as the contribution of LVB as its activities have not been aligned with the Group's segment definitions. It includes earnings on capital deployed into high quality assets, earnings from non-core asset sales and certain other head office items such as centrally raised allowances. DBS Vickers and the Islamic Bank of Asia are also included in this segment.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY GEOGRAPHY

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
Selected income statement items						
2nd Half 2020						
Net interest income	2,713	710	368	322	178	4,291
Net fee and commission income	990	336	88	97	34	1,545
Other non-interest income	715	106	61	99	23	1,004
Total income	4,418	1,152	517	518	235	6,840
Expenses	1,788	546	386	343	56	3,119
Allowances for credit and other losses	532	175	97	233	94	1,131
Profit before tax	2,098	431	34	(58)	85	2,590
Income tax expense	211	70	(6)	(21)	12	266
Net profit	1,872	361	40	(37)	73	2,309
1st Half 2020						
Net interest income	3,038	897	353	355	142	4,785
Net fee and commission income	945	325	100	108	35	1,513
Other non-interest income	958	160	139	120	77	1,454
Total income	4,941	1,382	592	583	254	7,752
Expenses	1,816	513	352	303	55	3,039
Allowances for credit and other losses	1,542	157	82	75	79	1,935
Profit before tax	1,583	712	158	205	120	2,778
Income tax expense	118	110	27	64	27	346
Net profit	1,445	602	131	141	93	2,412
2nd Half 2019						
Net interest income	3,101	1,018	308	320	139	4,886
Net fee and commission income	969	344	98	108	36	1,555
Other non-interest income	516	108	115	68	36	843
Total income	4,586	1,470	521	496	211	7,284
Expenses	1,854	581	378	347	54	3,214
Allowances for credit and other losses	36	79	64	181	16	376
Profit before tax	2,696	810	79	(32)	141	3,694
Income tax expense	323	137	14	22	42	538
Net profit	2,353	673	65	(53)	99	3,137

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
Year 2020						
Net interest income	5,751	1,607	721	677	320	9,076
Net fee and commission income	1,935	661	188	205	69	3,058
Other non-interest income	1,673	266	200	219	100	2,458
Total income	9,359	2,534	1,109	1,101	489	14,592
Expenses	3,604	1,059	738	646	111	6,158
Allowances for credit and other losses	2,074	332	179	308	173	3,066
Profit before tax	3,681	1,143	192	147	205	5,368
Income tax expense	329	180	21	43	39	612
Net profit	3,317	963	171	104	166	4,721
Year 2019						
Net interest income	6,140	2,012	597	604	272	9,625
Net fee and commission income	1,900	667	194	227	64	3,052
Other non-interest income	1,146	250	267	138	66	1,867
Total income	9,186	2,929	1,058	969	402	14,544
Expenses	3,638	1,109	740	667	104	6,258
Allowances for credit and other losses	225	102	49	292	35	703
Profit before tax	5,323	1,718	269	10	263	7,583
Income tax expense	695	290	59	33	77	1,154
Net profit	4,589	1,428	210	(22)	186	6,391
Selected balance sheet items						
31 Dec 2020						
Total assets before goodwill and intangibles	424,727	99,406	55,734	25,371	39,377	644,615
Goodwill and intangibles	5,133	29	-	161	-	5,323
Total assets	429,860	99,435	55,734	25,532	39,377	649,938
Non-current assets ¹	2,682	723	323	446	26	4,200
Gross customer loans	234,741	69,450	33,794	13,138	26,647	377,770
30 Jun 2020						
Total assets before goodwill and intangibles	422,048	103,665	54,811	23,380	39,129	643,033
Goodwill and intangibles	5,133	30	-	8	-	5,171
Total assets	427,181	103,695	54,811	23,388	39,129	648,204
Non-current assets ¹	2,635	772	337	311	25	4,080
Gross customer loans	233,726	75,017	35,347	11,487	25,270	380,847
31 Dec 2019						
Total assets before goodwill and intangibles	375,320	91,608	50,292	21,690	34,866	573,776
Goodwill and intangibles	5,133	29	-	8	-	5,170
Total assets	380,453	91,637	50,292	21,698	34,866	578,946
Non-current assets ¹	2,650	751	331	318	10	4,060
Gross customer loans	226,192	68,114	31,557	12,029	24,535	362,427

Notes:

¹ Includes investments in associates, properties and other fixed assets.

The performance by geography is classified based on the location in which income and assets are recorded; with head office items such as centrally raised allowances reflected in Singapore. Hong Kong comprises mainly DBS Bank (HK) Limited and DBS HK branch. Rest of Greater China comprises mainly DBS Bank (China) Ltd, DBS Bank (Taiwan) Ltd and DBS Taipei branch. South and Southeast Asia comprises mainly PT Bank DBS Indonesia, DBS India Ltd (including LVB balances post amalgamation) and DBS Labuan branch. All results are prepared in accordance with Singapore Financial Reporting Standards (International).

Singapore

Second-half net profit fell 20% from a year ago to \$1.87 billion. Total income declined 4% to \$4.42 billion. Net interest income fell 13% to \$2.71 billion from a lower net interest margin. Fee income grew 2% to \$990 million due mainly to higher wealth management fees. Other non-interest income rose 39% to \$715 million from higher gains from investment securities. Expenses fell 4% to \$1.79 billion. Total allowances rose to \$532 million from \$36 million a year ago, mainly due to higher general allowances.

Compared to the previous half year, net profit was 30% higher. Total income fell 11% from a lower net interest margin. Fee income grew 5% led by cards and wealth management fees. Expenses fell 2%. Total allowances fell by 65% mainly due to lower general allowances.

For the full year, net profit fell 28% to \$3.32 billion as total allowances rose \$1.85 billion to \$2.07 billion, largely from higher general allowances. Total income rose 2% to \$9.36 billion as lower net interest income was offset by higher fee income and gains from investment securities. Expenses were stable at \$3.60 billion. Profit before allowances grew 4% to \$5.76 billion.

Hong Kong

The second-half results incorporated a 3% depreciation of the Hong Kong dollar against the Singapore dollar from the previous half year.

Second-half net profit of \$361 million was 46% lower than a year ago. Total income fell 22% to \$1.15 billion. Net interest income fell 30% to \$710 million as a lower net interest margin offset the impact of 3% constant-currency loan growth. Fee income fell 2% to \$336 million from lower investment banking, cash management and trade-related fees. Other non-interest income fell 2% to \$106 million from lower investment gains. Expenses decreased 6% to \$546 million. Total allowances doubled to \$175 million mainly from higher specific allowances.

Compared to the previous half year, net profit was 40% lower. Total income fell 17%. Net interest income declined 21% from a lower interest margin. Fees rose 3% as an increase in investment product sales was offset by lower bancassurance, loan-related and cash management fees. Other non-interest income fell 34% due to lower year-end activity. Expenses rose 6%. Total allowances rose 11% from higher specific allowances.

For the full year, net profit fell 33% to \$963 million. Net interest income fell 20% to \$1.61 billion from a lower net interest margin. Fee income was stable at \$661 million as an increase in investment product sales was offset by lower bancassurance, cash management and loan-related activities. Other non-interest income rose 6% to \$266 million. Expenses fell 5% to \$1.06 billion. Total allowances tripled to \$332 million mainly from higher general allowances.

Rest of Greater China

Second-half net profit fell 38% from a year ago to \$40 million. Total income was flat at \$517 million as an increase in net interest income from higher loan volumes and net interest margin was offset by a decline in non-interest income. Expenses increased 2% to \$386 million resulting in a 8% fall in profit before allowances to \$131 million. Total allowances increased 52% to \$97 million.

Net profit was 69% lower from the previous half year. Total income fell 13% as an increase in net interest income was more than offset by lower non-interest income. Expenses grew 10% from higher employee benefits. Total allowances rose 18% to \$97 million.

For the full year, net profit fell 19% to \$171 million. Total income grew 5% to \$1.11 billion as a 21% rise in net interest income from higher loan volumes and net interest margin was moderated by lower non-interest income. Expenses were flat while allowances increased to \$179 million from \$49 million a year ago.

South and Southeast Asia

South and Southeast Asia recorded a net loss of \$37 million compared to a net loss of \$53 million a year ago. Total income rose 4% to \$518 million from higher trading income and investment securities gains, moderated by lower fee income. Expenses were flat at \$343 million. Total allowances increased 29% to \$233 million mainly due to higher specific allowances. The region's second-half performance reflected the full-year impact of a lower tax rate from India.

Compared to the previous half-year, net profit fell from \$141 million to a net loss of \$37 million. Total income fell 11% from lower interest income, weaker fee income and other non-interest income. Expenses rose 13% due mainly to higher expenses in India from the integration of LVB. Total allowances tripled to \$233 million mainly due to higher specific and general allowances from Indonesia.

For the full year, a net profit of \$104 million was recorded compared to a net loss of \$22 million a year ago which incorporated impact from the revaluation of deferred tax assets due to a cut in India's corporate tax rate. Total income rose 14% to \$1.10 billion from growth in interest income and other non-interest income. Expenses fell 3% to \$646 million, while total allowances grew 5% to \$308 million.

Rest of the World

Second-half net profit fell 26% to \$73 million due to higher allowances. Total income rose 11% to \$235 million as higher net interest income more than offset declines in fee and other non-interest income. Expenses rose 4% to \$56 million and allowances increased \$78 million to \$94 million from higher specific and general allowances.

Compared to the previous half year, net profit fell 22% due to a 7% decrease in total income from lower fee and other non-interest income while expenses were flat. Total allowances rose 19%.

For the full year, net profit fell 11% to \$166 million as a 22% growth in total income to \$489 million was offset by a 7% increase in expenses to \$111 million and a \$138 million increase in total allowances to \$173 million.

CUSTOMER LOANS

(\$m)	31 Dec 2020	30 Jun 2020	31 Dec 2019
Gross:	377,770	380,847	362,427
Less:			
ECL ¹ Stage 3 (SP)	2,692	2,626	2,305
ECL ¹ Stage 1 & 2 (GP)	3,907	3,437	2,238
Net total	371,171	374,784	357,884
By business unit			
Consumer Banking/Wealth Management	113,723	112,433	114,380
Institutional Banking	259,065	266,563	246,296
Others	4,982	1,851	1,751
Total (Gross) ²	377,770	380,847	362,427
By geography³			
Singapore	176,402	174,378	168,704
Hong Kong	59,093	62,157	55,062
Rest of Greater China	53,278	55,825	53,009
South and Southeast Asia	30,362	29,920	29,438
Rest of the World	58,635	58,567	56,214
Total (Gross) ²	377,770	380,847	362,427
By industry			
Manufacturing	39,802	46,112	37,635
Building and construction	96,964	93,175	85,144
Housing loans	74,207	74,269	73,606
General commerce	40,669	42,977	45,664
Transportation, storage & communications	31,617	33,243	31,574
Financial institutions, investment & holding companies	28,449	27,004	24,660
Professionals & private individuals (excluding housing loans)	33,578	31,832	34,121
Others	32,484	32,235	30,023
Total (Gross) ²	377,770	380,847	362,427
By currency			
Singapore dollar	151,110	147,989	144,878
US dollar	105,656	115,657	108,106
Hong Kong dollar	42,289	44,348	44,310
Chinese yuan	16,824	16,199	14,019
Others	61,891	56,654	51,114
Total (Gross) ²	377,770	380,847	362,427

Notes:

- 1 Refers to expected credit loss.
- 2 Loans by geography are determined according to the location where the borrower, or the issuing bank in the case of bank backed export financing is incorporated.

Gross customer loans grew 1% or \$4 billion from the previous half in constant-currency terms to \$378 billion, including a \$2 billion contribution from LVB. Non-trade corporate loans were stable as drawdowns were offset by repayments of short-term facilities made in the first half. Housing loans were stable as a decline in the third quarter, due partly to the circuit breaker, was offset by growth in the fourth quarter following an increase in new bookings.

Compared to a year ago, gross customer loans were 4% higher in constant-currency terms as growth in non-trade corporate loans more than offset a decline in trade loans. Housing loans were little changed.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE

	31 Dec 2020			30 Jun 2020			31 Dec 2019		
	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)
By business unit									
Consumer Banking/ Wealth Management	676	0.6	166	726	0.6	185	700	0.6	153
Institutional Banking and Others	5,383	2.0	2,526	5,026	1.9	2,441	4,702	1.9	2,152
Total non-performing loans (NPL)	6,059	1.6	2,692	5,752	1.5	2,626	5,402	1.5	2,305
Debt securities, contingent liabilities & others	627	-	322	602	-	296	371	-	197
Total non-performing assets (NPA)	6,686	-	3,014	6,354	-	2,922	5,773	-	2,502
By geography¹									
Singapore	3,624	2.1	1,681	3,912	2.2	1,719	3,722	2.2	1,405
Hong Kong	678	1.1	358	560	0.9	285	492	0.9	279
Rest of Greater China	381	0.7	82	380	0.7	127	357	0.7	130
South and Southeast Asia	1,092	3.6	511	734	2.5	467	751	2.6	463
Rest of the World	284	0.5	60	166	0.3	28	80	0.1	28
Total non-performing loans (NPL)	6,059	1.6	2,692	5,752	1.5	2,626	5,402	1.5	2,305
Debt securities, contingent liabilities & others	627	-	322	602	-	296	371	-	197
Total non-performing assets (NPA)	6,686	-	3,014	6,354	-	2,922	5,773	-	2,502
Loss Allowance Coverage									
ECL ² Stage 3 (SP)			3,014			2,922			2,502
ECL ² Stage 1 and 2 (GP)			4,312			3,799			2,511
Total allowances			7,326			6,721			5,013
(Total allowances+RLAR) / NPA ³			110%			106%			94%
(Total allowances+RLAR) / unsecured NPA ³			206%			199%			191%

Notes:

- 1 NPLs by geography are determined according to the location where the borrower is incorporated.
- 2 Refers to expected credit loss.
- 3 Computation includes regulatory loss allowance reserves (RLAR). RLAR is nil for 31 Dec'20 (30 Jun'20: Nil; 31 Dec'19: \$404 million) as part of total allowances.
- 4 Refers to Expected Credit Loss Stage 3.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	31 Dec 2020		30 Jun 2020		31 Dec 2019	
	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹
By industry						
Manufacturing	673	269	608	286	551	296
Building and construction	352	138	362	139	308	140
Housing loans	222	11	219	11	195	11
General commerce	971	564	885	496	586	313
Transportation, storage & communications	2,648	1,369	3,006	1,460	3,099	1,346
Financial institutions, investment & holding companies	47	23	51	20	65	19
Professionals & private individuals (excluding housing loans)	465	151	518	170	498	138
Others	681	167	103	44	100	42
Total non-performing loans	6,059	2,692	5,752	2,626	5,402	2,305
Debt securities, contingent liabilities & others	627	322	602	296	371	197
Total non-performing assets (NPA)	6,686	3,014	6,354	2,922	5,773	2,502

(\$m)	31 Dec 2020		30 Jun 2020		31 Dec 2019	
	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹
By loan grading						
Non-performing assets						
Substandard	3,503	397	3,432	422	3,393	453
Doubtful	1,880	1,314	1,757	1,335	1,139	808
Loss	1,303	1,303	1,165	1,165	1,241	1,241
Total	6,686	3,014	6,354	2,922	5,773	2,502
Of which: restructured assets						
Substandard	918	220	718	90	660	99
Doubtful	438	253	428	283	339	184
Loss	207	207	452	452	432	432
Total	1,563	680	1,598	825	1,431	715

(\$m)	31 Dec 2020		30 Jun 2020		31 Dec 2019	
	NPA		NPA		NPA	
By collateral type						
Unsecured non-performing assets	3,564		3,386		2,842	
Secured non-performing assets by collateral type						
Properties	1,373		1,078		1,004	
Shares and debentures	143		153		162	
Cash deposits	8		11		8	
Others	1,598		1,726		1,757	
Total	6,686		6,354		5,773	

Notes:

1 Refers to Expected Credit Loss Stage 3

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	31 Dec 2020	30 Jun 2020	31 Dec 2019
	NPA	NPA	NPA
By period overdue			
Not overdue	1,148	1,077	1,110
Within 90 days	515	843	589
Over 90 to 180 days	384	553	601
Over 180 days	4,639	3,881	3,473
Total	6,686	6,354	5,773

Non-performing assets increased 5% from the first half to \$6.69 billion as new NPA formation was moderated by write-offs, recoveries and translation effects. The NPL rate was 1.6%, similar to recent periods.

Allowance coverage was at 110% and at 206% after considering collateral.

CUSTOMER DEPOSITS

(\$m)	31 Dec 2020	30 Jun 2020	31 Dec 2019
By currency and product			
Singapore dollar	204,469	196,293	162,509
Fixed deposits	17,476	21,866	19,289
Savings accounts	138,787	128,290	116,148
Current accounts	48,064	45,981	26,977
Others	142	156	95
US dollar	152,799	150,583	140,769
Fixed deposits	59,134	72,685	84,403
Savings accounts	32,900	27,559	22,893
Current accounts	58,918	48,330	32,056
Others	1,847	2,009	1,417
Hong Kong dollar	38,924	36,023	37,078
Fixed deposits	9,298	15,585	18,435
Savings accounts	10,350	9,160	8,207
Current accounts	19,132	11,147	10,259
Others	144	131	177
Chinese yuan	16,182	13,475	13,257
Fixed deposits	8,421	6,700	7,579
Savings accounts	1,654	1,416	1,169
Current accounts	5,252	4,542	3,846
Others	855	817	663
Others	52,476	51,049	50,676
Fixed deposits	29,254	30,515	32,987
Savings accounts	12,111	10,040	8,926
Current accounts	10,663	9,630	7,876
Others	448	864	887
Total	464,850	447,423	404,289
Fixed deposits	123,583	147,351	162,693
Savings accounts	195,802	176,465	157,343
Current accounts	142,029	119,630	81,014
Others	3,436	3,977	3,239

Customer deposits including LVB grew to \$465 billion, a constant currency increase of 6% from the previous half and 15% from a year ago. Strong growth in current

and savings accounts (Casa) enabled fixed deposits to flow out and the Casa ratio increased 14 percentage points from a year ago to 73% of total deposits.

DEBTS ISSUED

(\$m)	31 Dec 2020	30 Jun 2020	31 Dec 2019
Subordinated term debts ¹	3,970	3,653	3,538
Senior medium term notes ¹	5,506	7,963	11,734
Commercial papers ¹	21,345	22,892	25,914
Negotiable certificates of deposit ¹	3,738	4,449	4,562
Other debt securities ¹	8,143	9,398	9,712
Covered bonds ²	4,545	5,402	5,206
Total	47,247	53,757	60,666
Due within 1 year	31,920	36,274	41,174
Due after 1 year ³	15,327	17,483	19,492
Total	47,247	53,757	60,666

Notes:

1 Unsecured

2 Secured

3 Includes instruments in perpetuity

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CAPITAL ADEQUACY

(\$m)	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Dec 2019
Common Equity Tier 1 capital	44,786	44,556	44,071	42,870
Tier 1 capital	48,188	48,530	48,051	45,460
Total capital	53,937	53,970	53,482	50,693
Risk-Weighted Assets (“RWA”)				
Credit RWA	269,249	266,806	267,607	252,402
Market RWA	27,932	30,160	31,652	28,696
Operational RWA	23,915	23,741	23,507	22,673
Total RWA	321,096	320,707	322,766	303,771
Capital Adequacy Ratio (“CAR”) (%)				
Common Equity Tier 1	13.9	13.9	13.7	14.1
Tier 1	15.0	15.1	14.9	15.0
Total	16.8	16.8	16.6	16.7
Minimum CAR including Buffer Requirements (%)¹				
Common Equity Tier 1	9.1	9.1	9.1	9.3
Effective Tier 1	10.6	10.6	10.6	10.8
Effective Total	12.6	12.6	12.6	12.8
Of which: Buffer Requirements (%)				
Capital Conservation Buffer	2.5	2.5	2.5	2.5
Countercyclical Capital Buffer	0.1	0.1	0.1	0.3

Note:

¹ Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively.

The Group's Common Equity Tier 1 ratio as at 31 December 2020 remains well capitalised at 13.9% after the amalgamation of LVB which had a 0.3% point impact. During the quarter, the SGD 800 million 4.7% AT1 Non-cumulative, Non-convertible Preference Shares were redeemed while AUD 300 million Floating Rate Subordinated Notes were issued.

The Group's leverage ratio stood at 6.8%, well above the 3% minimum requirement.

PILLAR 3, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO DISCLOSURES

The Group's combined Pillar 3, Liquidity Coverage Ratio and Net Stable Funding Ratio disclosures document and Main Features of Capital Instruments document are published in the Investor Relations section of the Group's website (<https://www.dbs.com/investors/default.page>) and (<https://www.dbs.com/investors/fixed-income/capital-instruments>) respectively. These disclosures are pursuant to MAS's Notices to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore", No. 651 "Liquidity Coverage Ratio ("LCR") Disclosure" and No. 653 "Net Stable Funding Ratio ("NSFR") Disclosure".

UNREALISED PROPERTY VALUATION SURPLUS

The unrealised property valuation surplus as at 31 December 2020 was approximately \$1,302 million.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED INCOME STATEMENT

In \$ millions	2nd Half 2020 ¹	2nd Half 2019 ¹	+ / (-) %	1st Half 2020 ¹	+ / (-) %	Year 2020	Year 2019	+ / (-) %
Income								
Interest income	5,301	7,763	(32)	6,907	(23)	12,208	15,592	(22)
Interest expense	1,010	2,877	(65)	2,122	(52)	3,132	5,967	(48)
Net interest income	4,291	4,886	(12)	4,785	(10)	9,076	9,625	(6)
Net fee and commission income	1,545	1,555	(1)	1,513	2	3,058	3,052	-
Net trading income	653	659	(1)	752	(13)	1,405	1,459	(4)
Net income from investment securities	300	150	100	663	(55)	963	334	>100
Other income	51	34	50	39	31	90	74	22
Non-interest income	2,549	2,398	6	2,967	(14)	5,516	4,919	12
Total income	6,840	7,284	(6)	7,752	(12)	14,592	14,544	-
Employee benefits	1,796	1,788	-	1,754	2	3,550	3,514	1
Other expenses	1,323	1,426	(7)	1,285	3	2,608	2,744	(5)
Total expenses	3,119	3,214	(3)	3,039	3	6,158	6,258	(2)
Profit before allowances	3,721	4,070	(9)	4,713	(21)	8,434	8,286	2
Allowances for credit and other losses	1,131	376	>100	1,935	(42)	3,066	703	>100
Profit before tax	2,590	3,694	(30)	2,778	(7)	5,368	7,583	(29)
Income tax expense	266	538	(51)	346	(23)	612	1,154	(47)
Net profit	2,324	3,156	(26)	2,432	(4)	4,756	6,429	(26)
Attributable to:								
Shareholders	2,309	3,137	(26)	2,412	(4)	4,721	6,391	(26)
Non-controlling interests	15	19	(21)	20	(25)	35	38	(8)
	2,324	3,156	(26)	2,432	(4)	4,756	6,429	(26)

Note:

1 Unaudited

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In \$ millions	2nd Half 2020 ¹	2nd Half 2019 ¹	+ / (-) %	1st Half 2020 ¹	+ / (-) %	Year 2020	Year 2019	+ / (-) %
Net profit	2,324	3,156	(26)	2,432	(4)	4,756	6,429	(26)
Other comprehensive income								
Items that may be reclassified subsequently to income statement:								
Translation differences for foreign operations	(714)	(31)	(>100)	649	NM	(65)	(175)	63
Other comprehensive income of associates	(1)	(1)	-	(10)	90	(11)	1	NM
Gains (losses) on debt instruments classified at fair value through other comprehensive income and others								
Net valuation taken to equity	406	334	22	809	(50)	1,215	933	30
Transferred to income statement	(223)	(214)	(4)	(413)	46	(636)	(403)	(58)
Taxation relating to components of other comprehensive income	15	(9)	NM	(56)	NM	(41)	(58)	29
Items that will not be reclassified to income statement:								
Gains (losses) on equity instruments classified at fair value through other comprehensive income (net of tax)	76	5	>100	(301)	NM	(225)	136	NM
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	(43)	(34)	(26)	68	NM	25	(63)	NM
Other comprehensive income, net of tax	(484)	50	NM	746	NM	262	371	(29)
Total comprehensive income	1,840	3,206	(43)	3,178	(42)	5,018	6,800	(26)
Attributable to:								
Shareholders	1,825	3,187	(43)	3,158	(42)	4,983	6,761	(26)
Non-controlling interests	15	19	(21)	20	(25)	35	39	(10)
	1,840	3,206	(43)	3,178	(42)	5,018	6,800	(26)

Note:

1 Unaudited

NM Not Meaningful

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED BALANCE SHEETS

In \$ millions	The Group			The Company		
	31 Dec 2020	30 Jun 2020 ¹	31 Dec 2019	31 Dec 2020	30 Jun 2020 ¹	31 Dec 2019
Assets						
Cash and balances with central banks	50,618	33,205	26,362			
Government securities and treasury bills	51,700	60,610	49,729			
Due from banks	50,867	54,124	39,336	51	120	36
Derivatives	31,108	31,691	17,235	184	209	121
Bank and corporate securities	65,456	63,568	63,746			
Loans and advances to customers	371,171	374,784	357,884			
Other assets	19,495	20,971	15,424			
Associates	862	845	835			
Subsidiaries	-	-	-	30,337	28,667	27,409
Properties and other fixed assets	3,338	3,235	3,225			
Goodwill and intangibles	5,323	5,171	5,170			
Total assets	649,938	648,204	578,946	30,572	28,996	27,566
Liabilities						
Due to banks	28,220	31,003	23,773			
Deposits and balances from customers	464,850	447,423	404,289			
Derivatives	32,904	32,100	17,512	12	8	19
Other liabilities	22,074	29,662	20,907	87	69	96
Due to subsidiaries	-	-	-	947	384	-
Other debt securities	43,277	50,104	57,128	4,048	3,737	3,818
Subordinated term debts	3,970	3,653	3,538	3,970	3,653	3,538
Total liabilities	595,295	593,945	527,147	9,064	7,851	7,471
Net assets	54,643	54,259	51,799	21,508	21,145	20,095
Equity						
Share capital	10,942	10,669	10,948	10,968	10,687	10,961
Other equity instruments	3,401	3,401	2,009	3,401	3,401	2,009
Other reserves	4,397	4,756	4,102	157	107	173
Revenue reserves	35,886	34,612	33,922	6,982	6,950	6,952
Shareholders' funds	54,626	53,438	50,981	21,508	21,145	20,095
Non-controlling interests	17	821	818			
Total equity	54,643	54,259	51,799	21,508	21,145	20,095
Other Information						
Net book value per share (\$)						
(i) Basic and diluted	20.08	19.71	19.17	7.10	6.99	7.08

Note:

1 Unaudited

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

The Group	Attributable to shareholders of the Company						
In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total Shareholders' funds	Non- controlling interests	Total equity
Balance at 1 January 2020	10,948	2,009	4,102	33,922	50,981	818	51,799
Purchase of treasury shares	(447)				(447)		(447)
Draw-down of reserves upon vesting of performance shares	162		(164)		(2)		(2)
Issue of perpetual capital securities		1,392			1,392		1,392
Redemption of preference shares issued by a subsidiary				(1)	(1)	(799)	(800)
Cost of share-based payments			131		131		131
Issue of shares pursuant to Scrip Dividend Scheme	279			(279)	-		-
Dividends paid to shareholders ¹				(2,411)	(2,411)		(2,411)
Dividends paid to non-controlling interests					-	(38)	(38)
Change in non-controlling interests					-	1	1
Total comprehensive income			328	4,655	4,983	35	5,018
Balance at 31 December 2020	10,942	3,401	4,397	35,886	54,626	17	54,643
Balance at 1 January 2019	10,898	2,812	3,701	31,634	49,045	830	49,875
Impact of adopting SFRS(I) 16 on 1 January 2019				(95)	(95)		(95)
Balance at 1 January 2019 after adoption of SFRS(I) 16	10,898	2,812	3,701	31,539	48,950	830	49,780
Purchase of treasury shares	(114)				(114)		(114)
Draw-down of reserves upon vesting of performance shares	164		(164)		-		-
Cost of share-based payments			120		120		120
Dividends paid to shareholders ¹				(3,931)	(3,931)		(3,931)
Dividends paid to non-controlling interests					-	(38)	(38)
Acquisition of non-controlling interests					-	(13)	(13)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)		(805)
Total comprehensive income			445	6,316	6,761	39	6,800
Balance at 31 December 2019	10,948	2,009	4,102	33,922	50,981	818	51,799

Note:

¹ Includes distributions paid on capital securities classified as equity (2020: \$100 million; 2019: \$96 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The Group	Attributable to shareholders of the Company						
In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total Shareholders' funds	Non-controlling interests	Total equity
Balance at 1 July 2020	10,669	3,401	4,756	34,612	53,438	821	54,259
Purchase of treasury shares	(9)				(9)		(9)
Draw-down of reserves upon vesting of performance shares	3		(4)		(1)		(1)
Redemption of preference shares issued by a subsidiary				(1)	(1)	(799)	(800)
Cost of share-based payments			70		70		70
Issue of shares pursuant to Scrip Dividend Scheme	279			(279)	-		-
Dividends paid to shareholders ¹				(696)	(696)		(696)
Dividends paid to non-controlling interests					-	(19)	(19)
Change in non-controlling interests					-	(1)	(1)
Total comprehensive income			(425)	2,250	1,825	15	1,840
Balance at 31 December 2020	10,942	3,401	4,397	35,886	54,626	17	54,643
Balance at 1 July 2019	10,978	2,009	3,942	32,410 ²	49,339	818	50,157
Purchase of treasury shares	(32)				(32)		(32)
Draw-down of reserves upon vesting of performance shares	2		(2)		-		-
Cost of share-based payments			59		59		59
Dividends paid to shareholders ¹				(1,572)	(1,572)		(1,572)
Dividends paid to non-controlling interests					-	(19)	(19)
Total comprehensive income			103	3,084	3,187	19	3,206
Balance at 31 December 2019	10,948	2,009	4,102	33,922	50,981	818	51,799

Note:

1 Includes distributions paid on capital securities classified as equity (2nd Half 2020: \$61 million; 2nd Half 2019: \$39 million)

2 Includes updated impact on adopting SFRS(I) 16 on 1 January 2019

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

The Company

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 January 2020	10,961	2,009	173	6,952	20,095
Purchase of treasury shares	(431)				(431)
Transfer of treasury shares	159				159
Draw-down of reserves upon vesting of performance shares			(164)		(164)
Issue of perpetual capital securities		1,392			1,392
Cost of share-based payments			131		131
Issue of shares pursuant to Scrip Dividend Scheme	279			(279)	-
Dividends paid to shareholders ¹				(2,411)	(2,411)
Total comprehensive income			17	2,720	2,737
Balance at 31 December 2020	10,968	3,401	157	6,982	21,508
Balance at 1 January 2019	10,900	2,812	180	6,486	20,378
Purchase of treasury shares	(104)				(104)
Transfer of treasury shares	165				165
Draw-down of reserves upon vesting of performance shares			(164)		(164)
Cost of share-based payments			120		120
Dividends paid to shareholders ¹				(3,931)	(3,931)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)
Total comprehensive income			37	4,399	4,436
Balance at 31 December 2019	10,961	2,009	173	6,952	20,095

Note:

¹ Includes distributions paid on capital securities classified as equity (2020: \$100 million; 2019: \$96 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The Company

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 July 2020	10,687	3,401	107	6,950	21,145
Transfer of treasury shares	2				2
Draw-down of reserves upon vesting of performance shares			(4)		(4)
Cost of share-based payments			70		70
Issue of shares pursuant to Scrip Dividend Scheme	279			(279)	-
Dividends paid to shareholders ¹				(696)	(696)
Total comprehensive income			(16)	1,007	991
Balance at 31 December 2020	10,968	3,401	157	6,982	21,508
Balance at 1 July 2019	10,987	2,009	123	6,444	19,563
Purchase of treasury shares	(26)				(26)
Draw-down of reserves upon vesting of performance shares			(2)		(2)
Cost of share-based payments			59		59
Dividends paid to shareholders ¹				(1,572)	(1,572)
Total comprehensive income			(7)	2,080	2,073
Balance at 31 December 2019	10,961	2,009	173	6,952	20,095

Note:

1 Includes distributions paid on capital securities classified as equity (2nd Half 2020: \$61 million; 2nd Half 2019: \$39 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED CASH FLOW STATEMENT

In \$ millions	Year 2020	Year 2019
Cash flows from operating activities		
Profit before tax	5,368	7,583
Adjustments for non-cash and other items:		
Allowances for credit and other losses	3,066	703
Depreciation of properties and other fixed assets	648	609
Share of profits or losses of associates	(61)	(50)
Net loss on disposal, net of write-off of properties and other fixed assets	38	26
Net income from investment securities	(963)	(334)
Cost of share-based payments	131	120
Interest expense on subordinated term debts	64	76
Interest expense on lease liabilities	28	29
Profit before changes in operating assets & liabilities	8,319	8,762
Increase/(Decrease) in:		
Due to banks	4,246	1,304
Deposits and balances from customers	57,164	10,908
Other liabilities	16,160	1,349
Other debt securities and borrowings	(14,250)	11,492
(Increase)/Decrease in:		
Restricted balances with central banks	(1,818)	1,502
Government securities and treasury bills	(379)	(2,476)
Due from banks	(11,465)	678
Bank and corporate securities	(1,340)	(5,149)
Loans and advances to customers	(13,460)	(14,269)
Other assets	(17,108)	(2,280)
Tax paid	(1,188)	(635)
Net cash generated from operating activities (1)	24,881	11,186
Cash flows from investing activities		
Dividends from associates	31	29
Proceeds from disposal of interest in associate	-	21
Proceeds from disposal of properties and other fixed assets	8	2
Purchase of properties and other fixed assets	(547)	(586)
Cash and cash equivalents acquired from LVB	93	-
Net cash used in investing activities (2)	(415)	(534)
Cash flows from financing activities		
Issue of perpetual capital securities	1,392	-
Interest paid on subordinated term debts	(66)	(76)
Redemption of preference shares issued by a subsidiary	(800)	-
Redemption of perpetual capital securities issued by the Company	-	(805)
Purchase of treasury shares	(447)	(114)
Dividends paid to non-controlling interests	(38)	(38)
Dividends paid to shareholders of the Company, net of scrip dividends ¹	(2,411)	(3,931)
Change in non-controlling interests	1	(13)
Net cash used in financing activities (3)	(2,369)	(4,977)
Exchange translation adjustments (4)	170	39
Net change in cash and cash equivalents² (1)+(2)+(3)+(4)	22,267	5,714
Cash and cash equivalents at beginning of period	19,935	14,221
Cash and cash equivalents at end of period	42,202	19,935

Notes:

1 Includes distributions paid on capital securities classified as equity

2 Cash and cash equivalents refer to cash and non-restricted balances with central banks

OTHER FINANCIAL INFORMATION

1. Off-balance Sheet Items

In \$ millions	31 Dec 2020	30 Jun 2020	31 Dec 2019
Contingent liabilities	29,316	25,633	28,267
Commitments ¹	306,850	304,428	297,938
Financial Derivatives	2,108,704	2,407,684	2,184,839

Note:

1 Includes commitments that are unconditionally cancellable at any time of \$251,200 million for 31 Dec 2020 (30 Jun 2020: \$252,556 million; 31 Dec 2019: \$248,258 million).

ADDITIONAL INFORMATION
SHARE CAPITAL

(a) The movement in the number of issued and fully paid-up ordinary shares is as follows:

Number of shares	Year 2020	Year 2019	2 nd Half 2020	2 nd Half 2019
Issued Ordinary shares				
Balance at beginning of period	2,563,936,434	2,563,936,434	2,563,936,434	2,563,936,434
Shares issued pursuant to Scrip Dividend Scheme	11,927,268	-	11,927,268	-
Balance at end of period	2,575,863,702	2,563,936,434	2,575,863,702	2,563,936,434
Treasury shares				
Balance at beginning of period	(9,814,500)	(12,320,500)	(24,867,500)	(8,764,500)
Purchase of treasury shares	(21,400,000)	(4,150,000)	-	(1,050,000)
Shares transferred to trust holding shares pursuant to DBSH Share Plan/ DBSH Employee Share Plan	6,418,838	6,656,000	71,838	-
Balance at end of period	(24,795,662)	(9,814,500)	(24,795,662)	(9,814,500)
Issued Ordinary shares net of Treasury shares	2,551,068,040	2,554,121,934	2,551,068,040	2,554,121,934

(b) The weighted average number of Issued Ordinary shares net of Treasury shares (both basic and fully diluted) for the full year of 2020 is 2,543,231,259.

INTERESTED PARTY TRANSACTIONS PURSUANT TO LISTING RULE 920(1)

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

CONFIRMATION OF DIRECTORS AND EXECUTIVE OFFICERS' UNDERTAKINGS PURSUANT TO LISTING RULE 720(1)

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

REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CEO OR SUBSTANTIAL SHAREHOLDER

Pursuant to Rule 704(13) of the SGX Listing Manual, DBSH wishes to advise that there are no persons occupying a managerial position in DBSH, DBS Bank Ltd or any of the principal subsidiaries of DBSH who are relatives of a director or chief executive officer or substantial shareholder of DBSH.

The auditor's report dated 9 February 2021, as extracted from the financial statements of DBS Group Holdings Ltd and its subsidiaries for the year ended 31 December 2020, which have been prepared in accordance with Singapore Financial Reporting Standards (International), is as follows:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBS GROUP HOLDINGS LTD

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of DBS Group Holdings Ltd (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at 31 December 2020 and of the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the year ended 31 December 2020;
- the consolidated statement of comprehensive income of the Group for the year ended 31 December 2020;
- the balance sheets of the Group and of the Company as at 31 December 2020;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated cash flow statement of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

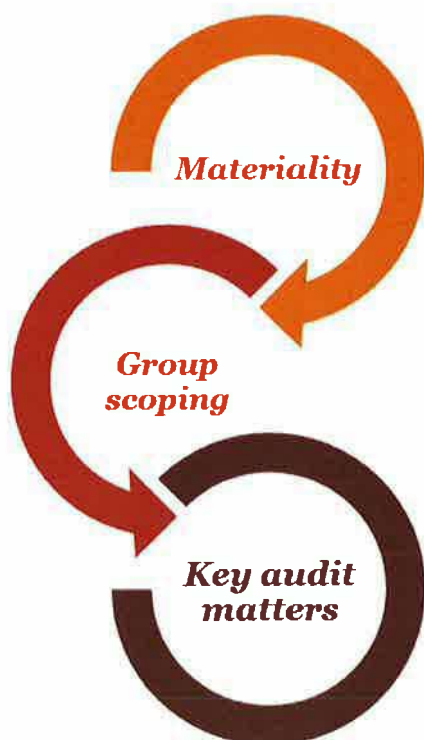
Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBS GROUP HOLDINGS LTD (continued)

Our audit approach

Overview



Materiality

- We determined the overall Group materiality based on 5% of the Group's profit before tax.

Group scoping

- Full scope audit procedures were performed over the Singapore Operations of DBS Bank Ltd. and DBS Bank (Hong Kong) Limited ("significant components").
- We identified DBS Bank Ltd. Hong Kong, Taipei and Seoul Branches, DBS Bank (China) Limited, PT Bank DBS Indonesia, DBS Bank (Taiwan) Ltd and DBS Bank India Limited as component entities where certain account balances were considered to be significant in size in relation to the Group ("other components"). Consequently, specific audit procedures for the significant account balances of these components were performed to obtain sufficient and appropriate audit evidence.

Key audit matters

- Specific allowances for loans and advances to customers
- General allowances for credit losses (Stage 1 and 2 Expected Credit Loss)
- Goodwill
- Valuation of financial instruments held at fair value

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole, as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

How we determined overall Group materiality 5% of the Group's profit before tax

Rationale for benchmark applied

- We chose 'profit before tax' as, in our view, it is the benchmark against which performance of the Group is most commonly measured.
- We selected 5% based on our professional judgement, noting that it is also within the range of commonly accepted profit-related thresholds.

In performing our audit, we allocated materiality levels to the significant components and other components of the Group. These are less than the overall Group materiality.

How we developed the audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates. The Group's financial reporting process is dependent on its Information Technology ("IT") systems. Our audit scope included testing the operating effectiveness of the controls over the integrity of key financial data processed through the IT systems that are relevant to financial reporting.

In establishing the overall Group audit approach, we determined the extent of audit procedures that were needed to be performed across the Group by us or by other PwC network firms, operating under our instruction, who are familiar with the local laws and regulations in each respective territory, (the "component auditors"). Where the work was performed by component auditors, we determined the level of involvement we needed to have in the procedures to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole.

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Specific allowances for loans and advances to customers</p> <p>As at 31 December 2020, the specific allowances for loans and advances to customers of the Group was \$2,692 million, the majority of which related to Institutional Banking Group (“IBG”) customers. Specific allowances refer to loss allowances for credit-impaired exposures (i.e. Stage 3, per SFRS (I) 9). Expected Credit Losses (“ECL”) on non-impaired exposures (i.e. Stage 1 and Stage 2) is set out under the ‘General allowances for credit losses’ key audit matter.</p> <p>We focused on this area because of the subjective judgements used by management in determining the necessity for, and estimating the size of, allowances against loans and advances.</p> <p>In particular, we focused on specific allowances for loans and advances to IBG customers because any assessment of impairment can be inherently subjective and involves significant judgement over both the timing of recognition of any impairment and the estimation of the size of such impairment. This includes:</p> <ul style="list-style-type: none"> • the principal assumptions underlying the calculation of specific allowances for loans and advances to IBG customers where there is evidence of impairment losses (including the future profitability of the borrowers and the expected realisable value of collateral held); and • the classification of loans and advances in line with MAS Notice 612 (“MAS 612”). 	<p>We assessed the design and evaluated the operating effectiveness of the controls over the specific allowances for loans and advances to IBG customers. These controls included:</p> <ul style="list-style-type: none"> • oversight of credit risk by the Group Credit Risk Committee; • timely management review of credit risk; • the watchlist identification and monitoring process; • timely identification of impairment events; • classification of loans and advances in line with MAS 612; and • the collateral monitoring and valuation processes. <p>We determined that we could rely on these controls for the purposes of our audit.</p> <p>We inspected a sample of loans and advances to IBG customers to assess whether the classification of the loans and advances was in line with MAS 612 and, where there was evidence of an impairment loss, whether it had been identified in a timely manner. This included, where relevant, how forbearance had been considered, with particular focus on the impact of COVID-19.</p> <p>Where impairment had been identified, for a sample of loans and advances, our work included:</p> <ul style="list-style-type: none"> • considering the latest developments in relation to the borrower; • examining the forecasts of future cash flows prepared by management, including key assumptions in relation to the amount and timing of recoveries; • comparing the collateral valuation and other sources of repayment to support the calculation of the impairment against external evidence, where available, including independent valuation reports; • challenging management’s assumptions; and • testing the calculations.

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

Key audit matter	How our audit addressed the key audit matter
<p>We applied judgement in selecting samples focused on borrowers with exposures to certain sectors in view of continued heightened credit risks and the effects of the COVID-19 pandemic impacting the portfolio.</p> <p>(Refer also to Notes 3 and 18 to the financial statements.)</p>	<p>For a sample of performing loans and advances to IBG customers which had not been identified by management as potentially impaired, considering the latest developments in relation to the borrower, we challenged management’s assumptions on whether their classification was appropriate, using external evidence where available in respect of the relevant borrower.</p> <p>Based on procedures performed, we have assessed that the aggregate specific allowance for loans and advances is appropriate.</p>
<p>General allowances for credit losses (Stage 1 and 2 Expected Credit Loss)</p> <p>SFRS(I) 9 <i>Financial Instruments</i> (“SFRS(I) 9”) requires an ECL impairment model which takes into account forward-looking information to reflect potential future economic events. In estimating ECL over future time periods, significant judgement is required. Further, the COVID-19 pandemic has meant assumptions regarding economic outlook, and the consequent impact on the Group’s customers, are uncertain, increasing the degree of judgement required.</p> <p>We focused on the Group’s measurement of general allowances on non-impaired exposures (\$4,312 million). This covers both ‘Stage 1’ exposures (where there has not been a significant increase in credit risk), and ‘Stage 2’ exposures (where a significant increase in credit risk has been observed). The ECL framework implemented by the Group involves significant judgement and assumptions that relate to, amongst others:</p> <ul style="list-style-type: none"> • adjustments to the Group’s Basel credit models and parameters; • use of forward-looking and macro-economic information; • estimates for the expected lifetime of revolving credit facilities; • assessment of significant increase in credit risk; and 	<p>We critically assessed management’s assumptions and estimates relating to Stage 1 and Stage 2 ECL for retail and non-retail portfolios as at 31 December 2020. This included assessing refinements in methodologies made during the year.</p> <p>We tested the design and operating effectiveness of key controls focusing on:</p> <ul style="list-style-type: none"> • involvement of governance committees, in reviewing and approving certain forward-looking macroeconomic assumptions, including post model adjustments which reflect the unprecedented and higher uncertainty in credit outlook as a result of COVID-19; • completeness and accuracy of external and internal data inputs into the ECL calculations; and • accuracy and timeliness of allocation of exposures into Stage 1 and Stage 2 based on quantitative and qualitative triggers. <p>The Group’s internal experts continue to perform independent model validation of selected aspects of the Group’s ECL methodologies and assumptions each year. We reviewed their results as part of our work.</p> <p>We also involved specialists to review the ECL of selected credit portfolios to assess if the methodologies and estimates are appropriate.</p> <p>Through the course of our work, we challenged the rationale and calculation basis of post model adjustments. We also assessed the reasonableness of certain forward-looking economic inputs, as well as the overall ECL output, in light of credit conditions that may be expected to arise from the impact of COVID-19.</p>

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> post model adjustments to account for limitations in the ECL models, for example the risk to the credit portfolio from the current COVID-19 pandemic. <p>(Refer also to Notes 3 and 11 to the financial statements.)</p>	<p>Overall, we concluded that the Group's ECL on non-impaired exposures is appropriate.</p>
<p>Goodwill</p> <p>As at 31 December 2020, the Group had \$5,323 million of goodwill as a result of acquisitions.</p> <p>We focused on this area as management makes significant judgements in estimating future cash flows when undertaking its annual goodwill impairment assessment.</p> <p>The key assumptions used in the discounted cash flow analyses relate to:</p> <ul style="list-style-type: none"> cash flow forecasts; discount rate; and long-term growth rate. <p>(Refer also to Notes 3 and 27 to the financial statements.)</p>	<p>We assessed the appropriateness of management's identification of the Group's cash generating units and the process by which indicators of impairment were identified.</p> <p>During the year, the Group recorded goodwill of \$153 million following its acquisition of Lakshmi Vilas Bank. This amount is based on a provisional estimate of fair values of assets and liabilities acquired and may change as the Group refines its estimates in 2021. We have reviewed and assessed the basis of calculating this amount as at 31 December 2020.</p> <p>For DBS Bank (Hong Kong) Limited's franchise (goodwill of \$4,631 million as at 31 December 2020), we evaluated management's cash flow forecasts and the process by which they were developed. Together with valuation specialists in our team, we assessed discount rate and growth rate assumptions against the Group's own historical performance and available external industry and economic indicators.</p> <p>We reviewed management's sensitivity analysis over the key assumptions to determine whether any reasonably possible change in these assumptions would result in an impairment, and also performed our own stress analysis based on the circumstances in Hong Kong and considering the market outlook given the current COVID-19 pandemic.</p> <p>We concur with management's assessment that goodwill balances are not impaired as at 31 December 2020.</p>
<p>Valuation of financial instruments held at fair value</p> <p>Financial instruments held by the Group at fair value include derivative assets and liabilities, trading securities, certain debt instruments and other assets and liabilities designated at fair value.</p> <p>The Group's financial instruments are predominantly valued using quoted market prices ('Level 1') or market</p>	<p>We assessed the design and tested the operating effectiveness of the controls over the Group's financial instruments valuation processes. These included the controls over:</p> <ul style="list-style-type: none"> management's testing and approval of new models and revalidation of existing models; the completeness and accuracy of pricing data inputs into valuation models; monitoring of collateral disputes; and

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

Key audit matter	How our audit addressed the key audit matter
<p>observable prices (‘Level 2’). The valuations of ‘Level 3’ instruments rely on significant unobservable inputs.</p> <p>We considered the overall valuation of financial instruments (Level 1, 2 and 3) to be a key audit matter given the financial significance to the Group, the nature of the underlying products and the estimation involved to determine fair value.</p> <p>In determining fair value, management also make adjustments to recognise credit risk, funding costs, bid-offer spreads and, in some cases, parameter and model risk limitations. This is broadly consistent with the banking industry, albeit the methodology to calculate some of these adjustments is continuing to evolve.</p> <p>(Refer also to Notes 3 and 41 to the financial statements.)</p>	<ul style="list-style-type: none"> • governance mechanisms and monitoring over the valuation processes (including derivative valuation adjustments) by the Group Market and Liquidity Risk Committee and the Group Valuation Committee. <p>We determined that we could rely on the controls for the purposes of our audit. In addition, we:</p> <ul style="list-style-type: none"> • engaged our own specialists to use their own models and input sources to determine an independent estimate of fair value for a sample of the Group’s Level 1 and Level 2 financial instruments. We compared these to the Group’s calculations of fair value to assess individual material valuation differences or systemic bias; • assessed the reasonableness of the methodologies used and the assumptions made for a sample of financial instrument valuations with significant unobservable valuation inputs (Level 3 instruments); • performed procedures on collateral disputes to identify possible indicators of inappropriate valuations; • performed tests of inputs and assessed the methodology over fair value adjustments, in light of available market data and industry trends; and • considered the implications of global reforms to Interest Reference Rates (“IBOR Reform”) in our assessment of fair value. <p>Overall, we considered that the valuation of financial instruments held at fair value was within a reasonable range of outcomes.</p>

Other Information

Management is responsible for the other information. The other information comprises the Directors’ Statement (but does not include the financial statements and our auditor’s report thereon), which we obtained prior to the date of this auditor’s report, and the other sections of the Annual Report (“the Other Sections”) which are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBS GROUP HOLDINGS LTD (continued)

of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DBS GROUP HOLDINGS LTD (continued)**

- cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Antony Eldridge.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 9 February 2021