Annual Report 2019

Reimagining Your Future

Singtel

Reimagining Your Future

Much has changed over Singtel's 140-year history. Technology and innovation has made the mobile phone central to our daily lives. Fitting into the palm of our hands, they serve as gateways to an exciting world of entertainment, information and services. We now stand on the cusp of 5G - an era of hyper-connectivity and newer technologies that will further revolutionise the way we work and play.

As a leading communications technology provider, we're proud to be enablers of such change. Innovation has always been at the core of our business. Our purpose is to keep on pushing boundaries and making breakthroughs, both in our networks and services, so how we live our lives, conduct our businesses, entertain ourselves, keep improving. We are here for the long haul at Singtel, and we're reimagining your future to bring a better one to you.

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An overview of our businesses, our performance, key achievements and value created, as well as our strategy moving forward

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Scan here to view the Singtel Annual Report 2019 online.

Financial Highlights[1]

Operating Revenue

S$17,372m

S$17,268m in FY 2018

EBITDA

S$4,692m

S$5,051m in FY 2018

Net Profit

S$3,095m

S$5,473m in FY 2018 [2]

Underlying Net Profit

S$2,825m

S$3,593m in FY 2018

Free Cash Flow

S$3,650m

S$3,606m in FY 2018

Shareholder Payout

S$2,857m

S$3,346m in FY 2018

Return on Equity

10.4%

18.9% in FY 2018 [2]

Return on Invested Capital [3]

7.7%

9.6% in FY 2018 [4]

CONSTANT CURRENCY

Net Profit

S$3,186m

S$5,473m in FY 2018 [2]

Underlying Net Profit

S$2,908m

S$3,593m in FY 2018

Notes:

(1) Based on Singapore Financial Reporting Standards (International).
(2) Includes the gain on disposal of economic interest in NetLink Trust.
(3) Return on invested capital is defined as EBIT (post-tax) divided by average capital.
(4) Excludes the gain on disposal of economic interest in NetLink Trust.

Underlying Net Profit

Contribution by Geography

S$2,825m

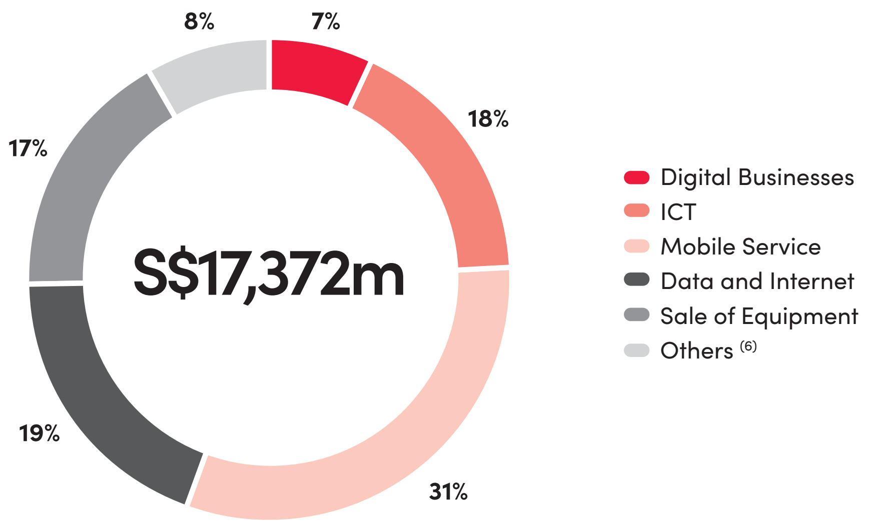
46%
Regional Associates

25%
Australia

29%
Singapore [5]

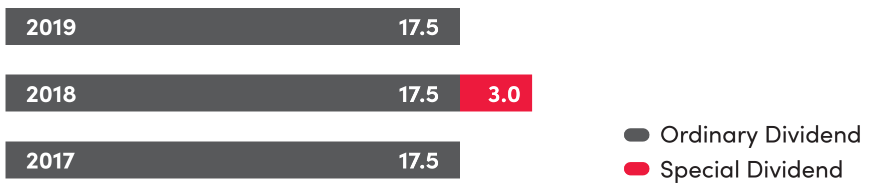
Operating Revenue

Contribution by Product and Service



Shareholder Payout

Dividend Per Share (S¢)



Singtel has a track record of generous shareholder payouts.

For the financial year ended 31 March 2019, the Board has recommended a final ordinary dividend of 10.7 Singapore cents a share. Together with the interim dividend of 6.8 Singapore cents, the total ordinary dividend for the year is 17.5 Singapore cents, unchanged from last year.

Refer to page 119 for the Group's capital management and dividend policy.

Notes:
(5) Includes losses from Trustwave and Group Digital Life.
(6) Includes Fixed voice and Pay television.

FY 2019 Achievements

We are focused on connecting and empowering everyone, consumers and businesses alike, in new and meaningful ways. This means growing our digital capabilities and investing in innovation and emerging technologies such as 5G and IoT to bring the smart, connected future closer.

Advanced 5G in Australia and Singapore

- Optus introduced Australia's first 5G commercial fixed wireless service.
- Singtel launched Singapore's first 5G pilot network.

Enhanced cyber security capabilities

- Consolidated cyber assets globally under the Trustwave brand to form one of the industry's most comprehensive cyber security companies.
- Established the first Global Telco Security Alliance with AT&T, Etisalat, SoftBank and Telefónica to create one of the world's biggest managed security services platforms.

Strengthened IoT and cloud capabilities

- Struck partnerships with Microsoft and China Mobile to enable enterprises to deploy their IoT devices across networks seamlessly.
- AIS expanded cloud business and data centres with the acquisition of CS Loxinfo to provide end-to-end digital solutions to enterprises in Thailand.

Created regional ecosystem of digital services

- Launched VIA, Asia's first cross-border mobile payment alliance, to create a seamless region-wide payment network.
- Entered esports with the launch of PVP Esports Championship, a multi-title and regional league.

Extended digital marketing capabilities into TV space

- Amobee acquired Videology, a technology provider for advanced TV and video advertising, to unify digital, social and TV advertising on a single platform.
- Amobee signed an exclusive agreement with ITV, the UK's largest commercial broadcaster, to power ITV's premium video advertising and make their inventory exclusively available through the Amobee technology platform.

Launched platform to accelerate enterprises' digital transformation

- Launched the FutureNow Innovation Centre which combines our experience and expertise with emerging technologies to help enterprises digitalise.

Continued to invest in India's growth potential

- Deepened relationship with Airtel, which continues to ride the growth in data in India, through our participation in its rights issue.

Chairman's Message

Dear Shareholders,

FY 2019 was more than just a challenging year. I would characterise it as somewhat of a 'perfect storm' with intensifying competition across all markets, particularly India and Indonesia, plus the added backdrop of heightened economic uncertainty. These factors, coupled with regional currencies moving significantly against us and reduced contributions from our smaller stake in NetLink Trust, contributed to a 21% decline in our underlying net profit to S$2.83 billion.

Your Board has proposed the payment of a final dividend of 10.7 cents per share. If approved, this will bring the total full year dividend to 17.5 cents per share.

RISING TO CHALLENGES

Last year, I signalled that competition was escalating across the region, with operators aggressively competing for market share.

In India, we have seen an unprecedented situation, where a new entrant investing more than US$40 billion, has waged a price war, driving the industry into losses.

While this has been painful in the short term, we have arrived at a three-player market, creating a better long-term market structure for when the market normalises.

Airtel has weathered this storm and defended its market share. Airtel undertook a rights issue in May which Singtel has supported to protect our investment and ensure Bharti can fund its growth.

It is your Board's belief that India will remain a major driver of industry growth, supported by the government's Digital India initiative.

In Indonesia, Telkomsel weathered intense price competition, particularly during the government-mandated registration exercise for prepaid SIM cards. With the recovery of the market, we expect Telkomsel to return to growth.

STRONG CORE PERFORMANCES

Despite challenges, we had strong performances in Singapore and Australia. Our consumer businesses gained mobile market share in both countries as our investments in networks, content and digitalisation paid off.

Both markets also laid the groundwork for 5G. Optus introduced Australia's first 5G commercial service while Singtel launched Singapore's first 5G pilot network. New technologies like 5G will converge with IoT and AI to usher in an era of hyper-connectivity that will redefine whole industries and consumer lifestyles. Our 5G investments are part of longer-term plans to position us for future growth.

GROWING NEW GLOBAL BUSINESSES

Part of our digital transformation involved making calculated investments in new businesses that would thrive in the future economy. Building out our digital businesses: in cyber security, we consolidated the Group's operations and resources into a single global entity under the Trustwave brand to form one of the industry's most comprehensive global cyber security companies. Our digital marketing business Amobee has achieved scale, while the acquisition of Videology, a software provider for the high-growth advanced TV and video advertising segments, positions us strongly for a converged media landscape.

Your Board is aware that the value of these investments is not being recognised in our share price and management intends to unlock this value at the appropriate time. We are also leveraging our regional scale and partnerships to drive a digital ecosystem across our mobile customer base of more than 690 million.

DEEPENING SUSTAINABILITY EFFORTS

As the sustainability conversation evolves, so has Singtel's efforts in this space. To reduce our carbon footprint even further to align with the global climate agenda, we are exploring long-term renewable energy supply options to help us fulfil our aspiration to be carbon neutral. Our efforts have not gone unnoticed and we continue to be recognised globally in areas such as climate change, governance and diversity. We were one of four Singapore firms and the only Southeast Asian communications company to be listed in the 2019 Bloomberg Gender-Equality Index.

GOVERNANCE

On that note, I am happy to welcome Gail Kelly, Bradley Horowitz and Dominic Barton to the Singtel Board. Their respective backgrounds in finance, technology and consulting add to our diversity and bring a fresh infusion of expertise. I would also like to express my heartfelt thanks to Peter Mason and Bobby Chin – both of whom are retiring from the Board. Their insights and contributions over the years have been invaluable.

Good governance is fundamental for long-term business sustainability and value creation for our stakeholders. Our efforts on this front continue to be recognised as we were named ASEAN's Top 5 and Singapore's Top 3 Publicly Listed Companies at the 2nd ASEAN Corporate Governance Awards. We are committed to maintaining the highest standards of governance and will continue to improve our policies and processes.

Yours sincerely,

SIMON ISRAEL
Chairman

"New technologies like 5G will converge with IoT and AI to usher in an era of hyper-connectivity that will redefine whole industries and consumer lifestyles. Our 5G investments are part of longer-term plans to position us for future growth."

GCEO Review

Dear Shareholders,

TURNING THE CORNER ON A CHALLENGING YEAR

We have executed well and gained mobile share in our core markets in Singapore and Australia against intense competition. However, the past year was far from business as usual. Our results were affected by carriage pricing erosion in the enterprise segment and challenging conditions in India and Indonesia. Competition intensified across virtually all our markets as operators jostled for market share while advances in technology continued to disrupt the telco industry, putting more pressure on prices and return on investment. With currency headwinds and the exceptional gain recorded last year from our NetLink Trust divestment, net profit dropped 44% to S$3.1 billion. Our underlying net profit declined 21%.

Against this backdrop of tougher industry and business conditions, we stayed the course on digital transformation which puts us in good stead. Our efforts to stay relevant to customers through digitalisation paid off as our core consumer business raised the bar in products and services and customer service standards. The race by governments and enterprises to digitalise their processes and operations also presented new opportunities for our enterprise business, particularly Trustwave and NCS. Having invested in deepening our capabilities in cyber security, cloud, data analytics and IoT, ICT services now constitute 48% of our enterprise revenue. Amid a difficult year, we were financially disciplined and prudent in managing our costs and investments. Our strong free cash flow generation and balance sheet give us one of the strongest credit ratings among telecom companies.

REGIONAL MARKET GROWTH

We have a unique regional presence that is of scale. Our positive long-term view of our regional assets and diversification hasn't changed. While it was a particularly bruising year for India which faced such aggressive competition that only three operators now stand, Airtel has weathered the storm and strengthened its balance sheet with a rights issue to further compete in a consolidated market that remains buoyed by the growth potential of Digital India. Indonesia had a nationwide SIM card registration exercise which affected the industry but the market is now recovering. Globe had a stellar year with robust revenue share growth in mobile and broadband, and AIS continued to lead the market in Thailand. We expect our associates to deliver positive growth fueled by exponential growth in smartphone adoption and a plethora of applications and content.

DIFFERENTIATING A RESILIENT CORE

The competitive landscapes in our core markets of Singapore and Australia have changed with more players, including MVNOs, in the industry coupled with increasing capital intensity with 5G rollout expectations. Our businesses will accelerate digitalisation, automation and robotic processes combining AI tools and data analytics to drive productivity, cost savings and better customer experiences. We have differentiated with product innovations, quality content and partnerships that were well-received by customers. We remain committed to providing superior network coverage and connectivity and leading the way to 5G. While 5G spectrum policy is still being finalised in Singapore, we are piloting the island's first 5G network. In Australia, Optus with its extensive 5G spectrum portfolio became the first carrier to provide high-speed home broadband services on 5G.

DRIVING NEW GROWTH IN DIGITAL

As governments race to build smart cities and enterprises future-proof their operations, we will leverage this rising tide of digitalisation to drive growth in our ICT and digital businesses. Both our cyber security business Trustwave and digital marketing arm Amobee, while not yet profitable, have executed their strategies. We are confident they will continue their revenue growth momentum to become leading players.

We are also pursuing new growth by developing a regional digital ecosystem that unlocks the value of the Group's 690 million strong customer base. Given that Singtel, Optus and all our associates remain leaders in their respective markets, we're jointly tapping into these markets in the mobile payments, financial services, esports and gaming spaces. The size of our combined markets, our irrefutable network leadership and product innovation, and our valuable customer relationships – position us to drive synergies and reap benefits from such an ecosystem.

SUSTAINABILITY AND FUTURE-READINESS

We remain committed to creating sustainable business growth while driving positive change in our communities. As our digital transformation accelerates, we are investing in building a future-ready team. Our reskilling efforts include working with researchers and partners within the ecosystem in the areas of cyber security and 5G to develop capabilities for the new economy. Our diversity and inclusiveness are vital to our transformation process. As women comprise half of the Group's customers, women now constitute a third of our workforce, management and Board which helps us better understand and answer to the needs of our stakeholders. We stay dedicated to the vulnerable segments in our society with our flagship philanthropy programme, the Singtel Touching Lives' Fund, supporting the education of children and youth with special needs in Singapore. We are giving back to the larger society, having contributed to Perth's landmark Optus Stadium last year and most recently, Esplanade's new waterfront theatre in Singapore.

I would like to thank the Board for their guidance, and our partners and shareholders for their continued support for our transformation efforts. My appreciation also goes to the Singtel team and our union leadership whose unstinting commitment to change has helped sustain our successful record thus far.

Yours sincerely,

CHUA SOCK KOONG
Group Chief Executive Officer

"We expect our associates to deliver positive growth fueled by exponential growth in smartphone adoption and a plethora of applications and content."

Who We Are

Asia's leading communications technology group

In the course of our 140-year history, we have played a key role in Singapore's development as a telecommunications hub for the region. Together with our regional associates AIS, Airtel, Globe and Telkomsel, we've grown to become Asia's leading communications technology group, providing an extensive range of telecommunications and digital services to consumers and businesses across Asia, Australia, Africa and the US. Through constant innovation in next-generation technologies and a deep understanding of our markets, we are bringing the future of connectivity closer to our customers.

Over
690m
mobile customers in
21
countries

60
Enterprise global offices in
23
countries

Notes:
(1) Based on direct equity interest only.
(2) Singtel has 21.5% interest in Globe's voting shares.
All figures as at 31 March 2019 unless otherwise stated.

India | South Asia | Africa

airtel

39.5% effective interest
Mobile customers:
283m (India)
2.6m (South Asia)
99m (Africa)

Thailand

AIS

23.3% of ordinary shares (1)
41m mobile customers

INTOUCH

21.0% of ordinary shares
An investor in telcos, media and technology

Philippines

Globe

47.1% of ordinary shares (2)
83m mobile customers

Indonesia

TELKOMSEL
by Telkom Indonesia

35.0% effective interest
169m mobile customers

Singapore

Singtel

4.2m mobile customers
0.6m broadband customers

Australia

OPTUS

10.3m mobile customers
1.2m broadband customers

Our Businesses and Strategy

From telco to global communications technology company

Vision

To be Asia Pacific's best communications technology company.

Mission

To create sustainable long-term growth, deliver superior shareholder returns and generate positive impact for stakeholders.

Strategic Priorities

- Accelerating Digital Transformation
- Digitalising Core Businesses
- Growing New Digital Services
- Building a Regional Digital Ecosystem
- Championing Sustainability

Differentiators

- Customer Relationships
- Connectivity
- Network Leadership
- Data Insights
- Digital Innovation

Businesses

The digital revolution has brought a slew of new opportunities for Singtel as consumers and enterprises embrace the connected world. We are accelerating our digital transformation in preparation for a more intelligent future with the convergence of technologies such as AI, IoT and 5G that will radically change how we live and do business. We have developed new digital growth drivers such as cyber security and digital marketing that leverage our existing assets and strengths in connectivity and smart data. We are also leveraging our regional scale and reach to drive a digital ecosystem, that includes mobile financial services and new forms of content, to unlock the value of our more than 690 million mobile customer base.

Group Consumer

Offers a range of digital services from music, OTT video, to mobile payments in addition to voice, messaging, broadband and pay-TV.

Read more about Group Consumer from page 29 – 40.

Group Enterprise

Delivers core enterprise ICT services as well as cloud, IoT, cyber security and smart city solutions.

Read more about Group Enterprise from page 41 – 46.

Group Digital Life

Focuses on digital marketing, data analytics and OTT video.

Read more about Group Digital Life from page 47 – 52.

Stakeholders

- Customers
- Investors
- Communities
- Regulators and Governments
- Employees

The Value We Create

Beyond connecting people and enabling businesses, we believe in creating value for our customers, our investors, our people, and the communities in which we operate.

For Our Customers

Our regional associates now have more than

319m

mobile data users, a

15%

increase from a year ago.

Providing secure high-speed data connectivity with

428

points of presence in

362

cities globally.

For Our Investors

We paid

S$2,857m

in dividends and

S$393m

in interest.

5-year Total Shareholder Return

Singtel	1.0%
Straits Times Index	3.6%

Source: Bloomberg, 2014-2019

Accolades

- #1 in Singapore Governance and Transparency Index 2018
- ASEAN's Top 5 Publicly Listed Companies at ASEAN Corporate Governance Awards 2018
- Singapore's Top 3 Publicly Listed Companies at ASEAN Corporate Governance Awards 2018

For Our People

We supported more than

200

students through our internship and scholarship programmes this year.

In FY 2019, we invested over

S$26m

to train staff in Singapore and Australia, clocking an average of about

29

hours per person.

For Our Communities

Our digital citizenship programmes taught digital literacy to over

380,000

students in Singapore and Australia since FY 2016.

We supported more than

8,000

SMEs in their digitalisation journey since the launch of the 99%SME campaign.

This year we achieved a

64%

carbon emissions intensity reduction from baseline year of FY 2015.

We contributed

S$20.3m

to the community and spent

26,709

hours in staff volunteering in FY 2019.

Board of Directors

Simon Israel

- Non-executive and non-independent Director
- Chairman, Singtel Board
- Chairman, Finance and Investment Committee
- Member, Corporate Governance and Nominations Committee
- Member, Executive Resource and Compensation Committee
- Member, Optus Advisory Committee
- Date of appointment: Director on 4 July 2003 and Chairman on 29 July 2011
- Last re-elected: 29 July 2016
- Number of directorships in listed companies (including Singtel): 3

Mr Simon Israel, 66, is the Chairman of Singapore Post Limited and a Director of Fonterra Co-operative Group Limited and Stewardship Asia Centre CLG Limited. He is also a member of the Governing Board of Lee Kuan Yew School of Public Policy and Westpac's Asia Advisory Board. Simon is a former Director of CapitaLand Limited and Stewardship Asia Centre Pte. Ltd.

Simon was an Executive Director and President of Temasek Holdings (Private) Limited before retiring on 1 July 2011. Prior to that, he was Chairman, Asia Pacific of the Danone Group. Simon also held various positions in Sara Lee Corporation before becoming President (Household & Personal Care), Asia Pacific.

Simon was conferred Knight in the Legion of Honour by the French government in 2007 and awarded the Public Service Medal at the Singapore National Day Awards 2011. He holds a Diploma in Business Studies from The University of the South Pacific.

Chua Sock Koong

- Executive and non-independent Director
- Member, Optus Advisory Committee
- Date of appointment: Director on 12 October 2006 and Group Chief Executive Officer (CEO) on 1 April 2007
- Last re-elected: 28 July 2017
- Number of directorships in listed companies (including Singtel): 2

Ms Chua Sock Koong, 61, was appointed Group CEO on 1 April 2007. She has overall responsibility for the Group's businesses.

Sock Koong joined Singtel in June 1989 as Treasurer before becoming CFO in April 1999. She held the positions of Group CFO and CEO, International from February 2006 to 12 October 2006, when she was appointed Deputy Group CEO.

Sock Koong sits on the boards of Bharti Airtel Limited, Bharti Telecom Limited, the Defence Science and Technology Agency, Cap Vista Pte Ltd and key subsidiaries of the Singtel Group. She is also Deputy Chair of the GSMA Board.

She is a member of the Singapore Management University Board of Trustees, the Public Service Commission, the Research, Innovation and Enterprise Council and the Indonesia-Singapore Business Council. She is also an alternate member of Singapore's Council of Presidential Advisers.

Sock Koong holds a Bachelor of Accountancy (First Class Honours) from the University of Singapore. She is a Fellow Member of the Institute of Singapore Chartered Accountants and a CFA charterholder.

Gautam Banerjee

- Non-executive and independent Director
- Member, Audit Committee
- Member, Risk Committee
- Date of appointment: 1 March 2018
- Last re-elected: 24 July 2018
- Number of directorships in listed companies (including Singtel): 4

Mr Gautam Banerjee, 64, is Senior Managing Director of Blackstone Group and Chairman of Blackstone Singapore Pte Ltd. Gautam spent over 30 years with PricewaterhouseCoopers (PwC) and was a Senior Partner and Executive Chairman of PwC Singapore until he retired on 31 December 2012.

Gautam sits on the boards of Singapore Airlines Limited, Piramal Enterprises Limited, The Indian Hotels Company Limited, GIC Private Limited and EDBI Pte Ltd. He also serves in several not-for-profit organisations including Defence Science and Technology Agency, Listings Advisory Committee of the Singapore Exchange, Singapore Legal Service Commission and Yale-NUS College. He was a Director of The Straits Trading Company Limited.

Gautam holds a Bachelor of Science (Honours) and an Honorary Doctor of Laws (LLD) from Warwick University. He is a fellow member of the Institute of Chartered Accountants in England and Wales, the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors.

Dominic Barton

- Non-executive and independent Director
- Member, Finance and Investment Committee
- Member, Risk Committee
- Date of appointment: 25 March 2019
- Number of directorships in listed companies (including Singtel): 2

Mr Dominic Barton, 56, is Senior Partner of McKinsey & Company. Until July 2018, Dominic was the Global Managing Partner of McKinsey & Company. Prior to that, he was based in Shanghai as McKinsey's Asia Chairman and also led the Korea office.

Dominic is the Chairman of Teck Resources Limited. He is the Chancellor of the University of Waterloo, the Chairman of the International Integrated Reporting Council, the Canadian Minister of Finance's Advisory Council on Economic Growth and the Seoul International Business Advisory Council. He is also a trustee of the Brookings Institution, a member of the Singapore Economic Development Board's International Advisory Council, and a member of the boards of Memorial Sloan Kettering in New York City and the Asia Pacific Foundation of Canada. He is one of the founders of FCLT Global.

Dominic holds a Bachelor of Arts (Honours) in Economics from the University of British Columbia and a Master of Philosophy in Economics from Oxford University, where he studied as a Rhodes Scholar.

Board of Directors

Bobby Chin

- Non-executive and independent Director
- Chairman, Audit Committee
- Member, Risk Committee
- Date of appointment: 1 May 2012
- Last re-elected: 24 July 2018
- Number of directorships in listed companies (including Singtel): 4

Mr Bobby Chin, 67, is a member of the Council of Presidential Advisers and Chairman of the Corporate Governance Advisory Committee, the Housing & Development Board, NTUC Fairprice Co-operative Limited and NTUC Fairprice Foundation Ltd. He is the Deputy Chairman of NTUC Enterprise Co-operative Limited. He serves on the boards of the Singapore Labour Foundation and Temasek Holdings (Private) Limited. He is Chairman of Frasers Commercial Asset Management Ltd and also a Director of several listed companies, namely Yeo Hiap Seng Limited, Ho Bee Land Limited and AV Jennings Limited.

Bobby was the Managing Partner of KPMG Singapore from 1992 until his retirement in September 2005. He was a Director of SembCorp Industries Ltd.

Bobby holds a Bachelor of Accountancy from the University of Singapore. He is an associate member of the Institute of Chartered Accountants in England and Wales.

Venky Ganesan

- Non-executive and independent Director
- Chairman, Technology Advisory Panel
- Member, Finance and Investment Committee
- Date of appointment: 2 February 2015
- Last re-elected: 24 July 2018
- Number of directorships in listed companies (including Singtel): 1

Mr Venkataraman (Venky) Ganesan, 45, is one of the Managing Partners of Menlo Ventures, a top-tier Silicon Valley venture capital firm. He focuses on investments in the consumer and enterprise sectors. Venky sits on the boards of several portfolio companies of Menlo Ventures. He is also a Board member of Amobee, Inc., a wholly-owned subsidiary of Singtel.

Prior to joining Menlo Ventures, Venky was Managing Director at Globespan Capital Partners. Before Globespan, he was one of the founders of Trigo Technologies. He also worked at McKinsey & Company and Microsoft as a Program Manager. He is the former Chair of the National Venture Capital Association and a former Director of Gild, Inc., Handle, Inc., Palo Alto Networks Inc and Virident Systems.

Venky holds a Bachelor of Arts in Economics-Mathematics from Reed College and a Bachelor of Science in Engineering and Applied Science (Honours) from the California Institute of Technology in the US.

Bradley Horowitz

- Non-executive and independent Director
- Member, Finance and Investment Committee
- Member, Technology Advisory Panel
- Date of appointment: 26 December 2018
- Number of directorships in listed companies (including Singtel): 1

Mr Bradley Horowitz, 54, is Vice President of Product Management at Google, Inc. Over the past decade, Bradley has led product development for a wide array of consumer products at Google including Gmail, Google Drive & Docs, Blogger, Google Voice, Google News and Google Photos. Prior to joining Google, he was the Vice President of Advanced Development at Yahoo, Inc.

Bradley is an independent Director of Issuu, Inc. and also a member of the Visiting Committee of Media Lab at the Massachusetts Institute of Technology.

Bradley holds a Bachelor in Computer Science from the University of Michigan and a Masters in Media Science from the Media Lab at the Massachusetts Institute of Technology.

Gail Kelly

- Non-executive and independent Director
- Member, Audit Committee
- Member, Executive Resource and Compensation Committee
- Member, Optus Advisory Committee
- Date of appointment: 26 December 2018
- Number of directorships in listed companies (including Singtel): 1

Mrs Gail Kelly, 63, is a Board Director of Australian Philanthropic Services. She is also a Senior Global Adviser to UBS and a member of the Group of Thirty, Bretton Woods Committee, McKinsey Advisory Council and PLuS Alliance Advisory Board.

Gail's executive banking career spanned 35 years. She was the Group Chief Executive Officer and Managing Director of two banks in Australia – St.George Bank from 2002 to 2007 and Westpac Banking Corporation from 2008 to 2015. She was previously a Director of Woolworths Holdings Limited in South Africa, Country Road Group, David Jones and the Business Council of Australia.

Gail holds a Bachelor of Arts and Higher Diploma of Education from the University of Cape Town and a Masters of Business Administration (with Distinction) from the University of the Witwatersrand. She has been awarded an Honorary Doctorate of Business by the University of New South Wales, Macquarie University and Charles Sturt University and an Honorary Doctorate of Science in Economics by the University of Sydney.

Board of Directors

Low Check Kian

- Non-executive and Lead Independent Director
- Chairman, Corporate Governance and Nominations Committee
- Member, Finance and Investment Committee
- Date of appointment: Director on 9 May 2011 and Lead Independent Director on 21 July 2015
- Last re-elected: 28 July 2017
- Number of directorships in listed companies (including Singtel): 2

Mr Low Check Kian, 60, is a Director of Cluny Park Capital. He was previously one of the founding partners of NewSmith Capital Partners LLP (NewSmith), an independent partnership providing corporate finance advice and investment management services with its headquarters based in London. Prior to founding NewSmith, he was a Senior Vice President and member of the Executive Management Committee of Merrill Lynch & Co and its Chairman for the Asia Pacific region.

Check Kian also sits on the boards of Broadcom Limited, Singtel Innov8 Pte. Ltd. and Singtel Innov8 Holdings Pte. Ltd., and is a trustee of the Singapore London School of Economics Trust and Nanyang Technological University. He was a Director of Neptune Orient Lines Limited and Fullerton Fund Management Company Ltd.

Check Kian holds a B. Sc (First Class Honours) and M. Sc in Economics from the London School of Economics.

Peter Mason AM [1]

- Non-executive and independent Director
- Chairman, Executive Resource and Compensation Committee
- Chairman, Optus Advisory Committee
- Date of appointment: 21 September 2010
- Last re-elected: 29 July 2016
- Number of directorships in listed companies (including Singtel): 2

Mr Peter Mason, 72, is Chairman of AusNet Services Limited and a Senior Advisor to UBS Australia. He is a Director of the Centre for Independent Studies.

Peter has more than 40 years' experience in investment banking, including JP Morgan and Schroders. He has been Chairman and a Director of a number of Australian companies.

Peter is a Member of the Order of Australia. He holds a Bachelor of Commerce (First Class Honours), an MBA and an Honorary Doctorate from The University of New South Wales, Australia.

Note:
[1] Member of the Order of Australia.

Christina Ong

- Non-executive and independent Director
- Member, Audit Committee
- Member, Corporate Governance and Nominations Committee
- Date of appointment: 7 April 2014
- Last re-elected: 29 July 2016
- Number of directorships in listed companies (including Singtel): 4

Mrs Christina Ong, 67, is Co-Chairman and Senior Partner of Allen & Gledhill LLP as well as Co-Head of its Financial Services Department. She is a Director of Hongkong Land Holdings Limited, Oversea-Chinese Banking Corporation Limited, SIA Engineering Company Limited and Epimetheus Ltd. Christina is a member of the Catalist Advisory Panel and the Corporate Governance Advisory Committee, a trustee of The Stephen A. Schwarzman Scholars Trust and a member of the Supervisory Committee of the ABF Singapore Bond Index Fund. She also sits on the boards of companies and entities which are owned by Allen & Gledhill LLP. She is a former Director of Singapore Tourism Board and Trailblazer Foundation Ltd.

Christina is a lawyer and she provides corporate and corporate regulatory and compliance advice, particularly to listed companies. Her areas of practice include banking and securities.

Christina holds a Bachelor of Laws (Second Upper Class Honours) from the University of Singapore. She is a member of the Law Society of Singapore and the International Bar Association.

Teo Swee Lian

- Non-executive and independent Director
- Chairman, Risk Committee
- Member, Corporate Governance and Nominations Committee
- Member, Executive Resource and Compensation Committee
- Date of appointment: 13 April 2015
- Last re-elected: 24 July 2018
- Number of directorships in listed companies (including Singtel): 3

Ms Teo Swee Lian, 59, is the Chairman of CapitaLand Mall Trust, a Director of AIA Group Ltd, Avanda Investment Management Pte Ltd, Clifford Capital Pte. Ltd. and Dubai Financial Services Authority, a member of the Governing Board of the Duke-NUS Medical School and a council member of the Asian Bureau of Finance & Economic Research of NUS Business School.

Swee Lian was Special Advisor in the Managing Director's Office at the Monetary Authority of Singapore (MAS) until she stepped down in early June 2015. Prior to that, she was the Deputy Managing Director in charge of Financial Supervision at the MAS, where she oversaw macroeconomic surveillance, regulation and supervision of the banking, insurance and capital markets industries. Swee Lian was also a member of the Corporate Governance Council formed by the MAS and the Singapore Exchange Diversity Action Committee.

Swee Lian holds a B. Sc (First Class Honours) in Mathematics from Imperial College, London University and an M. Sc in Applied Statistics from Oxford University.

Notes:
1. Information as at 15 May 2019.
2. Mr Peter Ong stepped down from the Singtel Board following the conclusion of the Annual General Meeting on 24 July 2018.

Organisation Structure

Group Chief Executive Officer
Chua Sock Koong

Group Businesses

Chief Executive Officer Consumer Australia / Chief Executive Officer Optus
Allen Lew

Chief Executive Officer Consumer Singapore / Group Chief Digital Officer
Yuen Kuan Moon

Chief Executive Officer Group Enterprise / Country Chief Officer Singapore
Bill Chang

Chief Executive Officer Group Digital Life
Samba Natarajan

Chief Executive Officer International
Arthur Lang

Corporate Functions

Audit Committee

Group Chief Internal Auditor
Craig Young

Group Chief Corporate Officer
Jeann Low

Group Chief Financial Officer
Lim Cheng Cheng

Group Chief Human Resources Officer
Aileen Tan

Group Chief Information Officer
William Woo

Group Chief Technology Officer
Mark Chong

Management Committee

Chua Sock Koong

Ms Chua Sock Koong, 61, was appointed Group CEO on 1 April 2007. She has overall responsibility for the Group's businesses.

Sock Koong joined Singtel in June 1989 as Treasurer before becoming CFO in April 1999. She held the positions of Group CFO and CEO, International from February 2006 to 12 October 2006, when she was appointed Deputy Group CEO.

Sock Koong sits on the boards of Bharti Airtel Limited, Bharti Telecom Limited, the Defence Science and Technology Agency, Cap Vista Pte Ltd and key subsidiaries of the Singtel Group. She is also Deputy Chair of the GSMA Board.

She is a member of the Singapore Management University Board of Trustees, the Public Service Commission, the Research, Innovation and Enterprise Council and the Indonesia-Singapore Business Council. She is also an alternate member of Singapore's Council of Presidential Advisers.

Sock Koong holds a Bachelor of Accountancy (First Class Honours) from the University of Singapore. She is a Fellow Member of the Institute of Singapore Chartered Accountants and a CFA charterholder.

Bill Chang

Mr Bill Chang, 52, was appointed Chief Executive Officer, Group Enterprise on 16 July 2012. He leads the infocomm and technology (ICT) team, providing solutions to enterprise customers. He also assumed the role of Country Chief Officer Singapore on 1 October 2014, as principal liaison with local and regulatory bodies.

Bill joined Singtel in November 2005 as Executive Vice President of Corporate Business and subsequently as Managing Director, Business Group.

Bill is the Chairman of the Singapore Polytechnic Board of Governors and co-chaired the Future Jobs and Skills Sub-committee of the Committee on the Future Economy of Singapore. He is a member of the Australian Institute of Company Directors' International Advisory Technology Governance and Innovations Panel, and the Board of Urban Redevelopment Authority of Singapore.

For his contributions, Bill has won multiple recognitions including the Public Service Star in conjunction with National Day Honours, the Singapore Computer Society's IT Leader of the Year award in 2017, and the honorary Fellow of the Society in 2014.

Bill graduated with a Bachelor of Engineering (Honours) in Electrical and Computer Systems Engineering from Monash University, Australia and attended the Harvard Business School's Advanced Management Program.

Management Committee

Mark Chong

Mr Mark Chong, 55, was appointed Group Chief Technology Officer on 1 April 2017. He leads the Group's technology strategy and innovations in the transformation of its networks and businesses across Singapore and Australia. Prior to his appointment, Mark was CEO, International from January 2013 to March 2017.

Mark joined Singtel in 1997 and has held various executive positions in the company including the roles of EVP (Networks) in Singapore and Chief Operating Officer of Advanced Info Service Public Company Limited (AIS), Singtel's associate in Thailand.

Mark has represented Singtel on the Boards of public listed companies such as Globe Telecom, Bharti Infratel, CS Loxinfo PCL and other non-listed companies such as OpenNet. He is currently Chairman of Bridge Mobile Alliance and an Authority member of the Civil Aviation Authority of Singapore.

He graduated with a Bachelor of Electronics Engineering and Master in Research in Electronic Systems from ENSERG, Grenoble, France, on a Singapore Government scholarship. Mr Chong obtained his MBA from the National University of Singapore. He is a Senior Fellow with the Singapore Computer Society.

Arthur Lang

Mr Arthur Lang, 47, is CEO, International having joined Singtel in January 2017. His main responsibilities are to oversee the growth of the Group's regional associates across Africa, India, Indonesia, the Philippines and Thailand, strengthen their relationships with overseas partners, and drive regional initiatives, such as the regional mobile financial and gaming businesses, for scale and synergies.

Prior to joining Singtel, Arthur was Group Chief Financial Officer of CapitaLand Limited, where he also ran CapitaLand's real estate fund management business. Prior to CapitaLand, Arthur was at Morgan Stanley where he was Co-head of the Southeast Asia investment banking division and Chief Operating Officer of the Asia Pacific investment banking division.

Arthur is a board member of Airtel Africa, Globe Telecom, Bharti Infratel Limited, NetLink NBN Trust, the Land Transport Authority of Singapore, the National Kidney Foundation and the Straits Times School Pocket Money Fund. He also sits on the Advisory Board of the Lee Kong Chian School of Business, SMU. In 2018, Arthur was awarded the Public Service Medal for his contributions.

Arthur has an MBA from the Harvard Business School and a BA in Economics (magna cum laude) from Harvard University.

Allen Lew

Mr Allen Lew, 64, was appointed Chief Executive Officer, Consumer Australia and Chief Executive Officer, Optus on 1 October 2014.

Prior to that, Allen was CEO, Group Digital Life where he transformed the Group into a leading player in the digital ecosystem. He was also Country Chief Officer Singapore.

Allen began his career with Singtel on 7 November 1980 and has served in various senior management roles, both in Singapore and overseas. His first overseas posting was to Advanced Info Service Public Company Limited (AIS), Singtel's regional associate. He was the Chief Operating Officer of AIS for three years before his posting to Optus in late 2001, as Managing Director of Optus Mobile and later as Managing Director of Optus Consumer Business. He returned to Singapore as CEO Singapore in 2006.

Allen is the Chairman of the AIS Executive Committee.

He holds a Bachelor of Electrical Engineering from the University of Western Australia under a Colombo Plan Scholarship and a Master of Science (Management) from the Massachusetts Institute of Technology.

Lim Cheng Cheng

Ms Lim Cheng Cheng, 47, is Group Chief Financial Officer. She assumed this role on 10 April 2015 and is responsible for the Singtel Group's finance-related functions including tax, treasury and investor relations.

Cheng Cheng has over 24 years of experience in finance and mergers and acquisitions. She joined Singtel in 2012 as Vice President, Group Strategic Investment and was appointed Deputy GCFO on 1 October 2014. Prior to that, she was Managing Director, Group Strategic Investments.

Before joining Singtel, Cheng Cheng was Executive Vice President and CFO at SMRT Corporation. She also worked at Singapore Power for 10 years in various corporate planning, investments and finance roles, the last being Head and Vice President (Financial Planning and Analysis).

Cheng Cheng is a non-executive, non-independent Director at SingPost and is the winner of the Best CFO (big cap) title at the 2018 Singapore Corporate Awards. Cheng Cheng also serves on the Board of Governors of Raffles Girls' School.

Cheng Cheng holds an MBA from the University of Chicago Booth School of Business and a Bachelor of Accountancy from Nanyang Technological University. She is a Chartered Accountant (Singapore) of the Institute of Singapore Chartered Accountants.

Management Committee

Jeann Low

Ms Jeann Low, 58, was appointed Group Chief Corporate Officer on 10 April 2015. She is responsible for the Group's corporate functions including strategy, mergers and acquisitions, corporate communications, legal, regulatory and procurement.

Prior to this role, she was Group Chief Financial Officer for seven years. Jeann joined Singtel on 12 October 1998 as Group Financial Controller and has held several management roles including Executive Vice President of Strategic Investments and CFO of Optus.

Jeann is a member of the Governing Board of the Lee Kong Chian School of Medicine. She is also a Director of Advanced Info Service Public Company Limited (AIS) and Intouch Holdings Public Company Limited.

Jeann holds an Honours Degree in Accountancy from the National University of Singapore and is a Fellow Member of the Institute of Singapore Chartered Accountants.

Samba Natarajan

Mr Samba Natarajan, 53, is Chief Executive Officer, Group Digital Life. He joined Singtel in May 2014 as Managing Director of Digital Enterprise, leading a team focused on identifying and executing on growth opportunities from emerging technology trends.

Samba has more than 25 years of corporate and consulting experience across a wide range of senior roles in the areas of strategy, business development and finance. He worked for Citibank from 1988 to 1997 and McKinsey & Company from 1999 to 2014. In his last role at McKinsey, he was the Leader of Southeast Asia Technology, Media & Telecommunications practice.

Samba serves on the Board of Directors of Globe Telecom in the Philippines. He is also a member of the Board of the Singapore American School.

Samba holds a Bachelor of Engineering degree in Electrical Engineering with distinction from the Birla Institute of Technology and Science in Pilani, India; a Post Graduate Diploma in Management from the Indian Institute of Management in Ahmedabad, India, and an MBA from the Wharton School, University of Pennsylvania, USA where he was a Ford Fellow and a Palmer Scholar.

Aileen Tan

Ms Aileen Tan, 52, Group Chief Human Resources Officer, is responsible for the development of human resources across the Singtel Group. She also leads its corporate sustainability function.

Aileen joined Singtel in June 2008 as Group Director, Human Resources. Prior to that, she was Group General Manager, Human Resources at WBL Corporation Limited and Vice President, Centres of Excellence with Abacus International Pte Ltd.

She co-chairs the Ministry of Manpower's HR Industry Transformation Advisory Panel and is a member of the Institute for Human Resource Professionals (IHRP) Board, Singapore University of Social Sciences Board of Trustees and the Home Nursing Foundation Board.

Aileen graduated with a Bachelor of Arts from the National University of Singapore. She holds a Master of Science in Organisational Behaviour from the California School of Professional Psychology, Alliant International University, US. She is a pioneer IHRP Master Professional, conferred by the IHRP in recognition of her being a role model for the HR profession. She received the Public Service Medal in 2018 for significant contributions to the human resources sectors in Singapore.

William Woo

Mr William Woo, 55, was appointed Group Chief Information Officer from 1 August 2017. William was Managing Director of Enterprise Data and Managed Services and Managing Director of Cyber Security at Group Enterprise.

He joined Singtel in May 2011 from Xchanging PLC, where he was Managing Director for the Southeast Asia region.

Prior to that, William spent 20 years at EDS and had held various senior management roles which included Managing Director of Southeast Asia & India and Vice President, Global Service Delivery of Asia, responsible for leading the Information Technology Outsourcing, Business Process Outsourcing and Applications service delivery across the Asia region. He started his career with the National Computer Board.

William graduated with a Bachelor of Applied Science in Computing (Distinction) from the Queensland University of Technology, Australia, and holds an Executive MBA from the National University of Singapore.

Management Committee

Yuen Kuan Moon

Mr Yuen Kuan Moon, 52, was appointed Chief Executive Officer, Consumer Singapore in June 2012. He leads the Singapore consumer business to deliver an integrated suite of mobile, broadband and TV services. Concurrently, Moon is responsible for driving the Group's digital transformation as Group Chief Digital Officer, a role that was created to unlock digital growth opportunities in an era of disruption.

Since joining Singtel in February 1993, Moon has held several leadership roles in Marketing, Business Development and Sales, including VP of Regional Operations and EVP of Digital Consumer.

In 2003, Moon was posted to Telkomsel as General Manager for Product Development and appointed Director of Commerce from 2005 to 2007. He has served on the Board of Commissioners in Telkomsel since 2009.

Moon was appointed to the Board of SkillsFuture Singapore in October 2016, and the Board of Advisors of the Institute of Service Excellence at SMU in January 2018. He was appointed a member of the Digital Readiness Council Steering Committee in November 2018.

Moon holds a First Class Honours degree in Engineering from the University of Western Australia and a Master of Science in Management from Stanford University.

Senior Management

Chia Wee Boon
Chief Excutive Officer
NCS, Group Enterprise

Hui Weng Cheong
President & Chief Operating Officer
AIS

Murray King
Chief Financial Officer
Optus

Ng Kuo Pin
Deputy Chief Executive Officer
NCS, Group Enterprise

Kim Perell
Chief Executive Officer
Amobee, Group Digital Life

Kelly Bayer Rosmarin
Deputy Chief Executive Officer
Optus

Arthur Wong
Chief Executive Officer
Global Cyber Security, Group Enterprise

Group Consumer

Connecting consumers to a digital future

As consumers' lives become more digital, we'll bring them the convenience they need, connecting them to everything they love just as they'd want it. With our unparalleled network experience and digital services, access to mobile financial services and rich entertainment content, smart living will be even faster and easier. We're investing in new technologies and innovations to open up a world of digital possibilities, enriching their experiences, and connecting them to a digital future.

Group Consumer
Singapore

As Singapore's fastest and widest network provider, delivering a great customer experience is our number one priority. We are committed to going beyond coverage and connectivity to deepen our relationship with customers. Besides the latest devices and a wide range of plans, we also offer a host of innovative digital and lifestyle products and services that enhance their lives.

Engaging content

Singtel TV subscribers watched a total of

179,000

hours of television a month.

Source: SG-TAM

A digital customer experience

More customers are engaging with us through our digital channels with

1.1m

managing services through My Singtel app and

26%

of sales transactions carried out online.

CATERING TO CUSTOMERS' DIGITAL LIFESTYLE NEEDS

To enrich our customers' digital lifestyles, we developed exciting new products and services to meet their diverse needs. Our all-digital mobile plan, GOMO caters to millennials and digital natives who need huge data allowances and fuss-free terms which allow them to sign up for and manage their plans online. We now offer an Amazon Prime membership that comes with 2-hour delivery times for groceries and entertainment content perks. We also refreshed our XO plans with an expanded line-up, bundled with 24 months of premium HBO GO content on us, so customers can watch hugely popular shows such as Game of Thrones.

EXTENDING NETWORK LEADERSHIP

On the network front, we continue to deliver on our commitment to provide superior connectivity and coverage. For a record 17 consecutive quarters, we topped IMDA's 4G quality of service chart with a 99.9% outdoor coverage score.

We are paving the way to 5G by launching Singapore's first 5G pilot network and first live 5G facility in collaboration with Ericsson and Singapore Polytechnic. Called 5G Garage, the facility allows companies to ideate and test 5G use cases. We also created network history with the first Singapore-Australia 5G augmented reality video call, made to our Optus colleagues in Sydney, Australia.

DOUBLING DOWN ON CONTENT AT HOME AND ON-THE-GO

Quality content is an important part of our customer engagement strategy. We continue to enhance our Singtel TV and Singtel CAST offerings to connect customers to premium content at great value and on their preferred platforms. During the year, Singtel TV launched e-Le, our second in-house Asian entertainment channel, extended our Premier League rights and added Discovery lifestyle channels, as well as the full-suite of HBO channels. We now offer Premier

League matches to everyone in Singapore, with the contract-free Sports Plus pack on Singtel CAST.

POWERING UP OUR HOME SERVICES

Singapore's Open Electricity Market initiative marked a new chapter for us. We launched Singtel Power to offer electricity plans to our customers for the first time, partnering Geneco to deliver savings to residential households. With the addition of Singtel Power, we are excited to be a convenient one-stop shop for our customers' power and communications needs.

We know many of our customers are gamers who count on us for reliable and secure broadband connectivity. In 2018, we added an ultrafast broadband service with a dedicated 1Gbps bandwidth specially designed for gaming.

TRANSFORMING THE CUSTOMER SERVICE EXPERIENCE

We are choosing to engage our customers in new ways, strengthening our digitalisation efforts across key touchpoints – at our Singtel shops, online shop, hotline, web chat and My Singtel app. In addition to making purchases online, customers are increasingly turning to our self-help platforms such as our 24/7 self-serve kiosks and My Singtel app for on-demand assistance. More than 65% have opted to complete transactions on these channels. We will continue harnessing technologies such as AI, to provide customers with top-notch service innovations that add value and convenience to their lives.

Singtel Consumer Singapore CEO Yuen Kuan Moon with Jonathan Spink, CEO, HBO Asia mark our collaboration in the presence of iconic Game of Thrones characters, the 'Night King' and his 'White Walkers'.

Group Consumer
Australia

Optus is going further to connect customers with exceptional service, network and value. These three areas underpin our vision to become a world class digital service provider and stay ahead of the game.

Leading the way in 5G

Launched Australia's

1st

commercial 5G service.

On our way to deliver

1,200

5G sites by

2020

Mobile network leadership

We have invested

A$5.9b

since 2015 to improve our networks.

Our 4G network reaches

97.3%

of the population.

LEADING IN 5G TECHNOLOGY

In January 2019, Singtel, Optus and Ericsson successfully made a 5G video call between Singapore and Australia which used augmented reality – a worldwide first. This proved our 5G agility and was a key step in our commitment to lead 5G delivery in Australia. We also revealed the first details of our game-changing Optus 5G Home Broadband service in the Australian Capital Territory and in the process, became the first carrier in Australia to offer customers a 5G fixed wireless access service.

With our comprehensive spectrum assets and robust plan to deliver 1,200 5G sites by March 2020, more Optus customers will soon be enjoying the 5G experience.

Fixed wireless access is the first usable application for 5G. As 5G infrastructure rolls out, mobile, IoT and applications yet to be invented will leverage our next-generation network and provide Optus customers with even more amazing experiences.

PROVIDING PREMIUM NETWORK COVERAGE

Optus continues to deliver premium network coverage and connectivity that customers need, where they need it, at a competitive price.

Since 2015, Optus has invested A$5.9 billion to improve our network reach, capacity and quality. Our 4G service now covers 97.3% of the Australian population and we will continue to improve our network in the areas where Australians live, work and play.

In regional Australia, we reinforced our commitment to a strong nationwide network with our executive team striking out on visits across the nation, including Hobart and Launceston in Tasmania and Adelaide and the Barossa Valley in Southern Australia. The executive team spoke with customers, local businesses and community groups, and unveiled investment in the areas visited. The independent and respected P3 Connect Mobile Benchmark for 2018 ranked Optus as number one across voice and data for smaller towns and roads – a recognition of the strength of our network.

Along with this strong, growing nationwide network, Optus offers Australians choice, value, and competitive pricing.

DELIGHTING CUSTOMERS WITH CONTENT

We also know many of our customers value content, and our content offerings are delighting customers. As the home of elite European football, Optus Sport provides customers with live and on-demand content, along with expert analysis and highlights.

Optus has doubled down on football content, extending its Premier League rights and adding UEFA Champions League, UEFA Europa League and UEFA Nations League to Optus Sport.

Along with this, National Geographic's enhanced, new-look app, in partnership with Optus, provides users with a personalised content experience that offers live streaming channels, an immense photo library, digital articles, National Geographic magazine archives and more than 3,000 captivating short-form videos and documentaries, including new content produced with Optus exclusively for the app.

CREATING THE OPTUS OF THE FUTURE

With our business transformation now in full swing, we are embracing new technology and looking to efficiencies through digitalisation, advanced analytics and AI as we evolve into a more innovative and agile organisation.

We are making sure our customers see the benefits too. We know more and more customers wish to make changes and solve issues digitally, so we continue to provide more digital options for them to do so, including in-app features for My Optus app such as activation, and improved messaging and engagement.

The CEO Conversation

Connecting customers to a digital future

Increasingly connected digital lifestyles have dramatically changed what customers expect of telcos. Consumer Singapore CEO Yuen Kuan Moon and Optus CEO Allen Lew share how Singtel and Optus are evolving to better serve the digital consumer and stay competitive.

As the Singapore and Australia markets get more crowded, how are Singtel and Optus staying ahead of the competition?

Moon: We are upping the ante to create more value for our customers. From connectivity to content, we are creating a range of services and products that give our different customer segments what they need at best value rates. One example is our XO mobile plans bundled with up to 24 months of HBO GO which gives customers the services they need with the content they want.

As technology evolves, the Singtel customer experience is being transformed radically. We have ramped up digitalisation, making it faster and easier for customers to engage with us. 26% of our customers now make purchases online and about 65% engage with us through digital self-help channels.

Allen: Optus continues to differentiate through our premium national network, exceptional value offers and game-changing customer experiences. Sustained mobile network investment emphasises our network leadership claims particularly with the introduction of Optus 5G Home Broadband – the first service of its kind in Australia. Our exclusive content is a key differentiator. Our customers can't get enough of Optus Sport and our expanded global content offering with National Geographic.

Our focus areas of exceptional value, exceptional network and exceptional customer service are also resonating with our customers.

What is the focus of your strategy?

Moon: We are focused on accelerating the next phase of our transformation, to go beyond our core carriage foundations to deliver the best customer experience possible, whether it's online or in-person. Our customers tell us they want more content, convenience and digital engagement, with none of the fuss. This presents a great opportunity to deepen our relationship with them. Customers can expect us to go bigger on digital and lifestyle services and be the one-stop shop for all their communications and lifestyle needs.

Allen: The telecommunications industry has undergone significant disruption and the landscape we face today is very different from before. Our world is increasingly reliant on mobile devices and network access. Mobile devices are often the first thing we look at in the morning and the last thing before we go to bed – and in between, they allow us to communicate, share and stream with our family, friends and co-workers. With increased dependency on our services, customers' expectations are higher than ever and we're going further to deliver against them across all parts of our business.

What services are important to the digital consumer and how are you differentiating yourselves in these areas?

Moon: Exclusive and differentiated content is what sets us apart and customers are thrilled with our

We are focused on accelerating the next phase of our transformation, to go beyond our core carriage foundations to deliver the best customer experience possible.

Yuen Kuan Moon
CEO, Consumer Singapore

With increased dependency on our services, customers' expectations are higher than ever and we're going further to deliver against them across all parts of our business.

Allen Lew
CEO, Optus

Singtel TV and Singtel CAST offerings of Premier League football, Discovery lifestyle channels and ethnic content on in-house channels Jia Le and e-Le. On average, each household watches more than 100 hours of content a month across multiple platforms so content is a key priority and we will continue to invest in boosting our line-up. In addition, customers can expect more personalisation, such as real-time recommendations on products and services relevant to their needs, and smarter, on-demand, digital customer service.

Allen: Globally, there's a significant shift in viewing behaviour and video consumption. Optus has long recognised that content is king in a digital world and we are investing to bring premium content to our customers where they are, whenever they want it. For example, with sports being such a huge pastime in Australia, I'm proud that Optus is broadcasting all 52 matches of the 2019 FIFA Women's World Cup which commences in June and cements our reputation as the premium broadcaster of elite football in Australia.

As we enter a 5G era, what can customers expect from you in this area?

Moon: We are seeing 5G deployed as fixed wireless access solutions in large countries to enable high-speed internet. In Singapore, it's a different story. With residential fixed broadband penetration rates at almost 94%, consumers already enjoy one of the world's fastest connections. We are actively exploring potential 5G use cases, building an ecosystem and preparing our core infrastructure for when spectrum is allocated and standards are finalised.

Allen: 5G is here, and it's a game changer. It presents significant consumer and enterprise opportunities, and as a provider of 5G services, I see a major role for Optus in the digitalisation of the economy and the economic benefits that will result from it.

We have launched our 5G Home Broadband plans and set a robust rollout plan to deliver 1,200 5G sites by March 2020. Soon, Optus customers across Australia will be enjoying the 5G experience.

Group Consumer
Regional Associates

As consumers in the emerging markets grow increasingly reliant on their phones for access to essential services, our regional associates have seen the demand for data and digital services increase dramatically. This has spurred the Singtel Group to build a regional ecosystem of digital services to serve the some 690 million mobile customers across our regional footprint.

Asia's first cross-border mobile payment alliance

VIA connects more than

6m

mobile wallet users to over

1.7m

merchants in Singapore and Thailand

and will soon add some

14m

mobile wallet users and

200,000

merchants in the region.

Game on

Our inaugural PVP Esports Championship attracted over

18,000

gamers from around the region with the live finals watched by

13m

viewers online.

DIGITALISING TO ENHANCE CUSTOMER EXPERIENCES

The growth in demand for digital services across the region has seen our associates respond quickly with innovative digital products and services. They are investing resources to digitalise processes, developing channels such as online self-care services and fielding virtual assistants to help them better engage customers and handle the higher volumes of interactions from a growing customer base. Digitalisation has also allowed them to deliver more targeted and personalised content such as music, video and gaming directly through their own mobile apps, such as My Airtel, AIS Play and Telkomsel's MAXstream.

To meet the growing demand for data, our associates collectively invested S$8.9 billion in their networks over the past year to deliver faster, seamless connections and prepare for the next generation of connectivity.

They also continue to push services and solutions for small homes and businesses that complement their mobile offerings, with AIS making inroads with AIS Fibre in Thailand, and Globe expanding their fixed wireless home base in the Philippines.

IMPROVING MOBILE FINANCIAL OFFERINGS

As a Group, we are improving our mobile financial offerings to bring greater convenience to customers and drive financial inclusion. We are enhancing our mobile wallets, expanding our merchant networks and introducing more services that will help our customers, in particular the unbanked or under-banked, plug into the digital economy. In Indonesia, Telkomsel's Tcash is now LinkAja, a single mobile payments platform to facilitate cashless transactions, from utilities and transport payment to e-shopping, all without the need for a bank account. In the Philippines, Globe has embarked on data-driven lending, assigning a "trust score" to customers based on their GCash usage to determine credit worthiness.

In Singapore, Dash partnered with Apple and VISA, extending its acceptance network internationally through ApplePay and VISA Contactless points, and added Myanmar to its existing remittance corridors.

BUILDING A MOBILE FINANCIAL SERVICES ECOSYSTEM ACROSS THE REGION

The Group is leveraging its telco assets and scale to build a mobile financial ecosystem that will unlock growth potential in the region. To realise that vision, we debuted VIA, Asia's first cross-border mobile payment alliance. VIA gives travellers the convenience of using their local wallets that are part of the alliance at participating merchants in the region at competitive exchange rates, and widens the reach of small merchants to millions of consumers. Initially launched between Singapore and Thailand with AIS and Kasikornbank, VIA will soon be available in more countries such as Malaysia through Axiata Digital's Boost wallet and Japan through Netstars.

ENGAGING CONSUMERS THROUGH GAMING AND DIGITAL CONTENT

To connect with a millennial audience, the Group is moving towards becoming a leader in offering high quality gaming content. Our inaugural PVP Esports Championship was a huge success with the live finals played before a sold-out audience and broadcast on major streaming platforms such as Twitch, Facebook and Douyu.

We are extending our gaming focus by exploring opportunities with like-minded partners to drive the development of a vibrant gaming community in the region. We signed an MOU with South Korean gaming giant SK Telecom to grow regional gaming leagues, develop content and explore game distribution, with the aim of delivering a more holistic gaming experience for our millennial customers.

Singtel and AIS executives with Guest of Honour Thailand's Minister of Digital Economy and Society, Dr Pichet Durongkaveroj (centre), at the launch of VIA in Bangkok.

The CEO Conversation

Building an ecosystem of digital services for the region

Consumers are adopting a more digital lifestyle as the region pushes toward a connected digital economy. How is Singtel leveraging the strengths of the Group to stay ahead? International Group CEO Arthur Lang shares his thoughts on our regional strategy.

Some of Singtel's associates are facing fierce competition in their markets. What is the Group's strategy in this challenging environment?

Arthur: It remained a challenging year for Airtel, but the market in India is starting to stabilise and return to a healthier and more sustainable structure. With customers consuming an average of 11Gb of data each month, I remain optimistic about India's future in a data-driven economy. Elsewhere in the region, we are starting to see reduced headwinds.

It has always been our strategy to lead in network superiority and we are strengthening this leadership through continued investment which has seen AIS deliver fibre broadband in Thailand and Globe ready to launch 5G fixed wireless home broadband services in the Philippines later this year. We're also focused on product and services innovation to deliver a better customer experience for our 690 million mobile customers. For instance, in Indonesia, a vibrant hub for start-ups, Telkomsel established an investment fund to help promising companies accelerate growth. This is with a view of tapping into their ideas to enhance our content and digital services offerings that will help us monetise data growth.

The associates remain some of the strongest operators in their markets, and with high mobile penetration and mobile-first lifestyles in the region, I am excited about the tremendous growth potential of Asia's emerging markets as we build a regional ecosystem of digital services.

Why have you decided to expand into mobile financial services with Dash and VIA?

Arthur: The domestic wallet business is fragmented and hard to differentiate, with demand for mobile financial services – not just payments – on the rise. Against this backdrop, we see the potential for our mobile wallet Dash to be the foundation on which to develop a larger ecosystem of financial services. As we expand its merchant network and add more services, Dash is evolving into an app for all our customers' everyday financial and lifestyle needs whether in-store or online. Our associates are also executing similar strategies with their own mobile wallets.

We created VIA, Asia's first cross-border mobile payment alliance, to differentiate our wallets from many

> The associates remain some of the strongest operators in their markets, and with high mobile penetration and mobile-first lifestyles in the region, I am excited about the tremendous growth potential of Asia's emerging markets as we build a regional ecosystem of digital services.

Arthur Lang
CEO, International Group

localised wallet systems and to address the fragmented payments scene in the region. We see both Dash and VIA as twin engines of growth in mobile financial services.

How are you building on VIA to create a larger financial services ecosystem?

Arthur: VIA is the key to connecting the region and beyond with an interoperable platform that allows any wallet to easily tap into a larger consumer and merchant network across Asia. This means partners can access a huge addressable market with us as we build up the alliance, just as our customers will enjoy greater connectivity and shopping options across the region.

This also opens up smaller hyper-local merchants to a much larger pool of customers. The reach of the network has tremendous potential to benefit everyone. With such a platform, we can branch out to offer a greater range of financial services. We look forward to engaging the rest of our associates and inviting more partners to VIA as we enter into the second stage of this journey.

You've also made similar bold moves in esports. How do your esports initiatives synergise with your other digital businesses?

Arthur: Our esports initiatives are part of the Group's larger efforts to grow our digital content business and engage millennial and Gen Z audiences. Our services such as content, high-speed broadband and payments, along with the billing relationships we have with customers, put us in a unique position to offer digital services, making gaming more accessible while improving the experience.

The aim is for PVP, our gaming brand, to be a major ecosystem partner in the regional gaming and esports scene. Through our PVP Esports leagues and collaboration with like-minded partners, we hope to bring gaming into the mainstream and connect with gamers and youths. We are excited to be sponsoring Singapore's first esports SEA Games teams in 2019 and look forward to bigger things to come. We see tremendous opportunity in the network effect of the gaming community and believe in the long-term prospects of this market.

Group Enterprise

Preparing enterprises for a smart future

The convergence of technologies such as 5G, IoT and AI is starting to disrupt and redefine entire industries. The future of logistics, for example, could see autonomous vehicles that vastly improve navigation safety and fleet management. Unmanned robots and drones would make inventory management and order fulfilment faster and more efficient. With our enterprise services and advanced cyber security solutions, we're helping enterprises leverage the transformative power of technology to get ahead in the future economy.

Group Enterprise

As advancements in technology continue to disrupt industries, our focus at Group Enterprise is on helping enterprises prepare for the future by accelerating their digital transformation, realising the possibilities enabled by new and disruptive technologies, and unlocking new growth opportunities. Through R&D and innovation, we are reimagining the future of industries and bringing it closer to customers.

Safeguarding the future

Trustwave has over

2,000

cyber security professionals and

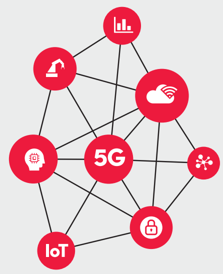
9

Advanced Security Operations Centres globally.

Trustwave is a leader in the 2019 Gartner Magic Quadrant for Managed Security Services, Worldwide, for the second year.

Source: Gartner, "Magic Quadrant for Managed Security Services, Worldwide" [1] by Toby Bussa, Kelly Kavanagh, Sid Deshpande, Pete Shoard, May 2, 2019

Redefining industries



Our FutureNow Innovation Centre supports

6

industry clusters covering

23

key industries in Singapore, driving innovation and transformation with new technologies.

BRINGING THE FUTURE CLOSER

As more nations race to build smart cities and digitalise their economies, rapid changes are sweeping across industries, redefining how enterprises and their value chains operate. To help enterprises transition to and navigate this new digital economy, we continue to develop services, solutions and platforms to spur innovation, rethink business models, redefine customer experiences, engage employees and improve productivity.

We launched the FutureNow Innovation Centre which showcases the future of industries powered by innovative technologies and services like cloud computing, data analytics, AI, cyber security, blockchain, robotics, automation, software defined networks, IoT and 5G. We are enhancing our ecosystems and empowering enterprises to accelerate their digitalisation efforts.

To help SMEs adopt digital technologies to improve efficiencies and achieve their growth potential, we launched the enhanced 99%SME platform with IMDA which garnered strong support from our partners. The platform combines critical business intelligence, last-mile delivery options, and new omni-channel retail and customer engagement features to help SMEs grow their customer base, using both offline and online presence.

Underlying these new technologies and platforms is high bandwidth connectivity, which is the

Note:

[1] Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

cornerstone of a digital economy. Last year, we launched Singapore's first 5G pilot network at one-north with Ericsson. We also partnered with Ericsson and Singapore Polytechnic to open the nation's first live 5G facility – 5G Garage – on campus which serves as a training centre, test bed and ideation lab to develop Singapore's own 5G ecosystem.

PROTECTING ENTERPRISES

As we move towards a hyper-connected digital future, the risk of cyber threats becomes even greater. To safeguard enterprises against a growing slew of fast-evolving cyber threats, we consolidated our cyber security assets under the Trustwave brand, to form one of the industry's most comprehensive global cyber security companies. We continue to develop our cyber security capabilities to position ourselves to lead and shape the cyber security sphere. Our global network of Advanced Security Operations Centres is now supported by the new Trustwave SpiderLabs Fusion Centre in Chicago, a cutting-edge cyber security command centre providing unprecedented threat hunting capabilities through pioneering threat intelligence. We also acquired Hivint, an award-winning cyber security consulting company in Australia, enhancing our consulting capabilities.

To further complement our network, we welcomed AT&T as a member to the Global Telco Security Alliance that we formed with Etisalat, Softbank and Telefónica, greatly increasing the Alliance's global presence and resources. We also partnered with Argus, a global leader in automotive cyber security, whose solutions are being integrated into Singtel's managed security services. The partnership will facilitate the future introduction of connected cars and new technologies such as autonomous vehicles.

STRENGTHENING CORE CAPABILITIES

Strong core capabilities are key to powering new technologies and helping customers accelerate their own digital journey. Even as we develop new services, we continue to strengthen and digitalise our core. We launched Liquid Infrastructure, a next-generation data-driven, highly agile, intelligent platform that integrates physical and virtual network services. The platform, designed for use with services such as optimised cloud access, virtual network function and IoT, allows enterprises to configure their networks with ease and deploy resources when needed.

Singtel executives demonstrating how IoT and AI can enhance companies' competitive advantage to Singapore's Minister for Communications and Information S Iswaran (third from left) at MWC Barcelona 2019.

The CEO Conversation

Empowering customers in their digital transformation journeys

The advent of digital has seen Singtel evolve into a technology-led, data-driven, agile digital services provider. Group Enterprise CEO Bill Chang discusses how, drawing on our own experience, we are helping enterprise customers to digitally transform, increase their innovation capacity and outperform their competitors.

Why is it important for enterprises to digitalise and are they doing it fast enough?

Bill: Major technological advances have disrupted industries, making it easier for companies to enter new business verticals and challenge incumbents. This has turned old notions of competition on its head, making digital transformation a necessity rather than an option.

Our own experience in the telco industry is a good example. The smartphone started the mobile internet and data revolution, disrupting our traditional telco revenues in voice services. We had to respond quickly by developing new business models around data and digital while preserving the value in our core business.

This is a dilemma and challenge that companies routinely face. While they recognise the need to digitalise, they aren't moving fast enough nor do they have the digital capabilities to do so effectively. The Singapore Government has been trying to address this by throwing its support behind various initiatives, building digital ecosystems and pushing for greater industry collaboration. But enterprises also need a reliable partner to help chart their digital roadmap, and guide and catalyse their operations.

How is Singtel helping other enterprises in their digital transformation journeys?

Bill: Our own transformation experience, coupled with our expertise, positions us well to help enterprises. With our solutions in data analytics, cloud, cyber security, robotics, automation, IoT and 5G, enterprises can kick-start their digitalisation journey, maximise efficiencies and even develop new business models. The beauty of these solutions is the fact that it can benefit any size of enterprise – from one-person operations to multinationals.

Enterprises which are already digitalising can partner and use our resources to co-create and test concepts in a secure environment like our FutureNow Innovation Centre which we launched in August. They can also tap into our R&D labs to test technologies like AI, cyber security, augmented reality and automation to reimagine the customer experience and redefine their businesses, products and services. We have developed a framework for digital transformation where design thinking

With our solutions in data analytics, cloud, cyber security, robotics, automation, IoT and 5G, enterprises can kick-start their digitalisation journey, maximise efficiencies and even develop new business models.

Bill Chang
CEO, Group Enterprise

is applied to understand customers' needs and develop solutions to meet them. We can further help enterprises scale their businesses with our customer base and reach across the region.

What capabilities has Singtel developed to help enterprises succeed in their digitalisation efforts?

Bill: As advanced connectivity is a prerequisite for digitalisation, we have strengthened our core network capabilities with software-defined networks to improve reliability, resource management and efficiency. This has allowed us to develop capabilities in new technologies that will change the way enterprises and industries operate, such as cloud, cyber security, IoT, analytics, 5G, AI and robotics.

Critically, with the rise in cyber attacks globally, the deployment of these systems needs to be secure. With our consolidated cyber security capabilities and resources provided by our global cyber security brand – Trustwave – we not only monitor but are able to detect, hunt and coordinate an effective response to address cyber threats within an enterprise's infrastructure. This helps us better secure enterprises and innovate new services and solutions to stay ahead of the competition.

Our broad range of digital services and cyber security capabilities provides enterprises with the tools to become agile, digital organisations that can adapt to a constantly changing digital economy.

How do these technologies and services help enterprises prepare for the industries of the future?

Bill: Cities and industries of the future will be powered by intelligent connectivity – a convergence of 5G, IoT and AI that will form the backbone of a new hyper-connected era.

This is already playing out in the maritime space, where analytics, cloud and IoT are being dovetailed to monitor the performance of ships in real time and predict issues before they occur. This will help enterprises to be safer and more efficient when managing their fleets. Healthcare is also undergoing a digital overhaul, empowering doctors to remotely perform and monitor complex surgeries in real time, maximising efficiencies and extending their expertise to patients worldwide. Backed by actionable data insights, enterprises will be able to build digital business systems that will give them that highly coveted competitive advantage.

Building relationships in a connected world

Today's consumers and enterprises are switching easily between multiple channels, screens and devices, expecting more seamless experiences from the brands they engage with. To better reach and build relationships with our customers, we need to lead disruption and anticipate their needs. We help marketers gain a unified view of their audiences and cut through the noise, engage users with the best content and services, and drive unique insights.


MARRIOTT
MARQUIS
EXPERIENCE
EXPERIENCE
3 COUNTRIES
NO EXTRA CHARGE
NO EXTRA CH
TOKYO TO TIMES SQUARE

Group Digital Life

Digitisation continues to change how we interact with content and services, and is increasing consumer expectations of these experiences. Through a series of strategic market moves, Group Digital Life is improving how these services are delivered in our home markets and abroad, for consumers, businesses and governments.

Helping advertisers reach audiences at scale

Amobee has more than

150

integrated partners across the advertising ecosystem, and evaluates over

7.7m

advertising opportunities per second.

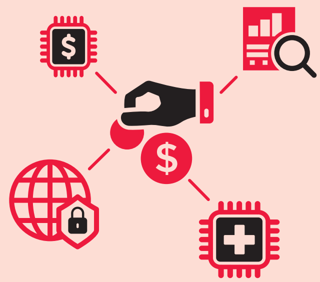
Delivering non-stop entertainment

Unlimited access to over

20,000

hours of popular local, Asian and Hollywood movies and TV series on HOOQ.

Investing in the future



Since 2010, Innov8 has made over

80

investments in areas such as cyber security, IoT, data and analytics, fintech, digital health, gaming and more.

AMOBEE EXPANDS CAPABILITIES

Digital and traditional TV advertising are converging as advertisers seek to engage tech-savvy customers across multiple screens and platforms. This will have a profound impact on global advertising as brands and agencies find new tools and solutions to improve how they reach digital consumers. Amobee continues to enhance its platform as an end-to-end, unified omnichannel solution through technology development and strategic partnerships to empower marketers to seize this converged media opportunity.

A key step to this strategy was the acquisition of Videology, a technology provider for advanced TV and video advertising. Amobee can now unify and optimise critical consumer intelligence and campaign spend across traditional TV and digital channels for advertisers. This strategy has already gained traction, attracting new partnerships with ITV, the UK's largest commercial broadcaster and Univision, the number one Spanish language broadcaster in the US. Advertisers can now get advanced solutions and programmatic access to the portfolio of premium digital video inventory across ITV channels, exclusively through the Amobee platform.

This adds to a strong year for Amobee as we continued strengthening our capabilities through data partnerships with Nielsen and Oracle Data Cloud, two leading global data providers and analytics companies. All these developments have grown our business with key clients and enabled us to capture new opportunities, including a global agreement with Mastercard.

HOOQ AND DATASPARK CONTINUE TO GROW

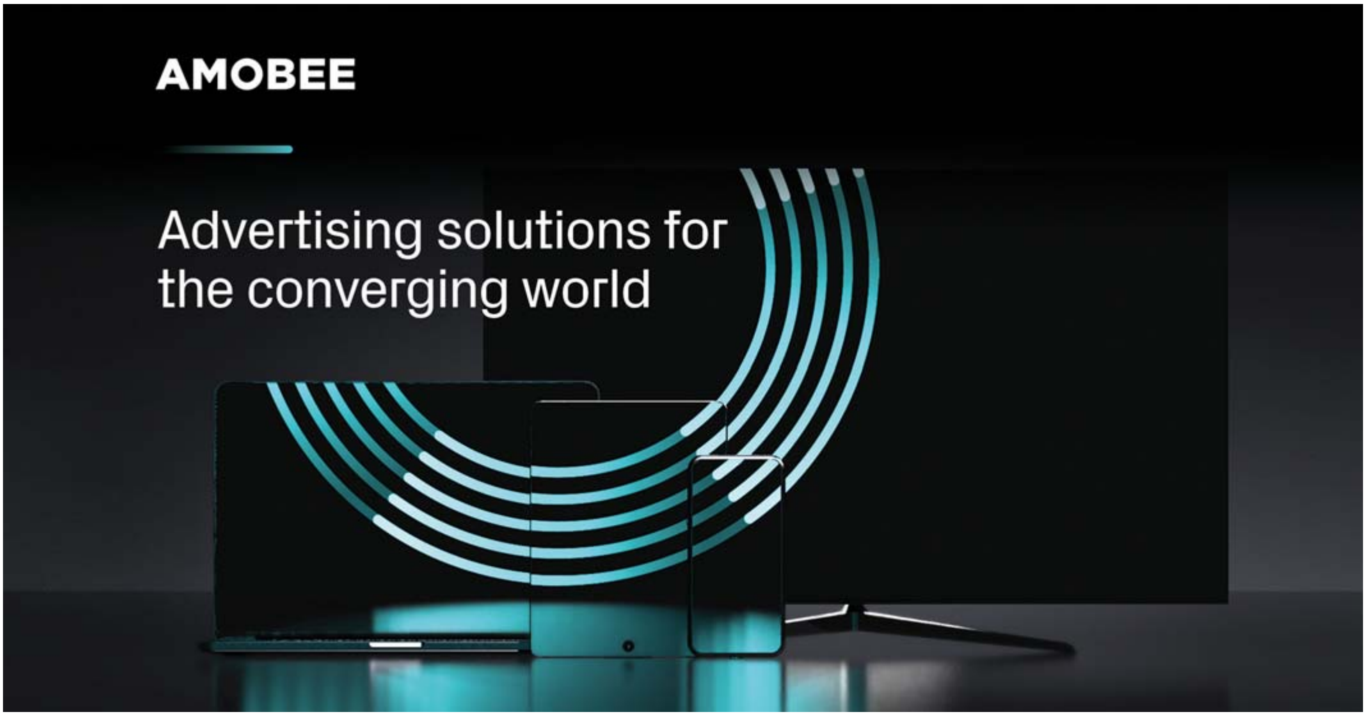
The popularity of media streaming services has gone up exponentially and HOOQ aims to be one of the largest OTT content providers in Southeast Asia, while maintaining market leadership in Indonesia. To do so, we are constantly updating HOOQ's content to meet consumer demand and target mass market segments more effectively.

Over the past year, HOOQ has transformed its business model to offer affordable daily plans, as well as a freemium layer which includes free-to-air channels, Advertising Video on Demand and Subscription Video on Demand. To drive further audience growth and scale, HOOQ established strategic partnerships with Hotstar in India and Grab in Southeast Asia to provide in-app viewing and easy access to HOOQ content.

DataSpark continues to help businesses and government agencies harness the power of geospatial data for planning and decision-making. It has developed Mobility Genomes, a suite of data products and simulation tools to address high-impact use cases in transport, out-of-home advertising, tourism and radio network engineering. DataSpark has been working with various Australian state transport authorities on innovative applications of population-wide mobility data to solve traffic problems as part of Australia's transport infrastructure planning.

INNOV8 DRIVES INNOVATION

Constant innovation is key to staying relevant in a digital economy. Innov8 remains focused on identifying and investing in innovative start-ups with technologies and solutions that enhance the Group's capabilities and drive value for our customers. Some of the notable investments in 2018 include Halodoc, an Indonesian digital health platform that aims to simplify access to healthcare by building an ecosystem that caters to the entire patient journey; CXA Group, Asia's first population health ecosystem for employers; and Data Republic, an inter-organisational data exchange platform headquartered in Sydney, that allows businesses to exchange information securely.



The CEO Conversation

Upping the game in digital

Singtel's investments in digital businesses and assets over the past several years have matured, gaining scale and traction in Asia. We talk to Group Digital Life CEO Samba Natarajan to understand how Singtel is upping its game in the digital economy.

Last year saw a number of interesting developments for Group Digital Life. What are your priorities going forward?

Samba: The developments in our businesses last year have really strengthened their foundations for growth in the coming financial year. Acquiring Videology and integrating it into Amobee's platform makes Amobee one of the first in the advertising technology market to unify TV, digital and social into a single platform. HOOQ's strategic digital partnerships with Grab and Hotstar will enhance its ability to scale in their respective markets, while DataSpark's focus on out-of-home advertising, transport and telco network planning is gaining greater market acceptance in Southeast Asia and Australia.

As we continue to build operating momentum, we are turning our attention towards value realisation for these businesses. This could be in the form of additional strategic partners coming on board as stakeholders in the entity, or through an IPO. We also look to better inform the investment community on the real value of these businesses, as they are quite different from our traditional core businesses and should be valued with metrics appropriate for their respective industries.

In addition, we are constantly evaluating digital opportunities as new growth engines for the Group, in current verticals and new verticals such as digital health and fintech.

Amobee had an eventful year with acquisitions and partnerships. How will these deals help drive growth?

Samba: We are focused on developing a leading platform for omnichannel advertising. The acquisition of Videology and our partnerships with data providers such as Oracle Data Cloud and Nielsen, will help us to grow our business with agencies and our strategic accounts.

We also hope to do more broadcaster deals like the agreement we reached with the UK's largest commercial broadcaster, ITV, to create their own "walled garden" for advertising, exclusively within the Amobee platform. Our technology enables broadcasters to digitally upgrade their TV and video advertising capabilities to create value for advertisers, and be competitive in digital advertising markets where Google and Facebook dominate.

HOOQ has shown positive momentum in the year, how do you intend to keep it up?

Samba: We are now beginning to leverage telco and non-telco

> **The developments in our businesses last year have really strengthened their foundations for growth in the coming financial year... As we continue to build operating momentum, we are turning our attention towards value realisation for these businesses.**

Samba Natarajan
CEO, Group Digital Life

partners in our quest to become one of the largest OTT video providers in Southeast Asia.

HOOQ has entered into a partnership with Hotstar which gives us access to the huge Indian market where Hotstar has more than 300 million monthly active users. We have also entered into a partnership with OVO in Indonesia and a regional agreement with Grab, where HOOQ's streaming service will be integrated within Grab's environment and their customers will enjoy a seamless video experience during their Grab interaction. These partnerships let us expand our audience, and when combined with the assets we've built, place us in a strong position to grow.

Singtel has made some interesting investments through Innov8 this year. Can you talk a bit about them and your investment strategy?

Samba: In this fast-changing digital age, we must continue to evolve to stay relevant. Our investment strategy for our digital businesses has often taken the form of in-house development and strategic buys that may accelerate our leadership in the marketplace.

In addition to acquisitions and organic growth, we are also looking at other investment strategies in which we identify and invest in emerging growth companies through Innov8, especially those that are filling the gaps left by traditional infrastructure or are disrupting and improving service delivery through their digital solutions. These are companies that create value for our customers, particularly in emerging markets. Given our footprint, we can by extension, help them scale their business and expand in the region.

An example this year is Halodoc, an Indonesian digital health platform that aims to simplify access to healthcare by building an ecosystem that caters to the entire patient journey. We are working closely with our investee companies to support their development, including providing access to data analytics and advertising capabilities to enhance their digital offerings.

Key Awards & Accolades

Business Excellence

SINGTEL

Asia Communications Awards 2018
- Best Enterprise Service – Software-defined Hybrid Network
- Cyber Safe Award
- NFV Innovation Award

Computerworld Hong Kong Awards
- Global Wide Area Network Connectivity Service Provider of the Year (2015 – 2018)

Contact Centre Association Awards 2018
- Most Innovative Productivity Solution (Gold)

IDC MarketScape: Asia/Pacific Next-Gen Telcos: Telecom Services 2018 Vendor Assessment
- Leaders Category

Frost & Sullivan Asia Pacific ICT Awards 2018
- Asia Pacific Telecom Group of the Year (2016 – 2018)

Frost & Sullivan Asia Pacific Best Practices Awards 2018
- Southeast Asia Managed Security Service Provider of the Year

HardwareZone Tech Awards 2019
- Best Mobile, Fibre Broadband & Pay TV Service Provider

Institute of Advertising Singapore's Hall of Fame Awards 2018
- Brand of the Year

IT Pro Corporate Choice 2018
- Managed Security Service Provider of the Year

NetworkWorld Asia Information Management Awards
- Disaster Recovery & Business Continuity (2014 – 2018)
- Security-as-a-Service (2012 – 2018)

Singapore Manufacturing Federation Awards 2018
- SMF Collaborative Partnership Award – Distinguished Winner

Singapore Retailer Association Awards
- Achievement in Customer Excellence Award – Best in Telecommunications Category
- Best Retail Concept of the Year
- Service Excellence - 50 Gold, 62 Silver, and 41 Star awards

Telecom Asia Awards 2018
- Best Cloud-Based Service
- Best Mobile Carrier
- Most Innovative Approach to Customer Experience

Telecoms World Awards 2018
- Virtualisation and Cloud Infrastructure Award

TMT Global Excellence Awards 2018
- Recognised Leader in Telecommunications – Singapore

TMT Telecom Awards 2018
- Telecom Group of the Year 2018 – Asia Pacific

OPTUS

Australian Communications Industry Awards 2018
- Satellite Provider of the Year Award

Brand Finance Report
- Australia's Fourth Strongest Brand
- Australia's Strongest Telecommunications Brand
- Ninth Most Valuable Brand in the Top 100 List of Australia's Most Valuable Brands

Frost & Sullivan Australia Excellence Awards 2018
- Australian Mobile Service Provider of the Year

Mobile Virtual Network Operator World Congress
- Most Innovative Wholesaler

P3 Connect Mobile Benchmark Australia
- Number One for Data in Australia
- Number One for Voice and Data in Smaller Towns and Roads

AMOBEE

Digiday Technology Awards 2018
- Best Data Management Platform
- Best Marketing Dashboard Software

Fortune Magazine
- Top 25 Medium and Small Workplaces in NYC 2018

MediaPost Online Marketing Media and Advertising Awards 2018
- Best Mobile Integration Cross-Platform, with Southwest Airlines
- Best Video Single Execution, with Southwest Airlines

Mumbrella Asia Awards 2018
- Marketing Technology Company of the Year

TRUSTWAVE

2019 Gartner's Magic Quadrant for MSS, Worldwide
- Leaders' Quadrant (2018 - 2019)

2018 IDC MarketScape: Asia/Pacific Managed Security Services 2018 Vendor Assessment
- Leaders' Position

Frost & Sullivan APAC Best Practices Awards
- Southeast Asia Managed Security Service Provider of the Year (2018)
- Singapore Managed Security Service Provider of the Year (2016 - 2018)

REGIONAL ASSOCIATES

AIS

Frost & Sullivan Thailand Excellence Awards
- 2018 Thailand IoT Solutions Provider of the Year Award
- 2018 Thailand Cloud Services Innovative Company of the Year Award

Thailand's Most Admired Brands 2018
- Thailand's Most Admired Brand & Company

AIRTEL

Carriers World Awards 2018
- Best Wholesale Business Transformation
- Best Wholesale Carrier (Global)

Digital Impact Awards
- Best Digital Customer Experience by Technology Brand
- Best Professional, Legal and Regulatory Brand
- Best Saving and Lending Product (Digital driven)
- Best Technology Brand on Social Media

GLOBE

Stevie Awards 2018
- Great Employers of the Year in Telecommunication

The Asset Corporate Awards 2018
- Platinum Award for Excellence in Governance, Corporate and Social Responsibility & Investor Relations Benchmarking

TELKOMSEL

Asia Communications Awards 2018
- Digital Lifestyle Winner (Total Telecom)

Frost & Sullivan Awards 2018
- Excellence in Customer Experience – Telecommunications Industry Indonesia – Overall Experience

Telecom Asia Awards
- Most Innovative Voice Service or Solution

Corporate Citizenship

SINGTEL

2019 Bloomberg Gender-Equality Index

2nd ASEAN Corporate Governance Awards
- ASEAN's Top 5 and Top 50 Publicly Listed Companies
- Singapore's Top 3 Publicly Listed Companies

Asia Sustainability Reporting Awards 2018
- Asia's Best Diversity Reporting
- Asia's Best Sustainability Report
- Asia's Most Transparent Report

Community Chest Awards 2018
- Charity Platinum Award
- Volunteer Partner Award

FTSE4Good Index

SGX Sustainability Leaders Index and Enhanced Index

SIAS Investors' Choice Awards 2018
- Golden Circle Award for Most Transparent Company
- Shareholder Communication Excellence Award for Big-cap Companies
- Singapore Corporate Governance Awards for Big-cap Companies and Diversity
- Shareholder Communication Excellence Award for Big-cap Companies

Singapore Environment Council's Environmental Achievement Awards
- EC-STATS Asia-Pacific Singapore Environmental Achievement Award (Services)

Singapore Governance and Transparency Index 2018

Sustainable Business Awards Singapore 2018
- Best Strategy and Sustainability Management
- Best Climate Change

Thomson Reuters IX Global Diversity and Inclusion Index 2018

OPTUS

Australian Business Community Network Award
- Overall Highest Number of ABCN mentors in 2017

Governance and Sustainability Philosophy

Making the future better for our stakeholders

Good governance and responsible business practices are fundamental to our sustainable, long-term growth and value creation for our stakeholders. We strive to harness advances in digital technologies to improve lives and to leave the smallest environmental footprint possible as part of global efforts to limit climate change because reimagining the future means making it better as well.

Corporate Governance

Our Governance Framework

CHAIRMAN
SIMON ISRAEL

Key Objective
Responsible for leadership of the Board and for creating conditions for overall Board, Board Committee and individual Director effectiveness

THE BOARD OF SINGTEL
12 DIRECTORS:

10 independent Directors and
2 non-independent Directors

Key Objective
To create value for shareholders and to ensure the long-term success of the Group

AUDIT COMMITTEE

CHAIRMAN
BOBBY CHIN

4 independent Directors

Key Objective
Assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management

CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE

CHAIRMAN
LOW CHECK KIAN

3 independent Directors and
1 non-independent Director

Key Objectives
Establish and review the profile of Board members; make recommendations to the Board on the appointment, re-nomination and retirement of Directors; review the independence of Directors; assist the Board in evaluating the performance of the Board, Board Committees and Directors; and develop and review the Company's corporate governance practices

EXECUTIVE RESOURCE & COMPENSATION COMMITTEE

CHAIRMAN
PETER MASON AM

3 independent Directors and
1 non-independent Director

Key Objectives
Oversee the remuneration of the Board and Senior Management, and set appropriate remuneration framework and policies, including long-term incentive schemes, to deliver annual and long-term performance of the Group

FINANCE & INVESTMENT COMMITTEE

CHAIRMAN
SIMON ISRAEL

4 independent Directors and
1 non-independent Director

Key Objectives
Provide advisory support on the development of the Group's overall strategy, review strategic issues, approve investments and divestments, review the Group's Investment and Treasury Policies, evaluate and approve financial offers and banking facilities, and manage the Group's liabilities

RISK COMMITTEE

CHAIRMAN
TEO SWEE LIAN

4 independent Directors

Key Objectives
Ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determine the nature and extent of the material risks that the Board is willing to take in achieving the Group's strategic objectives

GROUP CHIEF EXECUTIVE OFFICER

CHUA SOCK KOONG

Key Objectives
Manage the Group's business and implement strategy and policy

MANAGEMENT COMMITTEE

Group CEO,
CEO Group Enterprise,
CEO Consumer Australia,
CEO Consumer Singapore,
CEO International,
CEO Group Digital Life,
Group Chief Corporate Officer,
Group CFO,
Group Chief Human Resources Officer,
Group Chief Information Officer, and
Group Chief Technology Officer

Key Objective
Direct Management on operational policies and activities

INTRODUCTION

Singtel aspires to the highest standards of corporate governance as we believe that good governance supports long-term value creation. To this end, Singtel has in place a set of well-defined policies and processes to enhance corporate performance and accountability, as well as protect the interests of stakeholders. The Board of Directors is responsible for Singtel's corporate governance standards and policies, and stresses their importance across the Group.

Singtel is listed on the Singapore Exchange Securities Trading Limited (SGX) and has complied in all material respects with the principles and provisions in the Singapore Code of Corporate Governance 2018 (2018 Code). This report sets out Singtel's key corporate governance practices with reference to the 2018 Code. We provide a summary of our compliance with the express disclosure requirements in the 2018 Code on pages 84 to 86.

RECOGNITION OF SINGTEL'S COMMITMENT TO BEST PRACTICES IN CORPORATE GOVERNANCE

ASEAN CORPORATE GOVERNANCE AWARDS 2018

- ASEAN's Top 5 Publicly Listed Companies
- ASEAN's Top 50 Publicly Listed Companies
- Singapore's Top 3 Publicly Listed Companies

GOVERNANCE AND TRANSPARENCY INDEX 2018

- 1st in Singapore

SINGAPORE CORPORATE AWARDS 2018

- Best Chief Financial Officer (Companies with S$1 billion and above in market capitalisation)

SIAS INVESTORS' CHOICE AWARDS 2018

- Singapore Corporate Governance Award (Big Cap)
- Singapore Corporate Governance Award (Diversity)
- Most Transparent Company Award (Overall)
- Most Transparent Company Award (Telecommunications Services)
- Shareholder Communications Excellence Award (Big Cap)

DIRECTORS' ATTENDANCE AT BOARD/GENERAL MEETINGS DURING THE FINANCIAL YEAR ENDED 31 MARCH 2019[1]

	Scheduled Board Meetings		Independent Directors' Meeting		Annual General Meeting
Name of Director	Number of Meetings Held	Number of Meetings Attended	Number of Meetings Held	Number of Meetings Attended	
Simon Israel	6	6	–	–	✓
Chua Sock Koong	6	6	–	–	✓
Gautam Banerjee	6	6	1	1	✓
Dominic Barton[2]	1	–	–	–	–
Bobby Chin	6	6	1	1	✓
Venkataraman (Venky) Ganesan	6	5	1	1	✓
Bradley Horowitz[3]	2	2	–	–	–
Gail Kelly[4]	2	2	–	–	–
Low Check Kian	6	6	1	1	✓
Peter Mason AM[5]	6	6	1	1	✓
Christina Ong	6	6	1	1	✓
Teo Swee Lian	6	6	1	1	✓
Peter Ong[6]	1	1	–	–	✓

Notes:
(1) Refers to meetings held/attended while each Director was in office.
(2) Mr Dominic Barton was appointed to the Board on 25 March 2019.
(3) Mr Bradley Horowitz was appointed to the Board on 26 December 2018.
(4) Mrs Gail Kelly was appointed to the Board on 26 December 2018.
(5) Member of the Order of Australia.
(6) Mr Peter Ong stepped down from the Board following the conclusion of the AGM on 24 July 2018.

Corporate Governance

BOARD MATTERS

The Board's Conduct of Affairs

The Board aims to create value for shareholders and ensure the long-term success of the Group by focusing on the development of the right strategy, business model, risk appetite, management, succession plan and compensation framework. It also seeks to align the interests of the Board and Management with that of shareholders and balance the interests of all stakeholders. In addition, the Board sets the tone for the entire organisation where ethics and values are concerned.

The Board oversees the business affairs of the Singtel Group. It assumes responsibility for the Group's overall strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews, compliance and accountability systems, and corporate governance practices. The Board also appoints the Group CEO, approves policies and guidelines on remuneration as well as the remuneration for the Board and Senior Management, and approves the appointment of Directors. In line with best practices in corporate governance, the Board also oversees the long-term succession planning for Senior Management.

Singtel has established financial authorisation and approval limits for operating and capital expenditure, the procurement of goods and services, and the acquisition and disposal of investments. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Board Committees and the Management Committee to optimise operational efficiency.

Board meetings

The Board and Board Committees meet regularly to discuss strategy, operational matters and governance issues. All Board and Board Committee meetings are scheduled well in advance of each year in consultation with the Directors. At every scheduled meeting, the Board sets aside time for discussion without the presence of Management (except the executive Director). The Board also sets aside time for the non-executive Directors to meet without any executives present. The independent Directors meet at least once a year, at a meeting chaired by the Lead Independent Director. The Board holds approximately six scheduled meetings each year, and may also hold ad hoc meetings as and when warranted by particular circumstances. Six Board meetings were held in the financial year ended 31 March 2019.

Material items that require Board approval include:

- The Group's strategic plans
- The Group's annual operating plan and budget
- Full-year, half-year and quarterly financial results
- Dividend policy and payout
- Issue of shares
- Board succession plans
- Succession plans for Senior Management, including appointment of, and compensation for, Group CEO, CEOs, Group Chief Corporate Officer and Group CFO
- Underlying principles of long-term incentive schemes for employees
- The Group's risk appetite and risk tolerance for different categories of risk, as well as risk strategy and the policies for management of material risks
- Acquisitions and disposals of investments exceeding certain material limits
- Capital expenditures exceeding certain material limits

Attendance at Board or Board Committee meetings via telephone or video conference is permitted by Singtel's Constitution.

Typically, one Board meeting a year is held in Australia, where one of Singtel's key subsidiaries, Optus, is located. In addition, the Board makes an overseas trip annually to a country where the Group has a significant investment or has an interest in investing, or where Board members can be exposed to new technology relevant to the Group's growth strategy. On such occasions, the Board may meet with local business leaders and government officials so as to help Board members gain greater insight into such countries. The Board also meets Singtel's partners and key customers in those countries to develop stronger relationships with such partners and customers. Singtel also arranges for the Board to meet with experts in the technology/digital space to enhance their knowledge in new growth areas and enable the Board to make more informed decisions. Board meetings may include presentations by senior executives and external consultants/experts on strategic issues relating to specific business areas, as well as presentations by the Group's associates. This allows the Board to develop a good understanding of the Group's businesses and to promote active engagement with the Group's partners and key executives.

A record of the Directors' attendance at Board meetings during the financial year ended 31 March 2019 is set out on page 58. Directors who are unable to attend a Board meeting are provided with the briefing materials and can discuss issues relating to the matters to be discussed at the Board meeting with the Chairman or the Group CEO.

Director development/training

The Board values ongoing professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on, and contribute to, the Board. The Board has therefore adopted a policy on continuous professional development for Directors.

All new Directors appointed to the Board are briefed by the Chairman, as well as the chairmen of the Board Committees, on issues relevant to the Board and Board Committees. They are also briefed by Senior Management on the Group's business activities, strategic direction and policies, key business risks, the regulatory environment in which the Group operates and governance practices, as well as their statutory and other duties and responsibilities as Directors.

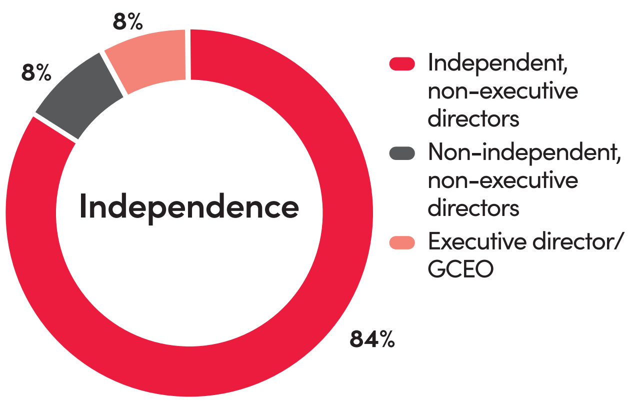
Upon appointment to the Board, each Director receives a Directors' Manual, which sets out the Director's duties and responsibilities and the Board governance policies and practices. The Directors' Manual is maintained by the Company Secretary. In line with best practices in corporate governance, new Directors also sign a letter of appointment from the Company stating clearly the role of the Board and non-executive Directors, the time commitment that the Director would be expected to allocate and other relevant matters.

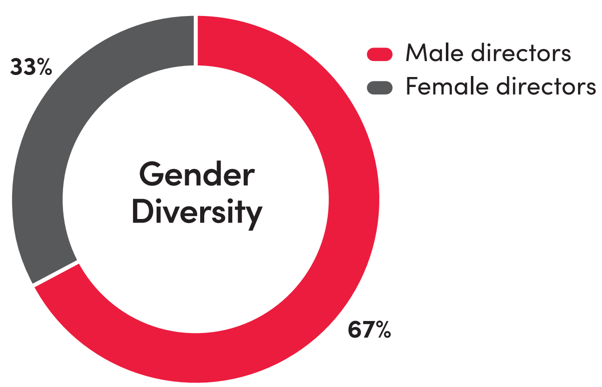
To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment. Professional development may relate to a particular subject area, committee membership, or key developments in Singtel's environment, market or operations. Directors are encouraged to consult the Chairman if they consider that they personally, or the Board as a whole, would benefit from specific education or training regarding matters that fall within the responsibility of the Board or relate to the business of Singtel.

During the financial year ended 31 March 2019, the development/training programmes for Directors included the following:

- The Directors participated in an annual offsite workshop with Senior Management to formulate and plan the Group's longer-term strategy, during which the Directors were briefed on developments in the markets in which the Group operates and were introduced to new technologies and advancements relevant to the Group.
- Directors were invited to meet with the Technology Advisory Panel, during which they were also updated by representatives from companies in the digital/technology space on emerging trends and technologies relevant to the Group's business.
- The Board visited the Optus campus in Sydney, Australia, and met with business leaders and key customers there.
- Members of the Board attended forums and dialogues with experts and senior business leaders on issues facing boards and board practice.
- The Board was updated on changes to the Code of Corporate Governance and related regulations.

BOARD COMPOSITION, DIVERSITY AND BALANCE





Corporate Governance

There are 12 Directors on the Board, comprising 10 non-executive independent Directors, one non-executive non-independent Director and one executive Director. The Board has appointed a Lead Independent Director. A summary of the role of the Lead Independent Director is set out on page 63. The profiles of the Directors are set out on pages 15 to 20.

The size and composition of the Board are reviewed from time to time by the Corporate Governance and Nominations Committee (CGNC). The CGNC seeks to ensure that the size of the Board is conducive for effective discussion and decision making, and that the Board has an appropriate number of independent Directors. The CGNC also aims to maintain a diversity of expertise, skills and attributes among the Directors. Any potential conflicts of interest are taken into consideration.

In order to ensure that Singtel continues to be able to meet the challenges and demands of the markets in which Singtel operates, the Board is focused on enhancing the diversity of skills, expertise and perspectives on the Board in a structured way by proactively mapping out Singtel's Board composition needs over the short and medium term.

Board diversity

Singtel is committed to building a diverse, inclusive and collaborative culture. Singtel recognises and embraces the benefits of diversity on the Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

The Board's Diversity Policy provides that, in reviewing Board composition and succession planning, the CGNC will consider the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. Diversity is a key criterion in the instructions to external search consultants.

The Board is of the view that gender is an important aspect of diversity and will strive to ensure that (a) any brief to external search consultants to search for candidates for appointment to the Board will include a requirement to present female candidates, (b) female candidates are included for consideration by the CGNC whenever it seeks to identify a new Director for appointment to the Board, (c) the Board appoints at least one female Director to the CGNC, and (d) there is significant and appropriate female representation on the Board, recognising that the Board's needs will change over time taking into account the skills and experience of the Board.

Reflecting the focus of the Group's business in the region, six of Singtel's 12 Directors are from, and have extensive experience in, jurisdictions outside Singapore, namely, the Chairman, Mr Simon Israel, and non-executive Directors, Messrs Dominic Barton, Venky Ganesan, Bradley Horowitz and Peter Mason AM, and Mrs Gail Kelly. In relation to gender diversity, 33% of the Singtel Board, or four out of the 12 Board members, are female. Other than the Group CEO, none of the Directors is a former or current employee of the Company or its subsidiaries.

Independence

The Board, taking into account the views of the CGNC, assesses the independence of each Director annually in accordance with the guidance in the 2018 Code. A Director is considered independent if he has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of Singtel.

The Board takes into account the existence of relationships or circumstances, including those identified by the listing rules of the Singapore Stock Exchange and related Practice Guidance, that are relevant in its determination as to whether a Director is independent. Such relationships or circumstances include the employment of a Director by the Company or any of its related corporations during the financial year in question or in any of the previous three financial years; a Director being on the Board for an aggregate period of more than nine years; a Director providing to or receiving from the Company or any of its subsidiaries significant payments or material services during the financial year in question or the previous financial year, other than compensation for board service; and a Director being related to any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services during the financial year in question or the previous financial year.

The CGNC and the Board have assessed the independence of each of the Directors in 2019. A summary of the outcome of that assessment is set out below.

Based on the declarations of independence provided by the Directors and taking into account the guidance in the 2018 Code, the Board has determined that Ms Chua Sock Koong, Singtel's Group CEO and Mr Simon Israel, Chairman of the Singtel Board, are the only non-independent Directors. All other members of the Board are considered to be independent Directors. In line with the Board's Code of Conduct and Ethics, each member of the CGNC and the Board recused himself or herself from the CGNC's and the Board's deliberations respectively on his or her own independence.

Mr Simon Israel is considered non-independent as he had previously been deemed non-independent by virtue of his previous roles as a non-executive director, and subsequently executive director, of Temasek Holdings (Private) Limited (Temasek). He stepped down from Temasek in June 2011. Temasek has an interest of approximately 52% as at 31 March 2019.

Mr Bobby Chin was appointed to the Singtel Board on 1 May 2012 as an independent Director and to the Board of Directors of Temasek on 10 June 2014. After due consideration, the Board continues to regard Mr Chin as independent as he does not represent Temasek on the Singtel Board and he is not accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of Temasek. As Mr Chin has demonstrated independence in character and judgement in the discharge of his responsibilities as a Director, the Board is satisfied that he will continue to exercise independent judgement and act in the best interests of Singtel and its security holders generally.

Mr Bobby Chin, Mrs Christina Ong, Mr Low Check Kian and Mr Gautam Banerjee are board members of organisations that purchase services and/or equipment from the Singtel Group in the ordinary course of business. The Directors' roles in those organisations are non-executive in nature and they are not involved in the day-to-day conduct of the business of those organisations. In addition, Mrs Ong is a partner of Allen & Gledhill LLP (A&G). A&G provides legal services to, and receives fees from, the Singtel Group. However, Mrs Ong has an interest of less than 5% in A&G. Mrs Ong is also on the board of Oversea-Chinese Banking Corporation Limited, which provides banking services in the ordinary course of business to the Singtel Group. The Board is of the view that the abovementioned relationships do not interfere with the exercise of the Directors' independent business judgement in the best interests of Singtel.

Mr Venky Ganesan is a director of BitSight Technologies, Inc (BitSight). Singtel's subsidiary, Singtel Innov8 Pte Ltd, has an interest of less than 2% in BitSight. The investment in BitSight by Singtel Innov8 Pte Ltd was made independent of Mr Ganesan's association with Singtel. The Board is of the view that the abovementioned relationships do not interfere with the exercise of Mr Ganesan's independent business judgement in the best interests of Singtel.

Conflicts of Interest

Under the Board's Code of Conduct and Ethics, Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of Singtel. The Code of Conduct and Ethics provides that where a Director has a conflict of interest, or it appears that he might have a conflict of interest, in relation to any matter, he should immediately declare his interest at a meeting of the Directors or send a written notice to the Company containing details of his interest and the conflict, and recuse himself from participating in any discussion and decision on the matter. Where relevant, the Directors have complied with the provisions of the Code of Conduct and Ethics, and such compliance has been duly recorded in the minutes of meeting.

The Chairman and the Group CEO

The Chairman of the Board is a non-executive appointment and is separate from the office of the Group CEO. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the Group CEO is responsible for implementing the Group's strategies and policies, and for conducting the Group's business. The Chairman and the Group CEO are not related.

Role of the Chairman

The Chairman is responsible for leadership of the Board and is pivotal in creating the conditions for overall Board, Board Committee and individual Director effectiveness, both inside and outside the boardroom. This includes setting the agenda of the Board in consultation with the Directors and the Group CEO, and promoting active engagement and an open dialogue among the Directors, as well as between the Board and the Group CEO.

Corporate Governance

The Chairman ensures that the performance of the Board is evaluated regularly, and guides the development needs of the Board. The Chairman leads the evaluation of the Group CEO's performance and works with the Group CEO in overseeing talent management to ensure that robust succession plans are in place for the senior leadership team.

The Chairman works with the Board, the relevant Board Committees and Management to establish the boundaries of risk undertaken by the Group and ensure that governance systems and processes are in place and regularly evaluated.

The Chairman plays a significant leadership role by providing clear oversight, advice and guidance to the Group CEO and Management on strategy and the drive to transform Singtel's businesses. This involves developing a keen understanding of the Group's diverse and complex businesses, the industry, partners, regulators and competitors.

The Chairman provides support and advice to, and acts as a sounding board for, the Group CEO, while respecting executive responsibility. He engages with other members of the senior leadership regularly.

The Chairman also maintains effective communications with large shareholders and supports the Group CEO in engaging with a wide range of other stakeholders such as partners, governments and regulators where the Group operates. He travels overseas to visit the Group's key associates in the region and, in the process, fosters strong relationships with the Group's partners and gathers valuable feedback for Management to consider and follow up on.

The scope and extent of the Chairman's and the Board's responsibilities and obligations have been expanding due to the increased focus on corporate governance, risk management, regulation and compliance. The Board has agreed with the Chairman that he will commit a significant proportion of his time to his role and will manage his other time commitments accordingly.

Role of the Lead Independent Director
The Lead Independent Director is appointed by the Board to serve in a lead capacity to coordinate the activities of the non-executive Directors in circumstances where it would be inappropriate for the Chairman to serve in such capacity. He also assists the Chairman and the Board to assure effective corporate governance in managing the affairs of the Board and the Company.

The Lead Independent Director serves as chairman of the CGNC. The role of the Lead Independent Director includes meeting with the independent Directors at least annually. He provides feedback on the meeting(s) to the Board and/or the Chairman as appropriate. He will also be available to shareholders if they have concerns relating to matters that contact through the Chairman, Group CEO or Group CFO has failed to resolve, or where such contact is inappropriate.

Board Membership
The CGNC establishes and reviews the profile required of Board members and makes recommendations to the Board on the appointment, re-nomination and retirement of Directors.

When an existing Director chooses to retire or is required to retire from office by rotation, or the need for a new Director arises, the CGNC reviews the range of expertise, skills and attributes of the Board and the composition of the Board. The CGNC then identifies Singtel's needs and prepares a shortlist of candidates with the appropriate profile for nomination or re-nomination. The Board has an ongoing process facilitated by an independent consultant to map out these needs and to search for candidates to join the Board.

The CGNC takes factors such as attendance, preparedness, participation and candour into consideration when evaluating the past performance and contributions of a Director when making its recommendations to the Board. However, the re-nomination or replacement of a Director does not necessarily reflect the Director's performance or contributions to the Board. The CGNC may have to consider the need to position and shape the Board in line with the evolving needs of Singtel and the business.

When deciding on the appointment of new Directors to the Board, the CGNC and the Board consider a variety of factors, including the core competencies, skills and experience that are required on the Board and Board Committees, diversity, independence, conflicts of interest and time commitments.

In order to ensure Board renewal, the Board has in place guidelines on the tenure of the Chairman and Directors. The guidelines provide that Directors are appointed for an initial term of three years, and this may be extended to a second three-year term. As a general rule, a Director shall step down from the Board no later than at the Annual General Meeting (AGM) to be held in his sixth year of service. Where a Director is not appointed at an AGM, the Director's term will be deemed to have commenced on the date of the AGM immediately following the date on which the Director was appointed. The Committee may, in appropriate circumstances, recommend to the Board that a Director's term be extended beyond the second three-year term, for a period of up to three years. For Chairman, the same principles apply except that the term is determined from the point he became Chairman.

Directors must ensure that they are able to give sufficient time and attention to the affairs of Singtel and, as part of its review process, the CGNC decides whether or not a Director is able to do so and whether he has been adequately carrying duties as a Director of Singtel. The Board has also adopted an internal guideline that seeks to address the competing time commitments that may be faced when a Director holds multiple board appointments. The guideline provides that, as a general rule, each Director should hold no more than five directorships in public listed companies. However, the Board recognises that the individual circumstances and capacity of each Director are different and there may be circumstances in which a different limit on board appointments is appropriate. The guideline also provides that (a) in support of their candidature for directorship or re-election, Directors are to provide the CGNC with details of other commitments and an indication of the time involved, and (b) non-executive Directors should consult the Chairman or chairman of the CGNC before accepting any new appointments as Directors. There are no alternate Directors on the Board.

The Company's Constitution provides that a Director must retire from office at the third AGM after the Director was elected or last re-elected.

A retiring Director is eligible for re-election by Singtel shareholders at the AGM. In addition, a Director appointed by the Board to fill a casual vacancy or appointed as an additional Director may only hold office until the next AGM, at which time he will be eligible for re-election by shareholders. If at any AGM, fewer than three Directors would retire pursuant to the requirements set out above, the additional Directors to retire at that AGM shall be those who have been longest in office since their last re-election or appointment.

The Group CEO, as a Director, is subject to the same retirement by rotation, resignation and removal provisions as the other Directors, and such provisions will not be subject to any contractual terms that may have been entered into with the Company. Shareholders are provided with relevant information in the Annual Report on the candidates for election or re-election.

Board Performance

Each year, the CGNC undertakes a process to assess the effectiveness of the Board, the Board Committees and individual Directors. For the financial year ended 31 March 2019, as in previous years, an independent external consultant (2019: Aon Hewitt Singapore) was appointed to facilitate this process. The 2019 survey was designed to provide an evaluation of the effectiveness of the Board, Board Committees, Chairman and individual Directors, as well as provide insights on the Board culture. The Directors were requested to complete evaluation questionnaires on matters such as Board composition, Board processes, representation of shareholders and environmental, social and governance (ESG) issues, managing company performance, Board strategy and priorities, Board Committee effectiveness, CEO performance and succession planning, director development and management, and risk management. Senior management were also requested to complete questionnaires covering the development/monitoring of strategy, the relationship between the Board and management, risk management, representation of shareholders and ESG issues, and Board Committee effectiveness.

In addition to the appraisal exercise, the contributions and performance of each Director are assessed by the CGNC as part of its periodic reviews of the composition of the Board and the various Board Committees. In the process, the CGNC is able to identify areas for improving the effectiveness of the Board and Board Committees. The Board is also able to assess the Board Committees through their regular reports to the Board on their activities.

Access to information

Prior to each Board meeting, Singtel's Management provides the Board with information relevant to matters on the agenda for the meeting. In general, such information is provided a week in advance of the Board meeting. The Board also receives regular reports pertaining to the operational and financial performance of the Group, as well as regular updates, which include information on the Group's competitors, and industry and technological developments. In addition, Directors receive analysts' reports on Singtel and other telecommunications and digital companies on a quarterly basis. Such reports enable the Directors to keep abreast of key issues and developments in the industry, as well as challenges and opportunities for the Group. In line with Singtel's commitment to the conservation of the environment, as well as technology advancement, Singtel has done away with hard copy Board papers, and Directors are instead provided with tablet devices to enable them to access and read Board and Board Committee papers prior to and at meetings.

The Board has separate and independent access to the Senior Management and the Company Secretary at all times. Procedures are in place for Directors and Board Committees, where necessary, to seek independent professional advice, paid for by Singtel.

Role of the Company Secretary
The Company Secretary attends all Board meetings and is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board, including advising the Board on corporate and administrative matters, as well as facilitating orientation and assisting with professional development as required. She assists the Board in implementing and strengthening corporate governance policies and processes. The Company Secretary is the primary point of contact between the Company and the SGX. The Company Secretary is legally trained, with experience in legal matters and company secretarial practices. The appointment and removal of the Company Secretary is subject to the approval of the Board.

Board and management committees
The following Board Committees assist the Board in executing its duties:
- Audit Committee (AC)
- Corporate Governance and Nominations Committee (CGNC)
- Executive Resource and Compensation Committee (ERCC)
- Finance and Investment Committee (FIC)
- Risk Committee (RC)

Each Board Committee may make decisions on matters within its terms of reference and applicable limits of authority. The terms of reference of each committee are reviewed from time to time, as are the committee structure and membership.

The selection of Board Committee members requires careful management to ensure that each committee comprises Directors with appropriate qualifications and skills, and that there is an equitable distribution of responsibilities among Board members. The need to maximise the effectiveness of the Board, and encourage active participation and contribution from Board members, is also taken into consideration.

A record of each Director's Board Committee memberships and attendance at Board Committee meetings during the financial year ended 31 March 2019 is set out on page 70.

Audit Committee

MEMBERSHIP
Bobby Chin, committee chairman and independent non-executive Director
Gautam Banerjee, independent non-executive Director
Gail Kelly, independent non-executive Director (appointed on 15 May 2019)
Christina Ong, independent non-executive Director

Note:
Peter Ong stepped down as a Director and AC member following the conclusion of the AGM on 24 July 2018.

KEY OBJECTIVE
- Assist the Board objectively in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management

The terms of reference of the AC provide that the AC shall comprise at least three Directors, all of whom are non-executive Directors and the majority, including the chairman, are independent Directors. At least two members of the AC, including the AC chairman, must have recent and relevant accounting or related financial management expertise or experience. The chairman of the AC is a Director other than the Chairman of the Singtel Board.

The AC has explicit authority to investigate any matter within its terms of reference, and has full cooperation and access to Management. It has direct access to the internal and external auditors, and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions. It also has the authority to review its terms of reference and its own effectiveness annually and recommend necessary changes to the Board.

The main responsibilities of the AC are to assist the Board objectively in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, and business and financial risk management.

The AC reports to the Board on the results of the audits undertaken by the internal and external auditors, the adequacy of disclosure of information, and the adequacy and effectiveness of the system of risk management and internal controls. It reviews the quarterly and annual financial statements with Management and the external auditors, reviews and approves the annual audit plans for the internal and external auditors, and reviews the internal and external auditors' evaluation of the Group's system of internal controls.

The AC is responsible for evaluating the cost effectiveness of external audits, the independence and objectivity of the external auditors, and the nature and extent of the non-audit services provided by the external auditors to ensure that the independence of the external auditors is not compromised. It also makes recommendations to the Board on the appointment or re-appointment, remuneration and terms of engagement of the external auditors. In addition, the AC approves the Singtel Internal Audit Charter and reviews the internal audit function for independence and effectiveness, adequacy of resourcing, including staff qualifications and experience, and its standing within Singtel. The AC also reviews the performance of Internal Audit, including approving decisions relating to appointment or removal of Group Chief Internal Auditor and approving the performance and compensation of the Group Chief Internal Auditor. Based on this, the AC is satisfied that the internal audit function is independent, effective and adequately resourced.

During the financial year, the AC reviewed the Management's and Singtel Internal Audit's assessment of fraud risk and held discussions with the external auditors to obtain reasonable assurance that adequate measures were put in place to mitigate fraud risk exposure in the Group. The AC also reviewed the adequacy of the whistle-blower arrangements instituted by the Group through which staff and external parties can in confidence raise concerns about possible improprieties in matters of financial reporting or other matters. All whistle-blower complaints were reviewed by the AC at its quarterly meetings to ensure independent and thorough investigation and adequate follow-up.

The AC met five times during the financial year. At these meetings, the Group CEO, Group Chief Corporate Officer, Group CFO, Vice President (Group Finance), Group Chief Internal Auditor and the respective CEOs of the businesses were also in attendance. During the financial year, the AC reviewed the results of audits performed by Internal Audit based on the approved audit plan, significant litigation and fraud investigations, register of interested person transactions and non-audit services rendered by the external auditors. The AC also met with the internal and external auditors, without the presence of Management, during the financial year.

The external auditors provided regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and its corresponding impact on the financial statements, if any. Directors are also invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

Financial matters

The AC reviewed the financial statements of the Group before the announcement of the Group's quarterly and full-year results. In the process, the AC reviewed the key areas of management's estimates and judgement applied for key financial issues including revenue recognition, taxation, goodwill impairment, and the joint ventures' and associates' contingent liabilities, critical accounting policies and any other significant matters that might affect the integrity of the financial statements. The AC also considered the report from the external auditors, including their findings on the key areas of audit focus. Significant matters that were discussed with management, internal and external auditors have been included as key audit matters (KAMs) in the Independent Auditors' Report for the financial year ended 31 March 2019. Refer to pages 131 to 136 of this Annual Report.

The AC took into consideration the approach and methodology applied in the valuation of acquired businesses, as well as the reasonableness of the estimates and key assumptions used. In addition to the views from the external auditors, subject matter experts including external tax specialists and legal experts, were consulted. The AC concluded that management's accounting treatment and estimates in each of the KAMs were appropriate.

The information included in the Annual Report, excluding the Financial Statements and Independent Auditors' Report, was provided to the external auditors after the Independent Auditors' Report date. The external auditors have provided a written confirmation to the AC that they have completed the work in accordance with SSA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information*, and they have noted no exception. A copy of the charter of the AC is available on the corporate governance page on the Company's website at www.singtel.com/about-us/company/corporate-governance.

Corporate Governance and Nominations Committee

MEMBERSHIP
Low Check Kian, committee chairman and independent non-executive Director
Simon Israel, non-executive Chairman of the Singtel Board
Christina Ong, independent non-executive Director
Teo Swee Lian, independent non-executive Director

KEY OBJECTIVES
- Establish and review the profile of Board members
- Make recommendations to the Board on the appointment, re-nomination and retirement of Directors
- Review the independence of Directors
- Assist the Board in evaluating the performance of the Board, Board Committees and Directors
- Develop and review the Company's corporate governance practices, taking into account relevant local and international developments in the area of corporate governance

The terms of reference of the CGNC provide that the CGNC shall comprise at least three Directors, the majority of whom, including the chairman, shall be independent. As part of its commitment to gender diversity, the Board will strive to appoint at least one female Director to the CGNC.

The main activities of the CGNC are outlined in the commentaries on "Board Composition, Diversity and Balance", "Board Membership" and "Board Performance" from pages 60 to 64.

The CGNC met three times during the financial year ended 31 March 2019, and also approved various matters by written resolution.

Executive Resource and Compensation Committee

MEMBERSHIP
Peter Mason AM, committee chairman and independent non-executive Director
Simon Israel, non-executive Chairman of the Singtel Board
Gail Kelly, independent non-executive Director (appointed on 26 December 2018)
Teo Swee Lian, independent non-executive Director

KEY OBJECTIVES
- Oversee the remuneration of the Board and Senior Management
- Set appropriate remuneration framework and policies, including long-term incentive schemes, to deliver annual and long-term performance of the Group

The ERCC plays an important role in helping to ensure that the Group is able to attract, recruit, motivate and retain the best talents through competitive remuneration and progressive and robust policies so as to achieve the Group's goals and deliver sustainable shareholder value.

The terms of reference of the ERCC provide that the ERCC shall comprise at least three Directors, all of whom shall be non-executive and the majority of whom shall be independent. The ERCC is chaired by an independent non-executive Director.

The main responsibilities of the ERCC, as delegated by the Board, are to oversee the remuneration of the Board and Senior Management. It sets appropriate remuneration framework and policies, including long-term incentive schemes, to deliver annual and long-term performance of the Group.

The ERCC has been tasked by the Board to approve or recommend to the Board the appointment, promotion and remuneration of Senior Management. The ERCC also recommends the Directors' compensation for the Board's endorsement. Directors' compensation is subject to the approval of shareholders at the AGM. The ERCC's recommendations cover all aspects of remuneration for Directors and Senior Management, including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives, management awards, and benefits-in-kind.

The ERCC seeks expert advice and views on remuneration and governance matters from both within and outside the Group as appropriate. The ERCC draws on a pool of independent consultants for diversified views and specific expertise. The ERCC will ensure that existing relationships, if any, between the Group and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.

The ERCC approves or recommends termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to Senior Management. The ERCC ensures that contracts of service for Senior Management contain fair and reasonable termination clauses that are not overly generous.

The ERCC also ensures that appropriate recruitment, development and succession planning programmes are in place for key executive roles, with the objective of building strong and sound leadership bench strength for long-term sustainability of the business. The ERCC conducts, on an annual basis, a succession planning review of Senior Management.

The Group CEO, who is not a member of the ERCC, may attend meetings of the ERCC but does not attend discussions relating to her own performance and remuneration. Singtel's remuneration policy and remuneration for Directors and Senior Management are discussed in this report from pages 76 to 83.

The ERCC met four times during the financial year ended 31 March 2019.

Finance and Investment Committee

MEMBERSHIP

Simon Israel, committee chairman and non-executive Chairman of the Singtel Board
Dominic Barton, independent non-executive Director (appointed on 15 May 2019)
Venky Ganesan, independent non-executive Director
Bradley Horowitz, independent non-executive Director (appointed on 26 December 2018)
Low Check Kian, independent non-executive Director

KEY OBJECTIVES

- Provide advisory support on the development of the Singtel Group's overall strategy and on strategic issues for the Singapore and international businesses
- Consider and approve investments and divestments
- Review and approve changes in the Singtel Group's investment and treasury policies
- Evaluate and approve any financing offers and banking facilities and manage the Singtel Group's liabilities in line with the Singtel Board's policies and directives
- Oversee any on-market share repurchases pursuant to Singtel's share purchase mandate

The terms of reference of the FIC provide that the FIC shall comprise at least three Directors, the majority of whom shall be independent Directors. Membership of the AC and the FIC is mutually exclusive.

The FIC met six times during the financial year ended 31 March 2019.

Risk Committee

MEMBERSHIP
Teo Swee Lian, committee chairman and independent non-executive Director
Gautam Banerjee, independent non-executive Director
Dominic Barton, independent non-executive Director (appointed on 15 May 2019)
Bobby Chin, independent non-executive Director

Note:
Peter Ong stepped down as a Director and RC member following the conclusion of the AGM on 24 July 2018.

KEY OBJECTIVES
- Assist the Board in fulfilling its responsibilities in relation to governance of material risks in the Group's business, which include ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determining the nature and extent of the material risks that the Board is willing to take in achieving the Group's strategic objectives

The terms of reference of the RC provide that the RC shall comprise at least three members, the majority of whom, including the chairman, shall be independent. Members of the RC are appointed by the Board, on the recommendation of the CGNC. There is at least one common member between the RC and the AC.

The RC reviews the Group's strategy, policies, framework, processes and procedures for the identification, measurement, reporting and mitigation of material risks in the Group's business and reports any significant matters, findings and recommendations in this regard to the Board.

The RC meets at least three times a year, with additional meetings to be convened as deemed necessary by the chairman of the RC. The RC met three times during the financial year ended 31 March 2019.

Advisory Committee/Panel

Singtel has two advisory bodies, the Optus Advisory Committee (OAC) and the Technology Advisory Panel (TAP).

The OAC comprises both Board and non-Board members, namely Mr Peter Mason AM (committee chairman), Ms Chua Sock Koong, Mr David Gonski, Mr Simon Israel, Mrs Gail Kelly, Mr John Morschel and Mr Paul O'Sullivan. The OAC reviews strategic business issues relating to the Australian business.

The TAP advises the Board on developments, issues and emerging trends in the technology space. The TAP comprises distinguished international members and is chaired by Mr Venky Ganesan. The other members of the Panel are Mr Manik Gupta, Mr Bradley Horowitz and Mr Koh Boon Hwee.

Management Committee

In addition to the five Board Committees and the two advisory bodies, Singtel has a Management Committee that comprises the Group CEO, CEO Group Enterprise, CEO Consumer Australia, CEO Consumer Singapore, CEO International, CEO Group Digital Life, Group Chief Corporate Officer, Group CFO, Group Chief Human Resources Officer, Group Chief Information Officer and Group Chief Technology Officer.

The Management Committee meets every week to review and direct Management on operational policies and activities.

DIRECTORS' BOARD COMMITTEE MEMBERSHIPS AND ATTENDANCE AT BOARD COMMITTEE MEETINGS DURING THE FINANCIAL YEAR ENDED 31 MARCH 2019 [1]

	Audit Committee		Corporate Governance and Nominations Committee		Executive Resource and Compensation Committee		Finance and Investment Committee		Risk Committee	
Name of Director	**Number of Meetings Held**	**Number of Meetings Attended**	**Number of Meetings Held**	**Number of Meetings Attended**	**Number of Meetings Held**	**Number of Meetings Attended**	**Number of Meetings Held**	**Number of Meetings Attended**	**Number of Meetings Held**	**Number of Meetings Attended**
Simon Israel	–	–	3	3	4	4	6	6	–	–
Chua Sock Koong [2]	5	5	3	3	4	4	6	6	3	3
Gautam Banerjee	5	5	–	–	–	–	–	–	3	3
Dominic Barton [3]	–	–	–	–	–	–	–	–	–	–
Bobby Chin	5	5	–	–	–	–	–	–	3	3
Venky Ganesan	–	–	–	–	–	–	6	6	–	–
Bradley Horowitz [4]	–	–	–	–	–	–	1	1	–	–
Gail Kelly [5]	–	–	–	–	1	1	–	–	–	–
Low Check Kian	–	–	3	3	–	–	6	6	–	–
Peter Mason AM	–	–	–	–	4	4	–	–	–	–
Christina Ong	5	5	3	3	–	–	–	–	–	–
Teo Swee Lian	–	–	3	3	4	4	–	–	3	3
Peter Ong [6]	2	2	–	–	–	–	–	–	–	–

Notes:

(1) Refers to meetings held/attended while each Director was in office.

(2) Ms Chua Sock Koong is not a member of the Board Committees, although she attended meetings of the Committees as appropriate.

(3) Mr Dominic Barton was appointed a member of the Finance and Investment Committee and the Risk Committee on 15 May 2019.

(4) Mr Bradley Horowitz was appointed a member of the Finance and Investment Committee on 26 December 2018.

(5) Mrs Gail Kelly was appointed a member of the Executive Resource and Compensation Committee and the Audit Committee on 26 December 2018 and 15 May 2019 respectively.

(6) Mr Peter Ong stepped down from the Singtel Board following the conclusion of the AGM on 24 July 2018.

ACCOUNTABILITY AND AUDIT

Accountability

Singtel recognises the importance of providing the Board with accurate and relevant information on a timely basis. Hence, Board members receive monthly financial and business reports from Management. Such reports compare Singtel's actual performance against the budget, and highlight key business drivers/indicators and any major issues that are relevant to Singtel's performance, position and prospects.

For the financial year ended 31 March 2019, Singtel's Group CEO and Group CFO have provided a written confirmation to the Board on the integrity of Singtel's financial statements and on the adequacy and effectiveness of Singtel's risk management and internal control systems, addressing financial, operational, compliance and information technology risks. This certification covers Singtel and the subsidiaries that are under Singtel's management control.

Internal Audit (IA)

Singtel IA comprises a team of 63 staff members, including the Group Chief Internal Auditor. Singtel IA reports to the AC functionally and to the Group CEO administratively. Singtel IA is a member of the Singapore chapter of the Institute of Internal Auditors (IIA) and adopts the International Standards for the Professional Practice of Internal Auditing (the IIA Standards) laid down in the International Professional Practices Framework issued by the IIA.

Singtel IA has a Quality Assurance programme to ensure that its audit activities conform to the IIA Standards. As part of the programme, external Quality Assurance Reviews are carried out at least once every three years by qualified professionals from an external organisation. The external Quality Assurance Review was successfully completed in 2018 and continues to meet or exceed the IIA Standards in all key aspects.

Corporate Governance

Singtel IA adopts a risk-based approach in formulating the annual audit plan that aligns its activities to the key strategies and risks across the Group's business. This plan is reviewed and approved by the AC. The reviews performed by Singtel IA are aimed at assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and operating effectiveness of controls that govern key business processes and risks identified in the overall risk framework of the Group. Singtel IA's reviews also focus on compliance with Singtel's policies, procedures and regulatory responsibilities, performed in the context of financial and operational, revenue assurance and information systems reviews.

Singtel IA works closely with Management in its internal consulting and control advisory role to promote effective risk management, robust internal control and good governance practices in the development of new products/services, and implementation of new/enhanced systems and processes. Singtel IA also collaborates with the internal audit functions of Singtel's regional associates to promote joint reviews and the sharing of knowledge and/or best practices.

To ensure that the internal audits are performed effectively, Singtel IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. Singtel IA provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

External Auditor

The Board is responsible for the initial appointment of external auditor. Shareholders then approve the appointment at Singtel's AGM. The external auditor holds office until its removal or resignation. The AC assesses the external auditor based on factors such as the performance and quality of its audit and the independence and objectivity of the auditor, and recommends its appointment to the Board.

During the year, in line with the Singtel Group policy on periodic review of the appointment of external auditors, the AC has recommended, and the Board has endorsed, the appointment of KPMG as the external auditor for Singtel Group for shareholders' approval at the 2018 AGM. In recommending the appointment, an audit tender exercise was conducted and proposals were considered against specific evaluation criteria with assigned weights relevant to Singtel Group's requirements, taking into account relevant guidelines on evaluation of external auditors issued by the Singapore Accounting & Corporate Regulatory Authority (ACRA), Singapore Exchange (SGX) and the Audit Committee Guidance Committee (ACGC) Guidebook. Singtel has complied with Rule 712 and Rule 715 of the SGX Listing Manual in relation to the appointment of its external auditor.

In order to maintain the independence of the external auditor, Singtel has developed policies and approval processes regarding the types of non-audit services that the external auditor can provide to the Singtel Group. The AC reviewed the non-audit services provided by the external auditor during the financial year and the associated fees. The AC is satisfied that the independence and objectivity of the external auditor has not been impaired by the provision of those services. The external auditor has also provided confirmation of its independence to the AC.

Fees for KPMG services for the financial year ended 31 March 2019	(S$ Mil)
Audit services	4.9
Non-audit services (including audit-related services)	0.9

Risk Management and Internal Control

The Board has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business. During the financial year ended 31 March 2019, the Risk Committee (RC) assisted the Board in the oversight of the Group's risk profile and policies, adequacy and effectiveness of the Group's risk management system including the framework and process for the identification and management of significant risks, and reports to the Board on material matters, findings and recommendations pertaining to risk management. The AC provides oversight of the financial reporting risk and the adequacy and effectiveness of the Group's internal control and compliance systems.

The Board has approved a Group Risk Framework for the identification of key risks within the business. This Framework defines 30 categories of risks ranging from environmental to operational and management decision-making risks. The Group's risk management and internal control framework is aligned with the ISO 31000:2009 Risk Management framework and the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Controls Integrated Framework. Major incidents and violations, if any, are reported to the Board to facilitate the Board's oversight of the effectiveness of crisis management and the adequacy of mitigating measures taken by Management to address the underlying risks.

The identification and day-to-day management of risks rest with Management. Management is responsible for the effective implementation of risk management strategy, policies and processes to facilitate the achievement of business plans and goals within the risk tolerance established by the Board. Key business risks are proactively identified, addressed and reviewed on an ongoing basis.

The Risk Management Committee, including relevant members from the Senior Management team, is responsible for setting the direction of corporate risk management and monitoring the implementation of risk management policies and procedures including the adequacy of the Group's insurance programme. The Risk Management Committee reports to the RC on a regular basis.

The Board has established a Risk Appetite Statement and Risk Tolerance Framework to provide guidance to the Management on key risk parameters. The significant risks in the Group's business, including mitigating measures, were also reviewed by the RC on a regular basis and reported to the Board. Risk registers are maintained by the business and operational units which identify the key risks facing the Group's business and the internal controls in place to manage those risks. The RC had reviewed the Group's risk management framework during the reporting period and was satisfied that it continued to be sound.

Internal and external auditors conduct audits that involve testing the effectiveness of the material internal control systems within the Singtel Group, relating to financial, operational, compliance and information technology risks. Any material non-compliance or lapses in internal controls are reported to the AC, including the remedial measures recommended to address the risks identified. The AC also reviews the adequacy and timeliness of the actions taken by Management in response to the recommendations made by the internal and external auditors. Control self-assessments in key areas of the Group's operations are conducted by Management on a periodic basis to evaluate the adequacy and effectiveness of the risk management and internal control systems, including quarterly and annual certifications by Management to the AC and the Board respectively on the integrity of financial reporting and the adequacy and effectiveness of the risk management, internal control and compliance systems.

The Group has put in place a Board Escalation Process where major incidents and violations including major/material operational loss events and potential breaches of laws and regulations by the Company and/or its key officers, are required to be reported by Management and/or Internal Audit to the Board immediately to facilitate the Board's oversight of crisis management and adequacy and effectiveness of follow-up actions taken by Management. Through this process, the Board has been kept informed promptly of any incidents with potential material financial, operational, compliance and information technology risk impact.

The Board has received assurance from the Group CEO and Group CFO that, as at 31 March 2019, the Group's financial records have been properly maintained, the financial statements give a true and fair view of the Group's financial position, operations and performance, and that they are prepared in accordance with accounting standards.

The Board has also received assurance from the Group CEO, Group CFO and Management Committee members that the Group's internal controls and risk management systems were adequate and effective as at 31 March 2019 to address financial, operational, compliance and information technology risks.

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by Management and the various Board Committees as well as assurances from members of the Management Committee, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 March 2019 to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

The systems of risk management and internal control established by Management provides reasonable, but not absolute, assurance that Singtel will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of risk management and internal control can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Further details of the Group's Risk Management Philosophy and Approach can be found on pages 89 to 99.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Communication with Shareholders

Singtel is committed to delivering high standards of corporate disclosure and transparency in our communications with shareholders, analysts and other stakeholders in the investment community. Singtel provides timely, regular and relevant information regarding the Group's strategy, performance and prospects to aid shareholders and investors in their investment decisions.

Over the years, Singtel has won recognition from investors, academia and finance media for its strong emphasis on corporate governance and proactive approach to shareholder communication and engagement. It has also been rated highly on several indices and rankings for its sustainability practices.

The Singtel Investor Relations (IR) website is a key resource of information for the investment community. It contains a wealth of investor-related information on Singtel, including investor presentations, webcasts of earnings presentations, transcripts of earnings conference calls, annual reports, upcoming events, dividend policy, bond programmes, credit ratings and investor factsheets. Contact details of the IR department are also listed on the website to facilitate dialogue and queries from shareholders.

Singtel makes timely disclosures of any new material information to the SGX. These filings are also posted on the Singtel IR website, allowing investors to keep abreast of strategic and operational developments.

Singtel reports financial results on a quarterly basis, typically within 45 days from the end of each financial quarter. The quarterly financial results announcements contain detailed financial disclosures and in-depth analyses of key value-drivers and metrics for the Group's businesses.

Singtel also provides financial guidance for its businesses at the beginning of each financial year and affirms or updates the guidance to accurately reflect prevailing market conditions at the end of each quarter.

Singtel proactively engages shareholders and the investment community through group and one-on-one meetings, conference calls, email communications, investor conferences and roadshows. This year, Singtel engaged over 500 investors in more than 200 meetings and conference calls in Singapore, London, Taiwan, New York and other global financial centres. While these meetings are largely undertaken by Singtel's Senior Management, the Chairman and certain Board members also meet with investors.

To ensure a two-way flow of information, Singtel commissions an annual survey of investors' perceptions to solicit feedback from the investment community on a range of strategic and topical issues. The survey provides the Singtel Board and Management with invaluable insights into investors' views of the Group and helps Singtel identify areas for improvement in investor communication.

Shareholder Meetings

Singtel strongly encourages and supports shareholder participation at general meetings. Singtel delivers the Notice of AGM and related information about a month ahead, providing sufficient time for shareholders to review the Notice of AGM and appoint proxies to attend the AGM if they wish. The Notice of AGM is also advertised in The Straits Times for the benefit of shareholders. Singtel holds its general meetings at central locations in Singapore with convenient access to public transportation. Under Singtel's Constitution and pursuant to the Companies Act, the Central Provident Fund Board and relevant intermediaries (as defined in the Companies Act, Chapter 50) may appoint more than two proxies to attend and vote on their behalf. A registered shareholder who is not a relevant intermediary may appoint up to two proxies. There are separate resolutions at general meetings on each substantially separate issue. Singtel currently does not implement voting in absentia by mail or electronic means as the authentication of shareholder identity and other related security and integrity issues remain a concern.

At each AGM, the Group CEO delivers a presentation to update shareholders on Singtel's progress over the past year. Directors and Senior Management are in attendance to address queries and concerns about Singtel. Singtel's external auditor and counsel also attend to help address shareholders' queries relating to the conduct of the audit and the auditor's reports, as well as clarify any points of law, regulation or meeting procedure that may arise. Shareholders are informed of the voting procedures and rules governing the meeting. The minutes of all general meetings are posted on Singtel's IR website. The minutes disclose the names of the Directors, Senior Management and, where relevant, the external auditor and advisors who attended the meetings, as well as details of the proceedings, including the questions raised by shareholders and the answers given by the Board/Management.

Electronic Poll Voting at Singtel General Meetings

All resolutions at Singtel's general meetings are voted on by poll so as to better reflect shareholders' shareholding interests and ensure greater transparency. Singtel uses electronic poll voting devices to register the votes of shareholders who attend the general meetings.

Singtel appoints an independent external party as scrutineer for the electronic poll voting process. Prior to the general meeting, the scrutineer will review the proxies and the electronic poll voting system, and attends at the proxy verification process, to ensure that the proxy and poll voting information is compiled correctly. During the general meeting, the scrutineer attends to ensure that the polling process is properly carried out.

When voting on a resolution has closed, the poll voting results, including the number and percentage of votes cast for and against the resolution, are immediately presented to shareholders. The poll voting results are promptly filed with SGX on the same day as the meeting.

MANAGING STAKEHOLDER RELATIONSHIPS

Singtel undertakes a formal stakeholder engagement exercise, which is facilitated by a third party at least once every three years to determine the environmental, social and governance issues that are important to the stakeholders. These issues form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, before they are published annually in Singtel's sustainability report. Singtel's executives are also involved in ongoing engagements with these same stakeholders through various other channels.

Singtel's approach to stakeholder engagement and materiality assessment can be found at page 5 of the Sustainability Report.

OTHER MATTERS

Securities Transactions

Singtel has in place a Securities Transactions Policy, which provides that Directors and Top Management members and persons who are in attendance at Board and Top Management meetings (Key Officers) should not deal in Singtel securities during the period commencing two weeks before the announcement of Singtel's financial statements for each of the first three quarters of the financial year, and during the period commencing one month before the announcement of the financial statements for the full financial year and ending on the date of the announcement of the relevant results. In addition, employees who are involved in the preparation of the Group's financial statements should not deal in Singtel securities during the period commencing six weeks before the announcement of financial results each quarter. The policy also provides that any of the above persons who is privy to any material unpublished price-sensitive information relating to the Singtel Group should not trade in Singtel securities until the information is appropriately disseminated to the market, regardless of whether or not it is during the abovementioned "closed" periods for trading in Singtel securities. The Company Secretary sends quarterly reminders of the requirements under the policy and the relevant laws and regulations to the Directors and Management.

A Director is required to notify Singtel of his interest in Singtel securities within two business days after (a) the date on which he becomes a Director or (b) the date on which he acquires an interest in Singtel securities. A Director is also required to notify Singtel of any change in his interests in Singtel securities within two business days after he becomes aware of such change. Singtel will file such disclosure with SGX within one business day of receiving notification from the Director.

The Securities Transactions Policy also discourages trading on short-term considerations and reminds Directors and officers of their obligations under insider trading laws. Directors and officers of the Group wishing to deal in Singtel securities during a closed period must secure prior written approval of the Chairman (in the case of Directors of Singtel), the Lead Independent Director (in the case of the Chairman) or the Group CEO (in the case of directors of Singtel subsidiaries and Key Officers). Requests for written approval must contain a full explanation of the exceptional circumstances and proposed dealing. If approval is granted, trading must be undertaken in accordance with the limits set out in the written approval. Directors are to inform the Company Secretary before trading in Singtel securities. The Board is kept informed when a Director trades in Singtel securities. A summary of Singtel's Securities Transactions Policy is available in the Corporate Governance section of the Singtel corporate website.

Pursuant to the SGX Listing Manual, the Singtel Group has put in place a policy relating to the maintenance of a list(s) of persons who are privy to price sensitive information relating to Singtel. Under the policy, persons who are to be included in the privy persons list will be reminded not to trade in Singtel securities while in possession of unpublished price-sensitive information.

In relation to the shares of other companies, Directors are prohibited from trading in shares of Singtel's listed associates when in possession of material price-sensitive information relating to such associates. Directors are also to refrain from having any direct or indirect financial interest in Singtel's competitors that might or might appear to create a conflict of interest or affect the decisions Directors make on behalf of Singtel.

Continuous Disclosure

There are formal policies and procedures to ensure that Singtel complies with its disclosure obligations under the listing rules of the SGX. A Market Disclosure Committee is responsible for Singtel's Market Disclosure Policy. The policy contains guidelines and procedures for internal reporting and decision-making with regard to the disclosure of material information.

No Material Contracts

Since the end of the previous financial year ended 31 March 2018, no material contracts involving the interest of the Group CEO, any Director, or the controlling shareholder, Temasek Holdings (Private) Limited, has been entered into by Singtel or any of its subsidiaries, and no such contract subsisted as at 31 March 2019, save as may be disclosed on SGXNet or herein.

Interested Person Transactions

As required by the SGX Listing Rules, details of interested person transactions (IPT) entered into by the Group are disclosed in this Annual Report on page 250. Singtel Internal Audit regularly reviews the IPT entered into by the Singtel Group to verify the accuracy and completeness of the IPT disclosure and ensure compliance with the SGX reporting requirements under Chapter 9 of the SGX Listing Manual. The report is submitted to the Audit Committee for review. Under the SGX listing rules, where any IPT requires shareholders' approval, the interested person will abstain from voting and the decision will be made by disinterested shareholders.

The Board has adopted a policy that there should be no loans to Directors, except for loans to fund expenditure to defend Directors in legal or regulatory proceedings, as permitted under the Companies Act. As at 31 March 2019, there were no loans granted to Directors.

Codes of Conduct and Practice

The Board has adopted a Code of Conduct and Ethics as a means to guide the Directors on the areas of ethical risk, and help nurture an environment where integrity and accountability are key. The Code of Conduct and Ethics sets out the Board's principles on dealing with conflicts of interest, maintaining confidentiality, compliance with laws and regulations and fair dealing. The Board also has a Directors' Manual, which sets out specific Board governance policies and practices and the Directors' duties and responsibilities. In addition, Singtel has a code of internal corporate governance practices, policy statements and standards (Singtel Code), and makes this code available to Board members as well as employees of the Group. The principles, policies, standards and practices in the Code of Conduct and Ethics, the Directors' Manual and the Singtel Code are intended to enhance investor confidence and rapport, and to ensure that decision-making is properly carried out in the best interests of the Group. The Code of Conduct and Ethics, the Directors' Manual and the Singtel Code are maintained by the Company Secretary and are provided to Directors when they are appointed to the Board.

Singtel also has a strict code of conduct that applies to all employees. The code sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with Singtel, its competitors, customers, suppliers and the community. The code covers areas such as equal opportunity employment practices, workplace health and safety, conduct in the workplace, business conduct, protection of Singtel's assets, proprietary information and intellectual property, data protection, confidentiality, conflict of interest, and non-solicitation of customers and employees. Singtel adopts a zero tolerance approach to bribery and corruption in any form and this is set out in the code as well as the Singtel Anti-Bribery and Corruption Policy (ABC Policy). The code and the ABC Policy are posted on Singtel's internal website and a summarised version of the code, as well as the ABC Policy, are accessible from the Singtel corporate website. Policies and standards are clearly stipulated to guide employees in carrying out their daily tasks.

Singtel has established an escalation process so that the Board of Directors, Senior Management, and internal and external auditors are kept informed of corporate crises in a timely manner, according to their severity. Such crises may include violations of the code of conduct and/or applicable laws and regulations, as well as loss events that have or are expected to have a significant impact, financial or otherwise, on the Group's business and operations.

Whistle-Blower Policy
Singtel undertakes to investigate all complaints of suspected fraud and corruption in an objective manner, and has a whistle-blower policy and procedures that provide employees and external parties with well-defined and accessible channels within the Group. These include a direct channel to Singtel IA and whistle-blower hotline services independently managed by external service providers, for reporting suspected fraud, corruption, unethical practices or other similar matters which may cause financial loss to the Group or damage the Group's reputation. The policy is aimed at encouraging the reporting of such matters in good faith, with the confidence that employees and other persons making such reports will be treated fairly and, to the extent possible, protected from reprisal.

On an ongoing basis, the whistle-blower policy is covered during staff training and periodic communication to all staff as part of the Group's efforts to promote strong ethical values and fraud and control awareness. All whistle-blower complaints are investigated independently by Singtel IA or an independent investigation committee as appropriate, and the outcome of each investigation is reported to the AC.

REMUNERATION

The broad principles that guide the ERCC in its administration of fees, benefits, remuneration and incentives for the Board of Directors and Senior Management are set out below.

Remuneration of Non-Executive Directors
Singtel's Group CEO is an Executive Director and is, therefore, remunerated as part of Senior Management. She does not receive Directors' fees.

The ERCC recommends the non-executive Directors' fees for the Board's endorsement and approval by shareholders. As Singtel has diverse and complex operations and investments internationally and is not just a Singapore-based company, the fees are benchmarked against fees paid by other comparable companies in Singapore and Australia, as well as comparable companies in other countries.

Singtel seeks shareholders' approval at the AGM for Directors' fees for the financial year ending 31 March 2020 so that Directors' fees can be paid on a half-yearly basis in arrears. No Director decides his own fees.

Save as mentioned below, there are no retirement benefit schemes or share-based compensation schemes in place for non-executive Directors.

To align Directors with shareholders' interests, Directors are encouraged to acquire Singtel shares each year from the open market until they hold the equivalent of one year's fees in shares, and to continue to hold the equivalent of one year's fees in shares while they remain on the Board.

Financial Year Ended 31 March 2019

For the financial year ended 31 March 2019, the Chairman received an all-inclusive fee of S$960,000

Corporate Governance

(excluding car-related benefits). The fee was paid approximately two-thirds in cash and approximately one-third in Singtel shares. No separate retainer fees, committee fees, attendance fees or travel allowance were paid to the Chairman.

The fees for non-executive Directors (other than the Chairman) comprised a basic retainer fee, additional fees for appointment to Board Committees, attendance fees for ad hoc Board meetings and a travel allowance for Directors who were required to travel out of their country or city of residence to attend Board meetings and Board Committee meetings that did not coincide with Board meetings. The framework for determining non-executive Directors' fees for the financial year ended 31 March 2019 was the same as the framework for the previous financial year and is set out below:

Basic Retainer Fee	
Board Chairman	S$960,000 per annum
Director	S$110,000 per annum
Fee for appointment to Audit Committee and Finance and Investment Committee	
Committee chairman	S$60,000 per annum
Committee member	S$35,000 per annum
Fee for appointment to Executive Resource and Compensation Committee	
Committee chairman	S$45,000 per annum
Committee member	S$25,000 per annum
Fee for appointment to any other Board Committee	
Committee chairman	S$35,000 per annum
Committee member	S$25,000 per annum
Attendance Fee per Ad Hoc Board meeting	S$2,000
Travel allowance for Board meetings and Board Committee meetings that do not coincide with Board meetings (per day of travel required to attend meeting)	S$3,000

The aggregate Directors' fees paid to non-executive Directors for the financial year ended 31 March 2019 was S$2,432,053 (details are set out in the table below).

Name of Director	**Director's Fees (S$)**
Simon Israel (1)	960,000
Gautam Banerjee	170,000
Dominic Barton (2)	2,070
Bobby Chin	195,000
Venky Ganesan (3)	193,000
Bradley Horowitz (4)	62,588
Gail Kelly (5)	47,927
Low Check Kian (6)	192,000
Peter Mason AM (7)	191,000
Christina Ong	170,000
Teo Swee Lian	195,000
Peter Ong (8)	53,468
Total	**2,432,053**

Notes:

(1) In addition to the Director's fees set out above, Mr Simon Israel also received car-related benefits (S$24,557).

(2) Mr Dominic Barton was appointed as a Director on 25 March 2019.

(3) In addition to the Director's fees set out above, Mr Venky Ganesan received fees of US$75,000 for the financial year ended 31 March 2019 in his capacity as the Chairman of the Technology Advisory Panel.

(4) Mr Bradley Horowitz was appointed as a Director and a member of the Finance and Investment Committee and the Technology Advisory Panel on 26 December 2018. In addition to the Director's fees set out above, Mr Bradley Horowitz received fees of US$50,000 for the financial year ended 31 March 2019 in his capacity as a member of the Technology Advisory Panel.

(5) Mrs Gail Kelly was appointed as a Director and a member of the Executive Resource and Compensation Committee on 26 December 2018. In addition to the Director's fees set out above, Mrs Gail Kelly received fees of S$25,000 for the financial year ended 31 March 2019 in her capacity as a member of the Optus Advisory Committee.

(6) In addition to the Director's fees set out above, Mr Low Check Kian received fees of S$35,000 for the financial year ended 31 March 2019 in his capacity as a director of Singtel Innov8 Pte. Ltd.

(7) In addition to the Director's fees set out above, Mr Peter Mason AM received fees of S$35,000 for the financial year ended 31 March 2019 in his capacity as a member of the Optus Advisory Committee.

(8) Mr Peter Ong stepped down as a Director and member of the Audit Committee and the Risk Committee following the conclusion of the AGM on 24 July 2018.

There is no employee of the Group who is an immediate family member of a Director or the GCEO, and whose remuneration exceeded S$100,000 during the financial year ended 31 March 2019. No employee of the Group is a substantial shareholder of the Company.

Financial Year Ending 31 March 2020

For the financial year ending 31 March 2020, it is proposed that aggregate fees of up to S$2,950,000 be paid to the Directors, which is the same as the amount approved by shareholders for the financial year ended 31 March 2019. The proposed framework for Directors' fees for the financial year ending 31 March 2020 is the same as that for the financial year ended 31 March 2019.

Remuneration of Executive Director and Senior Management

The remuneration framework and policy is designed to support the implementation of the Group's strategy and to enhance shareholder value. The following are our guiding principles for remuneration of Senior Management:

ALIGNMENT WITH SHAREHOLDERS' INTERESTS
- Align interests between management and shareholders
- Select appropriate performance metrics for annual and long-term incentive plans to support business strategies and ongoing enhancement of shareholder value
- Allow for performance-related clawback if long-term sustained performance targets are not met
- Establish sound and structured funding to ensure affordability

FAIR AND APPROPRIATE
- Offer competitive packages to attract and retain highly experienced and talented individuals
- Link a significant proportion of remuneration to performance, both on an annual and long-term basis
- Structure a significant but appropriate proportion of remuneration to be at risk with symmetric upside and downside

PAY-FOR-PERFORMANCE
- Measure performance based on a holistic balanced scorecard approach, comprising both financial and non-financial metrics
- Ensure targets are appropriately set for threshold, target, stretch and exceptional performance levels

EFFECTIVE IMPLEMENTATION
- Ensure link between performance and remuneration is clear and the framework is simple for employees to understand
- Meet rigorous corporate governance requirements

The ERCC recognises that the Group operates in a multinational and multifaceted environment and reviews remuneration through a process that considers Group, business unit and individual performance as well as relevant comparative remuneration in the market. The performance evaluation for Senior Management has been conducted in accordance with the above considerations.

During the year, the ERCC engaged Aon Hewitt Singapore Pte Ltd (Aon Hewitt) to provide valuation and vesting computation for grants awarded under the Singtel Performance Share Plan 2012. The ERCC also engaged Willis Towers Watson (Singapore) to conduct Executive Remuneration Benchmarking for Senior Management. Aon Hewitt, Willis Towers Watson and their consultants are independent and not related to the Group or any of its Directors.

Singtel may, under special circumstances, compensate Senior Management for their past contributions when their services are no longer needed, in line with market practice; for example, due to redundancies arising from reorganisation or restructuring of the Group.

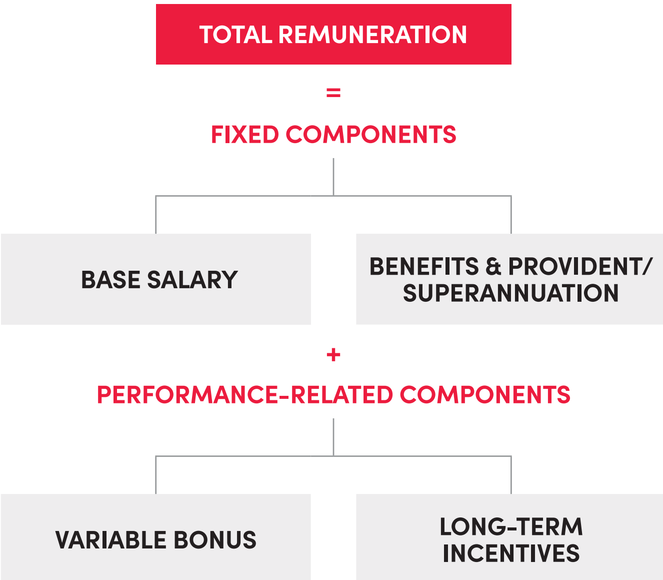
If an executive is involved in misconduct or fraud, resulting in financial loss to the company, the ERCC has the discretion not to award and to forfeit incentive components of the executive's remuneration, to the extent that such award or incentive has not been released or disbursed.

Remuneration Structure

The remuneration structure is designed such that the percentage of the performance-related components of Senior Management's remuneration increases as they move up the organisation.

On an annual basis, the ERCC proposes the compensation of the Group CEO, CEOs, Group Chief Corporate Officer and Group CFO for the Board's approval and approves compensation for the other Senior Management.

The key remuneration components for Senior Management are summarised below:



Fixed Components

BASE SALARY
The base salary reflects the market worth of the job but may vary with responsibilities, qualifications and the experience that the individual brings to the role.

Policy
This is approved by the Board based on ERCC's recommendation and reviewed annually against:
(i) peers of similar financial size and complexity to the Group;
(ii) pay and conditions across the Group; and
(iii) the executive's contribution and experience.

In Australia, consistent with local market practice, executives may opt for a portion of their salaries to be received in benefits-in-kind, such as superannuation contributions and motor vehicles, while maintaining the same overall cost to the company.

Performance Linkage
The base salary is linked to each executive's sustained long-term performance.

BENEFITS & PROVIDENT/SUPERANNUATION FUND
Benefits and Provident/Superannuation Fund provided are in line with local market practices and legislative requirements.

Policy
Singtel contributes towards the Singapore Central Provident Fund or the Optus Superannuation Fund or any other chosen fund, as applicable. Singtel also provides in-company medical scheme, club membership, employee discounts and other benefits that may incur Australian Fringe Benefits Tax, where applicable.

Participation in benefits is dependent on the country in which the executive is located. For expatriates located away from home, additional benefits such as accommodation, children's education and tax equalisation may be provided.

Performance Linkage
Benefits and Provident/Superannuation Fund are not directly linked to performance.

Performance-Related Components

VARIABLE BONUS
Variable Bonus comprises the Performance Bonus and the Value Sharing Bonus. It provides a variable level of remuneration dependent on short-term performance against the annual plan, as well as relevant market remuneration benchmarks.

Policy
Performance Bonus
Performance Bonus (PB) is designed to support the Group's business strategy and the ongoing enhancement of shareholder value through the delivery of annual Financial, Strategy, Operational and People objectives. On an individual level, the PB will vary according to the actual achievement against Group, business unit and individual performance objectives.

Value Sharing Bonus
A portion of Senior Management's annual remuneration is tied to the Economic Profit (EP) performance of the Group in the form of the Value Sharing Bonus (VSB). VSB is used to defer their bonuses over a time horizon to ensure alignment with sustainable value creation for the shareholders over the longer term.

Performance Linkage

Performance Bonus

The objectives are aligned to the Annual Operating Plan and are different for each executive. They are assessed on the same principles across four broad categories of targets: Financial, Strategy, Operational and People. Weightings are assigned to the targets to encourage a balanced performance and to avoid over-emphasis on any one measure. People targets comprise leadership competencies, core values, people development and staff engagement. In addition, the executives are assessed on teamwork and collaboration across the Group.

Value Sharing Bonus

A "VSB bank" is created for each executive to hold the VSB allocated to him or her in any year. One-third of the "bank" balance would be paid out in cash provided it is positive. The remaining balance will be carried forward and at risk as it is subject to performance-related clawback and could be reduced in the event of EP underperformance in the future years.

LONG-TERM INCENTIVES

Long-term incentives reinforce the delivery of long-term growth and shareholder value to drive an ownership culture and retain key talent. These are equity awards provisionally granted to Senior Management based on performance for the year ended 31 March 2019.

The long-term incentives consist of two types of awards – the Restricted Share Award (RSA) and the Performance Share Award (PSA) – with grants made at the discretion of the ERCC. The RSA is granted to a broader group of executives while the PSA is granted to Senior and Top Management.

Policy

The number of shares awarded under RSA and PSA is determined using the valuation of the shares based on a Monte-Carlo simulation. The RSA share awards have a service condition, while the PSA share awards are conditional upon the achievement of predetermined performance targets over the performance period. The PSA performance conditions were chosen as they are key drivers of shareholder value creation and aligned to the Group's business objectives. These performance conditions and targets are approved by the ERCC at the beginning of the performance period.

A significant portion of the remuneration package for our Senior Management is delivered in Singtel shares to ensure that their interests are aligned with shareholders. In particular, the long-term incentives mix is more heavily weighted toward PSA for more senior executives to increase focus on shareholder returns. This is further supported by significant shareholding requirements in which they are required to build up and retain at least the equivalent of two times their annual base salary in shares. Group CEO is expected to hold at least the equivalent of three times her annual base salary as shareholding.

Special provisions for vesting and lapsing of awards apply for events such as the termination of employment, misconduct, retirement and any other events approved by the ERCC. Upon occurrence of any of the events, the ERCC will consider, at its discretion, whether or not to release any award, and will take into account circumstances on a case-by-case basis, including (but not limited to) the contributions made by the employee. Singtel employees are prohibited from entering into transactions in associated products which limit the economic risk of participating in unvested awards under Singtel's equity-based remuneration schemes.

Performance Linkage

Restricted Share Award (RSA)

The RSA has a two-year performance period from 1 April 2019 to 31 March 2021. 50% of the 2019 RSA will vest two years from grant date and 50% will vest three years from grant date, subject to the following conditions:

- Continued employment with the Singtel Group; and
- Maintaining a satisfactory performance rating for the financial year preceding each tranche of vesting.

Performance Share Award (PSA)

The PSA has a three-year performance period from 1 April 2019 to 31 March 2022. Vesting of shares is dependent on the following performance conditions, subject to the approval of the ERCC:

- 40% based on Singtel Group's Reported NPAT – Reported NPAT achieved against predetermined targets; and
- 60% based on Singtel Group's Absolute Total Shareholder Return (Absolute TSR) – Absolute TSR achieved against predetermined targets.

The vesting schedule for PSA granted in June 2019 is shown in Figure A.

Figure A: Performance Share Award (PSA) Vesting Schedule

Reported Group NPAT (40%)		Absolute TSR (60%)	
Performance	Vesting Level [1]	Performance	Vesting Level [1]
Exceptional	150%	Stretch	150%
Target	100%	Target	100%
Threshold	50%	Threshold	50%
Below Threshold	0%	Below Threshold	0%

Note:

(1) For achievement between these performance levels, the percentage of shares that will vest under this tranche would vary accordingly.

Remuneration of Key Management

For the financial year ended 31 March 2019, there were no termination, retirement and post-employment benefits granted to Directors and Key Management.

Remuneration of Executive Director

Summary compensation table for Group CEO (Chua Sock Koong) for the financial year ended 31 March 2019:

Name		Fixed Remuneration (S$) [1]	Variable Bonus (S$) [2]	Provident Fund (S$) [3]	Benefits (S$) [4]	Total Cash & Benefits (S$) [5]
Chua Sock Koong	Earned	1,647,096	1,803,014	9,180	78,011	3,537,301
	Paid out		3,215,059			4,949,346

Performance shares granted, vested and lapsed for Ms Chua as at 31 March 2019 are as follows:

	Restricted Share Award (RSA) [6]				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2016 Awards	201,331	273,408	–	1-Jun-18	136,704
				3-Jun-19	136,704
2017 Awards [7]	382,987	444,648	–	3-Jun-19	222,324
				1-Jun-20	222,324
2018 Awards [8]	396,550			1-Jun-20	
				1-Jun-21	
2019 Awards [9]	202,475			1-Jun-21	
				1-Jun-22	

	Performance Share Award (PSA) [6]				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2016 Awards	1,694,657	–	1,694,657	3-Jun-19	–
2017 Awards [8]	831,718			1-Jun-20	
2018 Awards [8]	633,618			1-Jun-21	
2019 Awards [9]	860,127			1-Jun-22	

Notes:

(1) Fixed Remuneration refers to base salary earned for the financial year ended 31 March 2019.

(2) Variable Bonus comprises Performance Bonus (PB) and Value Sharing Bonus (VSB). PB varies according to the actual achievement against Group, business unit and individual performance objectives for the year. VSB is awarded for individual performance and Group Economic Profit (EP) performance for the year.

The allocated VSB will be credited into the VSB 'bank' and one-third of the 'bank' balance is paid out in cash each year provided it is positive. The remaining balance is carried forward to the next year and at risk as it is subject to a clawback feature. For more details, please refer to pages 79 to 80. Variable Bonus Earned is the sum of PB and VSB awarded for the financial year ended 31 March 2019. Variable Bonus Paid Out is the sum of PB and VSB paid out in June 2019.

(3) Provident Fund in Singapore represents payments in respect of company statutory contributions to the Singapore Central Provident Fund.

(4) Benefits are stated on the basis of direct costs to the company and include car benefits, flexible benefits and other non-cash benefits such as medical cover and club membership.

(5) Total Cash & Benefits Earned is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus awarded for the financial year ended 31 March 2019. Total Cash & Benefits Paid Out is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus paid out for the financial year ended 31 March 2019.

(6) Long-term Incentives are awarded in the form of Restricted Share Award (RSA) and Performance Share Award (PSA) under the Singtel Performance Share Plan 2012.

(7) The second tranche of the vested 2017 RSA will be released in June 2020, subject to continued service of the employee.

(8) The vesting of the RSA and PSA are conditional upon the achievement of predetermined performance targets or vesting conditions over the respective performance period, which are a two-year period for RSA and a three-year period for PSA.

(9) The 2019 grants of RSA and PSA were made in June 2019 for performance for the financial year ended 31 March 2019. The per unit fair values of the RSA and PSA are S$2.644 and S$1.556 respectively.

Remuneration of Other Key Management

Summary compensation table for the other top five Key Management for the financial year ended 31 March 2019:

Name		Fixed Remuneration (S$)[1]	Variable Bonus (S$)[2]	Provident Fund (S$)[3]	Benefits (S$)[4]	Total Cash & Benefits (S$)[5]	Restricted Share Award (RSA)[6] (no. of shares)	Performance Share Award (PSA)[6] (no. of shares)
The following are in alphabetical order:								
Bill Chang CEO Group Enterprise	Earned	909,996	871,748	17,340	65,475	1,864,559	106,341	451,745
	Paid Out		1,530,734			2,523,545		
Hui Weng Cheong[7] COO, AIS	Earned	663,000	669,950	9,180	455,238	1,797,368	80,674	159,930
	Paid Out		895,445			2,022,863		
Allen Lew[8] CEO Consumer Australia	Earned	A$1,562,369	A$1,447,543	9,180	A$637,591	A$3,656,790	135,023	573,587
	Paid Out		A$2,648,656			A$4,857,903		
Jeann Low Group Chief Corporate Officer	Earned	909,996	471,748	13,260	64,088	1,459,092	106,341	451,745
	Paid Out		1,126,000			2,113,344		
Yuen Kuan Moon CEO Consumer Singapore	Earned	909,996	931,998	17,340	64,695	1,924,029	121,533	516,279
	Paid Out		1,241,484			2,233,515		
Total	**Earned**	**4,937,248**	**4,376,210**	**66,300**	**1,279,697**	**10,659,455**	**549,912**	**2,153,286**
	Paid Out		**7,411,620**			**13,694,865**		

Corporate Governance

Performance shares granted, vested and lapsed for the above five executives as at 31 March 2019 are as follows:

	Restricted Share Award (RSA)				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2016 Awards	425,487	577,815	–	1-Jun-18	288,908
				3-Jun-19	288,907
2017 Awards [9]	882,644	1,024,753	–	3-Jun-19	512,379
				1-Jun-20	512,374
2018 Awards [10]	994,149		–	1-Jun-20	
				1-Jun-21	

	Performance Share Award (PSA)				
	Granted (no. of shares)	Vested (no. of shares)	Lapsed (no. of shares)	Released Date	Released (no. of shares)
2016 Awards	3,032,763	–	3,032,763	3-Jun-19	–
2017 Awards [10]	1,700,195			1-Jun-20	
2018 Awards [10]	1,509,669			1-Jun-21	

Notes:

(1) Fixed Remuneration refers to base salary earned for the financial year ended 31 March 2019.

(2) Variable Bonus comprises Performance Bonus (PB) and Value Sharing Bonus (VSB). PB varies according to the actual achievement against Group, business unit and individual performance objectives for the year. VSB is awarded for individual performance and Group Economic Profit (EP) performance for the year. The allocated VSB will be credited into the VSB 'bank' and one-third of the 'bank' balance is paid out in cash each year provided it is positive. The remaining balance is carried forward to the next year and at risk as it is subject to a clawback feature. For more details, please refer to pages 79 to 80. Variable Bonus Earned is the sum of PB and VSB awarded for the financial year ended 31 March 2019. Variable Bonus Paid Out is the sum of PB and VSB paid out in June 2019.

(3) Provident Fund in Singapore represents payments in respect of company contributions to the Singapore Central Provident Fund.

(4) Benefits are stated on the basis of direct costs to the company and include overseas assignment benefits, tax equalisation, car benefits, flexible benefits and other non-cash benefits such as medical cover and club membership, where applicable.

(5) Total Cash & Benefits Earned is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus awarded for the financial year ended 31 March 2019. Total Cash & Benefits Paid Out is the sum of Fixed Remuneration, Provident Fund, Benefits and Variable Bonus paid out for the financial year ended 31 March 2019.

(6) Long-term Incentives are awarded in the form of performance shares. Grants of the Restricted Share Award (RSA) and Performance Share Award (PSA) under the Singtel Performance Share Plan 2012 were made in June 2019 for performance for the financial year ended 31 March 2019. The per unit fair values of the RSA and PSA are S$2.644 and S$1.556 respectively.

(7) Benefits for Mr Hui Weng Cheong include tax equalisation in relation to his assignment to AIS, Thailand.

(8) All remuneration items for Mr Allen Lew are denominated in Australian Dollar, except for his Provident Fund, which is denominated in Singapore Dollar.

(9) The second tranche of the vested 2017 RSA will be released in June 2020, subject to continued service of the employee.

(10) The vesting of the RSA and PSA are conditional upon the achievement of predetermined performance targets or vesting conditions over the respective performance period, which are a two-year period for RSA and a three-year period for PSA.

Summary of Disclosures – Corporate Governance

Rule 710 of the SGX Listing Manual requires Singapore listed companies to describe their corporate governance practices with specific reference to the 2018 Code in their annual reports for financial years commencing on or after 1 January 2019. As we have elected to adopt Rule 710 of the SGX Listing Manual in advance, this summary of disclosures describes our corporate governance practices with specific reference to the express disclosure requirements in the principles and provisions of the 2018 Code. No references have been made to the Code of Corporate Governance 2012.

Key information on each Director in this Annual Report:

- Pages 15 to 20 – Directors' independence status, appointment dates, length of directorship, academic and professional qualifications and present and past directorships details
- Pages 58 and 70 Directors' meeting attendance
- Pages 76 to 82 – Directors' remuneration
- Pages 251 to 260 – Additional Information on Directors seeking re-election at the Annual General Meeting to be held on 23 July 2019

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2019
Provision 1.2 The induction, training and development provided to new and existing Directors.	Page 60
Provision 1.3 Matters that require Board approval.	Page 59
Provision 1.4 Names of the members of the Board Committees, the terms of reference of the Board Committees, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities.	Pages 65 to 69
Provision 1.5 The number of meetings of the Board and Board Committees held in the year, as well as the attendance of every Board member at these meetings.	Pages 58 and 70
Provision 2.4 The board diversity and progress made towards implementing the board diversity policy, including objectives.	Page 61
Provision 4.3 Process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidate.	Pages 63 to 64
Provision 4.4 Where the Board considers a Director to be independent in spite of the existence of a relationship which may affect his or her independence, the nature of the Director's relationship and the reasons for considering him or her as independent should be disclosed.	Pages 61 to 62

Corporate Governance

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2019
Provision 4.5 The listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties are disclosed.	Pages 15 to 20 and Page 64
Provision 5.2 How the assessments of the Board, its Board committees and each Director have been conducted, including the identity of any facilitator and its connection, if any, with the Company or any of its Directors.	Page 64
Provision 6.4 The Company discloses the engagement of any remuneration consultants and their independence.	Page 78
Principle 8 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration, and the relationship between remuneration, performance and value creation.	Pages 78 to 80
Provision 8.1 The Company discloses the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of (a) each individual director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.	For the CEO and management: Pages 78 to 83 For non-executive Directors: Pages 76 to 77
Provision 8.2 Names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a Director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	Page 77
Provision 8.3 The Company discloses all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company, and also discloses details of employee share schemes.	For non-executive Directors: Page 77 For key management personnel: Pages 81 to 83 For employee share schemes: Pages 80 to 83

Principles and provisions of the 2018 Code – Express disclosure requirements	Page reference in Singtel Annual Report 2019
Provision 9.2 Whether the Board has received assurance from (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (b) the CEO and the other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.	Page 72
Provision 11.3 Directors' attendance at general meetings of shareholders held during the financial year.	Page 58
Provision 12.1 The steps taken to solicit and understand the views of shareholders.	Pages 73 to 74 and Pages 87 to 88
Provision 13.2 The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	Page 74 and Pages 100 to 106

Investor Relations

Strive for clear, open and accurate disclosures to help investors make informed and timely decisions about their Singtel securities

Promote regular two-way investor communication through different touchpoints and forums

Maintain leadership and set the bar for corporate governance and sustainability standards

PROACTIVE AND OPEN COMMUNICATION WITH THE INVESTMENT COMMUNITY

During the financial year ended 31 March 2019, the management and Investor Relations (IR) team engaged more than 500 investors in over 200 meetings and conference calls to discuss the Group's business strategy and operational and financial performance. We also participated in local and overseas investor conferences and roadshows in Europe, Canada, Hong Kong, Malaysia, Taiwan and the US.

We held briefings and meetings for major corporate announcements such as our subscription of Airtel's rights issue. We discussed our long-term investment strategy, the impact to our gearing and reiterated our commitment to shareholder returns.

We are focused on helping investors understand how the Group is creating sustainable competitive advantages through investments in digital businesses, network and content, as well as building digital ecosystems in payments, gaming and esports. In addition, we share with investors how the use of technology is lifting efficiency, supporting new automation in work processes and improving our cost base. To give investors a first-hand experience of cutting-edge technologies like IoT, data analytics and advanced networks, we organised regular tours of our business facilities, including our FutureNow Innovation Centre and the revamped Singtel flagship store.

Our annual Singtel Investor Day in June 2018 attracted over 70 participants. Investors and analysts interacted directly with the senior management of Singtel, Optus and our associates through small group presentations and a Q&A session. We also showcased our digital services, including a simulation of future 5G solutions. Singtel Innov8, our venture capital fund, arranged for investee companies to present insights into technologies such as aerial drones and robotic process automation.

Retail investors are an important part of our outreach efforts. We have been a long-term sponsor of the Securities Investors Association (Singapore) (SIAS) Investor Education Programme and leverage the annual Singtel-SIAS dialogue to communicate our strategy and performance with retail shareholders. Retail investors are welcome to contact us directly through email or telephone.

MAINTAIN LEAD IN CORPORATE GOVERNANCE, TRANSPARENCY AND INVESTOR RELATIONS

We continue to nurture and maintain strong links with sell-side research analysts and are well-covered by more than 20 analysts, based in Singapore, Malaysia, Hong Kong, India and the UK, who issue regular reports. We monitor analyst, industry and media reports closely, as part of our efforts to continuously improve disclosures and IR practices.

Each year, we commission an independent study to gather investor perceptions of our business. The study, comprising in-depth interviews with approximately 60 institutional investors and research analysts, gives our Board and management a better understanding of investors' views and concerns. It also helps the IR team identify areas of investor focus, enabling us to tailor our communications and disclosures accordingly. The latest study highlighted the challenges facing the telco industry but respondents drew assurance from Singtel's clear strategy and strong management team.

Good corporate governance also plays a vital role in shaping investor perception of the integrity, transparency, accountability and efficiency of a company. We keep abreast of the latest developments and benchmark ourselves against best practices in key areas such as disclosure, board structure, shareholder rights and remuneration.

We proactively engage investors to understand their views on sustainability and how it influences their investment decisions. We are providing more disclosures on our sustainability initiatives and helping investors understand our material issues, policies and efforts in areas such as the environment and climate change, data protection, supply chain, social matters and human rights. We have endorsed the Task Force on Climate-Related Financial Disclosures' voluntary framework and are working towards meeting its standards.

The Singtel IR website is the primary source of corporate information, financial data and significant business developments for the investment community. All new, material announcements are made available on the IR website immediately after they are released to the Singapore Exchange to ensure fair, equal and prompt dissemination of information. In addition, we constantly review the level of disclosure, to align it with global best practices and take into account new business initiatives. Information on Singtel's credit ratings and bond programmes were added during the financial year.

During our quarterly earnings announcements, we provide extensive information, including detailed financial statements, management discussion and analyses and presentation slides. Our management responds to questions from investors and analysts over a conference call on the day of the results announcement and a transcript of the conference call is posted on the Singtel IR website the next work day.

SHAREHOLDER INFORMATION

As at 31 March 2019, Temasek Holdings (Private) Limited remained our largest shareholder, with 52% of issued share capital. Other Singapore shareholders held approximately 12%. In terms of geographical distribution, the US/Canada and Europe accounted for approximately 12% and 9% of issued shares respectively.

IR CALENDAR OF EVENTS

May 2018
- Non-deal Equity Roadshows, Singapore, Europe and North America

June 2018
- Singtel Investor Day, Singapore
- Citi ASEAN C-Suite Investor Conference, Singapore

July 2018
- 26th Annual General Meeting, Singapore

August 2018
- Non-deal Equity Roadshow, Singapore

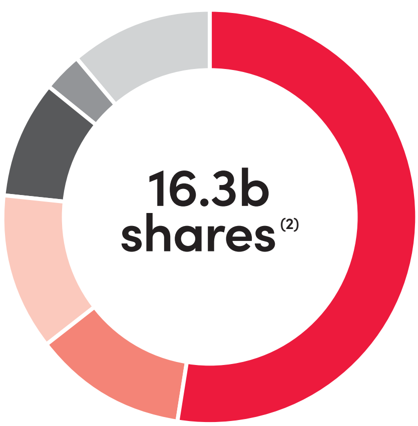
September 2018
- CLSA Investors' Forum, Hong Kong
- Non-deal Equity Roadshow, Malaysia

November 2018
- Non-deal Equity Roadshows, Singapore and the UK

February 2019
- Non-deal Equity Roadshow, Singapore

March 2019
- Investor briefing and meetings: Airtel Rights Issue, Singapore
- UOB Kay Hian-SGX Corporate Day, Taiwan
- Investor Meeting with Chairman and Board Members, Singapore

SHARE OWNERSHIP BY GEOGRAPHY [1]



Temasek Holdings[3]	52%
US/Canada	12%
Singapore (ex-Temasek)	12%
Europe	9%
Asia (ex-Singapore)	3%
Others	11%

Notes:
(1) These figures do not add up to 100% due to rounding.
(2) As at 31 March 2019.
(3) Includes direct and deemed interest.

Risk Management Philosophy and Approach

We identify and manage risks to reduce the uncertainty associated with executing our business strategies and maximise opportunities that may arise. Risks can take various forms and can have material adverse impact on our reputation, operations, human resources and financial performance.

We have established a comprehensive risk management framework approved by our Risk Committee. The risk management framework sets out the governance structure for managing risks, our risk philosophy, risk appetite and tolerance levels, our risk management approach as well as risk factors.

In addition, our risk assessment and mitigation strategy is aligned with our Group strategy and an integral part of the annual business planning and budgeting process.

Governance Structure for Managing Risks

THE BOARD

- Instils culture and approach for risk governance
- Provides oversight of risk management systems and internal controls
- Reviews key risks and mitigation plans
- Determines risk appetite and tolerance
- Monitors exposure

RISK COMMITTEE

- Reviews and recommends risk strategy and policies
- Oversees design, implementation and monitoring of internal controls
- Reviews adequacy and effectiveness of the Group's risk framework
- Monitors the implementation of risk mitigation plans

AUDIT COMMITTEE

- Reviews adequacy and effectiveness of the Group's internal control framework
- Oversees financial reporting risk for the Group
- Oversees internal and external audit processes
- Monitors exposure

MANAGEMENT COMMITTEE

- Implements risk management practices within all business units and functions

RISK MANAGEMENT COMMITTEE

- Supports the Board and Risk Committee in terms of risk governance and oversight
- Sets the direction and strategies to align risk management and monitoring with the Group's risk appetite and tolerance
- Reviews the risk assessments carried out by the business units
- Reviews and assesses risk management systems and tools
- Reviews efficiency and effectiveness of mitigation and coverage of risk exposures

Our Risk Philosophy

Our risk philosophy and risk management approach are based on three key principles:

RISK CENTRIC CULTURE

- Set the appropriate tone at the top
- Promote awareness, ownership and proactive management of key risks
- Promote accountability

STRONG CORPORATE GOVERNANCE STRUCTURE

- Promote good corporate governance
- Provide proper segregation of duties
- Clearly define risk-taking responsibility and authority
- Promote ownership and accountability for risk-taking

PROACTIVE RISK MANAGEMENT PROCESS

- Robust processes and systems to identify, quantify, monitor, mitigate and manage risks
- Benchmark against global best practices

Risk Appetite

The Board has approved the following risk appetite statement:

- The Group is committed to delivering value to our shareholders achieved through sustained profitable growth. However, we shall not compromise our integrity, values and reputation by risking brand damage, service delivery standards, severe network disruption or regulatory non-compliance.
- The Group will defend our market leadership position in Singapore and strengthen our market position in Australia and in the Pacific through our regional associates. We will continue to pursue business expansion in the emerging markets, including acquiring controlling stakes in the associates, and actively managing the risks.
- The Group is prepared to take measured risks to seek new growth in the digital space by providing global platforms and enablers, targeted at a global footprint, while leveraging our current scale and core strengths.
- The Group targets an investment grade credit rating and dividend payout policy consistent with our stated dividend policy and guidance.

Risk Management

We have established a rigorous and systematic risk review process to identify, monitor, manage and report risks throughout the organisation based on our risk philosophy. Management has primary responsibility for identifying, managing and reporting to the Board the key risks faced by the Group. Management is also responsible for ensuring that the risk management framework is effectively implemented within the business units. The business units are supported by specialised functions such as Regulatory, Legal, Tax, Environment and Sustainability, Insurance, Treasury and Credit Management in the management of risks. In addition, through stakeholder engagement and materiality assessments, we regularly review and assess the environmental, social and governance (ESG) risks that exist or emerge in our broader value chain, and we address them with various corporate sustainability initiatives. Our corporate sustainability initiatives are discussed further on page 100 and in our Group Sustainability Report.

Risk Management Philosophy and Approach

Our key risk management activities also include scenario planning, business continuity/disaster recovery management and crisis planning and management. Close monitoring and control processes, including the use of appropriate key risk and key performance indicators, are implemented to ensure the risk profiles are managed within policy limits.

In addition, we have in place a formal programme of risk and control self-assessment where line personnel are involved in the ongoing assessment and improvement of risk management and controls. The effectiveness of our risk management policies and processes is reviewed on a regular basis and, where necessary, improved. Independent reviews are conducted by third-party consultants regularly to ensure the appropriateness of the risk management framework. The consultants also report key risks to the Board, as well as provide periodic support and input when undertaking specific risk assessments. Overall, the risk management processes facilitate alignment of our strategy and annual operating plan with the management of key risks.

Singtel's Internal Audit (IA) carries out reviews and internal control advisory activities aligned to the key risks in our businesses. This provides independent assurance to the Audit Committee (AC) on the adequacy and effectiveness of our risk management, financial reporting processes, and internal control and compliance systems.

In order to provide assurance to the Board, the CEOs of our business units submit an annual report on the key risks and mitigation strategies for their respective businesses to the Risk Committee. Our Group CEO and Group CFO, with assurance from the Management Committee members, provide an annual written certification to the Board confirming the integrity of financial reporting, and the efficiency and effectiveness of the risk management, internal control and compliance systems.

In the course of their statutory audit, external auditors review our material internal controls to the extent of the scope laid out in their audit plans. Any material non-compliance and internal control weaknesses, together with their recommendations to address them, are reported to the AC. Our Management, with the assistance of Singtel IA, follows up on the auditors' recommendations as part of their role in reviewing our system of internal controls.

The systems that are in place are intended to provide reasonable but not absolute assurance against material misstatements or loss, as well as to ensure the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with applicable legislation, regulations and best practices, and the identification and management of business risks.

Risk Factors

Our financial performance and operations are influenced by a vast range of risk factors. Many of these affect not just our businesses, but also other businesses in and outside the telecommunications industry. These risks vary widely and many are beyond the Group's control. There may also be risks that are either presently unknown or not currently assessed as significant, which may later prove to be material. However, we aim to mitigate the exposures through appropriate risk management strategies and internal controls.

ECONOMIC RISKS

Changes in domestic, regional and global economic conditions may have a material adverse effect on the demand for telecommunications, information technology (IT) and related services, digital services, and hence, on our financial performance and operations. As trade tensions and other global headwinds intensify resulting in uncertainty in the macro-economic environment, this could have an adverse effect on our overall Group strategy and growth.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. These and other related events have had a significant impact on economic growth as a whole and consequently, on consumer and business demand for telecommunications, IT and related services, and digital services.

Our planning and management review processes involve keeping abreast of the economic and market developments and periodic monitoring of budgets and expenditures to optimise the allocation of capital among the various businesses in our Group. Each of the business units in our Group has continuing cost management and transformation programmes to drive improvements in their cost structures and/or changes in the business model.

POLITICAL RISKS

Our business is geographically diversified with operations in Singapore, Australia and the emerging markets. Some of the countries in which we operate have experienced or continue to experience political instability. The continuation or re-emergence of such political instability in the future could have a material adverse effect on economic or social conditions in those countries, as well as on the ownership, control and condition of our assets in those areas.

We work closely with the Management and our partners in the countries where we operate to leverage the local expertise, knowledge and ability to manage the local and socio-economic conditions and risks. This way, we ensure compliance with the laws and are better able to implement risk mitigation measures.

As our Enterprise and Digital Life businesses expand their business operations across the region and around the world, exposure to similar political and socio-economic risks may increase in the future.

REGULATORY AND LITIGATION RISKS

Regulatory Risks

Our businesses depend on licences issued by government authorities. Failure to meet regulatory requirements could result in fines or other sanctions including, ultimately, the revocation of licences. Our operations are subject to extensive government regulations, which may impact or limit our flexibility to respond to market conditions, competition, new technologies or changes in cost structures. Governments may alter their policies relating to the telecommunications, IT, multimedia and related industries, as well as the regulatory environment (including taxation) in which we operate. Such changes could have a material adverse effect on our financial performance and operations.

Our overseas investments are also subject to the risk of imposition of laws and regulations restricting the level, percentage and manner of foreign ownership and investment, as well as the risk of nationalisation. Any of these factors can materially and adversely affect our overseas investments.

Consumer Australia, Consumer Singapore and Group Enterprise are impacted by the implementation of national broadband networks in both Australia and Singapore. In Singapore, the Infocomm Media Development Authority (IMDA) has, in its implementation of the Next Generation Nationwide Broadband Network (Next Gen NBN), designed a structure to level the playing field to make the benefits of the Next Gen NBN available to all industry players. This Next Gen NBN structure has significantly altered the existing cost model of the industry and increased the level of competition in the broadband market.

In Australia, the government has implemented a significant reform of the fixed line telecommunications sector, including the rollout of a national broadband network by the government-owned entity, NBN Co, operated on a wholesale-only open access basis. It is possible that the Australian government's policy decisions relating to the national broadband network or commercial decisions taken by NBN Co could ultimately lead to a sub-optimal or negative outcome for Optus.

Our operations are also subject to various other laws and regulations such as those relating to customer data privacy and protection, payment services and anti-money laundering, anti-bribery and corruption, workplace safety and health, public order and safety, cyber security, online falsehoods and national security. The regulatory landscape for the media and telecommunications industry has seen changes with recent developments applicable to cyber security and consumer protection. These changes, together with increasing scrutiny and regulators inclined to strong enforcement actions, may lead to additional compliance costs to the business. Failure to meet regulations may adversely affect our businesses.

We have access to appropriate regulatory expertise and staffing resources in Singapore and Australia and we work closely with the various stakeholders and our partners in the countries we operate in. We closely monitor new developments and regularly participate in discussions and

Risk Management Philosophy and Approach

consultations with the respective regulatory authorities and the industry to propose changes and provide feedback on regulatory reforms and developments in the telecommunications and media industry. In addition to instituting measures and processes to ensure regulatory compliances, we conduct training and refresher sessions for staff and management.

Access to Spectrum
Access to spectrum is critically important for supporting our business of providing mobile voice, data and other connectivity services. The use of spectrum in most countries where we operate is regulated by government authorities and requires licences. Failure to acquire access to spectrum, or new or additional spectrum, on reasonable commercial terms, or at all, could have a material adverse effect on our core communications business, financial performance and growth plans.

Taxation Risks
Our Group has operations across a large number of jurisdictions and we are subject to the tax regulations, or changes in regulations, in the respective jurisdictions in which we operate. The tax legislations or changes may increase our compliance obligations and business costs.

We are committed to comply with applicable tax laws in countries where we operate. We have skilled staff in taxation matters and work with external tax advisors where necessary. Material tax disputes and risks are escalated in accordance with the risk management framework, and appropriate disclosures are made in our financial statements.

Litigation Risks
We are exposed to the risk of regulatory and litigation action by regulators and other parties. Such regulatory matters and litigation actions may have a material effect on our financial condition and results of operations. Examples of such litigation are disclosed in Notes to the Financial Statements under "Contingent Liabilities".

We have put in place master supply agreements with key vendors, master services agreements with key customers, and implemented contract policies to manage contractual arrangements with our vendors and customers. The policies also set out the necessary risk empowerment framework and principles for the Management Committee, CEOs, and Management to approve deviations from the standard terms.

COMPETITIVE RISKS

We face competitive risks in all markets and business segments in which we operate.

Group Consumer Business
The telecommunications market in Singapore is highly competitive. As competition further intensifies with the entry of a fourth mobile network operator and mobile virtual network operators (MVNOs), the industry revenue may decrease and our market share may decline. Singapore's Next Gen NBN allows Retail Service Providers (RSPs) equal and open access to Netlink Trust's fibre network and in turn has increased competitive pressure in fixed broadband and home services.

In the Australian mobile market, in addition to the incumbent operator, a number of participants are subsidiaries of international groups and operators, and have made large investments which are now sunk costs. We are, therefore, exposed to the risk of irrational pricing being introduced by such competitors. The consumer fixed line services market continues to be dominated by the incumbent provider, which can leverage its scale and market position to restrict the development of competition. With the deployment of the Australian national broadband network, competition is expected to increase further as new operators enter the market.

The operations of our regional associates' businesses are also subject to highly competitive market conditions. Their growth depends in part on the adoption of mobile data services in their markets. Some of these markets have and could continue to experience intensifying price competition for mobile data services from new competitors and/or smaller scale competitors, leading to lower profitability and potential loss of market share for our associates.

Our business models and profits are also challenged by disintermediation in the telecommunications industry by handset providers and non-traditional telecommunications service providers (including social media networks and over-the-top (OTT) players) which provide multimedia and video content, applications and services directly on demand.

We continue to invest in our networks to ensure that they have the coverage, capacity and speed that will provide our customers with the best mobile experience. Group Consumer is focused on driving efficiencies and innovation via new technologies, products, services, processes and business models to meet evolving customer needs and enhance customer experiences.

Group Enterprise Business

Business customers enjoy wide choices for many of our services, including fixed, mobile, cloud, managed services and hosting, IT services and consulting. Competitors include multinational IT and telecommunications companies, technology companies that introduce new communication services as well as other non-traditional players, while in Australia, the enterprise market is dominated by the incumbent. The quality and prices of these services can influence a potential business customer's decision. Prices for some of these services have declined significantly in recent years as a result of capacity additions, technology innovations and price competition. Such price declines are expected to continue.

Group Enterprise continues to focus on offering companies comprehensive and integrated infocomm technology (ICT) solutions and initiatives to strengthen customer engagement. This includes broadening our solution portfolio to cover new areas of customer needs, such as cloud computing, cyber security and digital solutions for smart cities and enterprises.

Group Digital Life Business

The digital products and services we offer are primarily in the areas of digital marketing, OTT video and data analytics. Competition is intense, with many OTT operators offering these services and facing low barriers to entry.

Group Digital Life aspires to become a significant global player in these areas by delivering distinctive products and services in the target markets and launching them quickly to capture market share. We will continue to scale our digital businesses, leveraging our valuable assets, such as extensive customer knowledge, touch points, intelligent networks and our customer base.

EXPANSION RISKS

Given the size of the Singapore and Australia markets, our future growth depends, to a large extent, on our ability to grow our overseas operations in both core communications and new digital services. This comes with considerable risks.

Partnership Relations

The success of our strategic investments depends, to a large extent, on our relationships with, and the strength of our partners. There is no guarantee that we will be able to maintain these relationships or that our partners will remain committed to the partnerships.

Acquisition Risks

We continually look for investment opportunities that can contribute to our expansion strategy and develop new revenue streams. Our efforts are challenged by the limited availability of opportunities, competition from other potential investors, foreign ownership restrictions, government and regulatory policies, political considerations and the specific preferences of sellers. We face challenges arising from integrating newly acquired businesses with our own operations, managing these businesses and talent in markets where we have limited experience and/or resources and financing these acquisitions. We also risk not being able to generate synergies from these acquisitions, and the acquisitions becoming a drain on our management and capital resources.

The business strategies of some of our regional associates involve expanding operations outside their home countries, as well as in-country mergers and acquisitions. These associates may enter into joint ventures and other arrangements with other parties. Such joint ventures and other arrangements involve risks, including, but not limited to, the possibility that the joint venture or investment partner may have economic or business interests or goals that are not consistent with those of the associates. There is no guarantee that the regional

Risk Management Philosophy and Approach

associates can generate synergies and successfully build a competitive regional footprint.

We adopt a disciplined approach in our investment evaluation and decision-making process. Members of our management team are also directors on the boards of our associates and joint ventures. In addition to sharing network expertise, product innovation and development, and commercial experience, best practices in the areas of corporate governance and financial reporting are shared across the Group.

PROJECT RISKS

We incur substantial capital expenditure in constructing and maintaining our networks and IT systems infrastructure. These projects are subject to risks associated with the construction, supply, installation and operation of equipment and systems.

The projects that we undertake as contractors to operate and maintain infrastructure are subject to the risks of increased project costs, disputes and unexpected implementation delays, any of which can result in an inability to meet projected completion dates or service levels.

Group Enterprise is a major IT service provider to governments and large enterprises in the region. We face potential project execution risks such as underestimation of efforts or technical complexities which can result in cost overruns, project delays and losses.

We have a project risk management framework in place for systematic assessment, monitoring and reporting of key project risks. Risk profiling of the projects is performed for project monitoring and governance, so that appropriate attention and focus are given to high risk projects including those involving new and/or complex technology.

NEW BUSINESS RISKS

Beyond our traditional carriage business in Singapore and Australia, we are venturing into new growth areas to create additional revenue streams, including mobile applications and services, regional premium OTT video, gaming and content, managed services, cloud services, cyber security, ICT, data analytics and digital marketing. There is no assurance that we will be successful in these ventures and gain market share and these businesses may require substantial capital, new expertise, considerable process or system changes, as well as organisational, cultural and mindset changes. These businesses may also expose us to regulatory and IT security risk along with the risks associated with the media and online industries such as media regulation, brand safety, intellectual property infringement, content rights disputes, online falsehood, and data protection regulations and legislation.

As new businesses place new demands on people, processes and systems, we respond by continually updating our organisation structure, talent management and development programmes, reviewing our policies and processes, and investing in new technologies to meet changing needs. We will constantly stay abreast of new trends and build strategic partnerships with market players to stay competitive.

TECHNOLOGY RISKS

Rapid and significant technological changes are typical in the telecommunications and ICT industry. Technological changes may reduce costs, expand the capacity of new infrastructure, bring new sources of revenue, and/or result in shorter periods for investment recovery, all of which present both opportunities as well as disruptions and challenges. These changes may materially affect the Group's capital expenditure and operating costs, as well as the demand for products and services offered by our business divisions.

The rapid advancements in new technologies such as 5G, AI Digital Application Programming Interfaces, cloud and blockchain are driving development of entirely new ecosystems and business models. This may leave us with infrastructure and systems that are technically obsolete before the end of their expected useful life and may require us to replace and upgrade our network and systems to remain competitive, and as a result, incur additional capital expenditure. On the other hand, these changes also present opportunities for us to build upon our connectivity advantage, depending on our ability to apply these technologies to relevant services. In the emerging markets in which our associates operate, regulatory practices, including spectrum availability, may also not necessarily synchronise with the technology progression path and the market demand for new technologies.

Each business unit faces the ongoing risk of market entry by new operators and service providers (including non-telecommunications players) that, by using newer or lower cost technologies, may succeed in rapidly attracting customers away from established market participants. Our business may also incur substantial development expenditure to gain access to related or enabling technologies to pursue new growth opportunities in the business, e.g. the ICT industry. The challenge is to modify our existing infrastructure and processes in a timely and cost-effective manner to facilitate such implementation, failing which, this could adversely affect our quality of service, financial condition and operational performance.

We continue to invest in upgrading, modernising through digital transformation initiatives and equipping our people and systems with new capabilities to ensure we are able to deliver innovative and relevant services to our customers.

VENDOR/SUPPLY CHAIN RISKS

We rely on third-party vendors and their extended supply chain in many aspects of our business for various purposes, including, but not limited to, the construction, operations and maintenance of our network, the supply of handsets and equipment, systems and application development services, content provision and customer acquisition. Accordingly, our operations and reputation may be affected by third-party vendors or their supply chain failing to perform their obligations, or failing to operate in line with increased expectations of key stakeholders such as regulators and customers on a broadening set of ESG issues. In addition, the industry is dominated by a few key vendors for such services and equipment, and any failure or refusal by a key vendor to provide such services or equipment, or a government-imposed ban and/or sanctions on the use of a key vendor's services or equipment due to security concerns, or any consolidation of the industry, may significantly affect our business and operations.

We monitor the developments and restrictions by governments and regulators on various vendors and ensure our key vendors comply with the relevant laws and regulations. We also monitor our relationships with key vendors closely and develop new relationships to mitigate supply risks. We have in place a Sustainable Supply Chain strategy and framework which is regularly updated to manage risks that may exist in our extended supply chain. (Refer to the Singtel Group Sustainability Report for more details on how we address these risks and issues).

INFORMATION TECHNOLOGY RISKS

Our businesses and operations rely heavily on information technology and we have established the Cyber Security Resiliency Committee to provide oversight of all IT and network security risks, including cyber security threats and data privacy breaches. The committee is chaired by CEO, Group Enterprise and comprises senior members from the businesses, various IT and network domains, and meets on a regular basis. The committee develops appropriate policies and frameworks to ensure information system security, reviews the projects and initiatives on IT and network security, reviews IT security incidents, and establishes overall governance by performing audits and cyber security drills.

We have established a Group Cyber Security Policy for managing risks associated with information security. The policy is developed based on industry best practices and is aligned with international standards such as ISO 27001. The policy covers holistically various aspects of IT risk governance, including change management, user access management, database configuration standards and disaster recovery planning, and provides the cornerstone for driving robust IT security controls across the Group.

We have also established a Project Management Methodology to ensure that new systems are developed with appropriate IT security controls and are subject to rigorous acceptance tests, including penetration testing, prior to implementation.

CYBER SECURITY RISKS

The scale and level of sophistication of cyber security threats have increased with the changing tactics and tools by cyber attackers, ranging from terrorist attacks, state-sponsored hacking, black-hat hacking or even internal threats and ransomware. As our business is heavily dependent on the resiliency of our network infrastructure, and supporting systems, we are exposed to cyber security threats which can result in disruptions to

Risk Management Philosophy and Approach

our network and services provided to customers, and leakage of sensitive and/or confidential information. The exposure is further intensified with the growing dependency on uninterrupted connectivity and smart devices by our customers, and can lead to impact on our reputation, litigation actions from customers and/or regulatory fines and penalties.

Group Enterprise is growing our cyber security business globally. The failure to keep up with and counteract increasing cyber security threats can materially and adversely affect our reputation, cyber security business and growth strategy.

We adopt a holistic approach in managing and addressing risks of cyber threats and attacks by keeping abreast of the threat landscape and business environment as well as implementing a multi-layered security framework to ensure there are relevant preventive, detective and recovery measures. This includes training our people to adopt a security-first mindset and security by design principle, and being vigilant to the latest cyber threats and deploying the tools and resources to mitigate risks.

We have been building our capabilities organically, as well as partnerships with best-of-breed technology partners. We have over 2,000 cyber security professionals, global security operations and engineering centres and a specialised team of ethical hackers and forensic experts in assisting businesses to manage vulnerabilities and threats, achieve regulatory compliance and implement secure solutions. The Group's Cyber Security Institute conducts regular training programmes to enhance the cyber security skills and preparedness of our staff as well as our customers, including businesses and governments in the Asia Pacific. The Group also invested in a research and development lab to drive innovation in this area.

DATA PROTECTION AND PRIVACY RISKS

We seek to protect the data privacy of our customers in our networks and systems. Significant failure of security measures may undermine customer confidence and result in litigation actions from customers and/or regulatory fines and penalties. We may also be subject to the imposition of additional regulatory measures relating to the security and privacy of customer data.

We continue to ensure data privacy by protecting personal data of our customers and staff. We also ensure compliance with applicable privacy laws, and perform regular reviews in order to refine our practices. We have implemented security policies, procedures, technologies and tools designed to minimise the risk of privacy breaches. We have also established an escalation process for incident management, which includes security breaches to ensure timely response, internally and externally, to minimise impact.

FINANCIAL RISKS

The main risks arising from our financial assets and liabilities are foreign exchange, interest rate, market, liquidity, access to financing sources and increased credit risks. Financial markets continue to be volatile and this may heighten execution risk for funding activities and increase credit risk premiums for market participants.

We are exposed to foreign exchange fluctuations from our operations and through subsidiaries as well as associates and joint ventures operating in foreign countries. These relate to our dividend receipts and the translation of the foreign currency earnings and carrying values of our overseas operations. Additionally, a significant portion of associates and joint venture purchases and liabilities are denominated in foreign currencies, versus the local currency of the respective operations. This gives rise to changes in cost structures and fair value gains or losses when marked to market.

We have established policies, guidelines and control procedures to manage and report exposure to such risks. Our financial risk management is discussed further on page 224 in Note 36 to the Financial Statements.

NETWORK FAILURE AND CATASTROPHIC RISKS

The telecommunications industry faces a continuous challenge of providing fast, secure and reliable networks to an increasingly digital and connected world. The provision of our services depends on the quality, stability, resilience and robustness of our networks and systems. We face the risk of malfunction of, loss of, or damage to, network infrastructure from natural or other uncontrollable events such as acts of terrorism.

Some of the countries in which we and/or our regional associates operate have experienced a number of major natural catastrophes over the years, including typhoons, droughts and earthquakes. Some of these catastrophes have also increased in intensity and frequency due to climate change factors, causing prolonged and exacerbated impact on our infrastructure and operations. In addition, other events that are/ are not within our control and/or our regional associates' control, such as fire, deliberate acts of sabotage, vendor failure/ negligence, industrial accidents, blackouts, terrorist attacks, criminal acts or large scale cyber attacks on our network and systems, could damage, cause operational interruptions or otherwise adversely affect any of the facilities and activities, as well as potentially cause injury or death to personnel. Such losses or damage may significantly disrupt our operations, which may materially adversely affect our ability to deliver services to customers. Sustained or significant disruption to our services can also significantly impact our reputation with our customers. Our inability to operate our networks or customer support systems may have a material impact on our business.

We continue to make our networks robust and resilient, and continually review our processes to prevent any network disruptions and to have an effective communication process for timely updates to our stakeholders during any incidents and/or crisis. There is a defined crisis management and escalation process for our CEOs and senior management to respond to emergencies and catastrophic events. In addition to key network infrastructure, we have business continuity plans and insurance programmes and policies in place.

TALENT MANAGEMENT RISKS

As we seek new avenues of growth, it is pertinent to be able to attract, develop and sustain talent with new skills and capabilities. We also identify, develop and build the next generation of leaders from both internal and external talent pools to ensure a robust succession pipeline. The loss of some or all of our key executives or the inability to attract, build and retain key talent and leaders, could materially and adversely affect our business.

We continue to invest in the skills of our existing workforce and build up our current and emerging capabilities through external professional hires and targeted recruitment. In order to develop and retain talent, we conduct regular skills assessment in the critical business areas and set out structured developmental roadmaps to fill new and emerging skills gaps. We have a targeted development approach to develop young, emerging and future technical and business leaders through formal learning activities, coaching and mentoring as well as providing critical experiences such as international assignments, rotations and special projects.

Succession management is key to ensuring that the Group effectively manages the short-term and long-term risks associated with critical roles. A robust annual succession planning review by the businesses and Management Committee, with the involvement of the Board for senior leadership roles, ensures that leadership succession plans are current and relevant to support the business strategies.

ELECTROMAGNETIC ENERGY RISKS

Health concerns have been raised globally about the potential exposure to Electromagnetic Energy (EME) emissions through using mobile handsets or being exposed to mobile transmission equipment. While there is no substantiated evidence of public health risks from exposure to the levels of EME typically emitted from mobile phones, perceived health risks can be a concern for our customers, the community, and regulators. Perceived health risks in terms of environmental exposures from mobile base station equipment can impact and cause concerns for the local communities on the implementation of new or upgrading of existing mobile base stations. This may impact the mobile coverage at that locality and also, our mobile business. In addition, government legislations and industry requirements may be introduced to address this perceived risk, affecting our ability to deploy the mobile communications infrastructure. These perceived health risks could result in reduced demand for mobile communications services and/or litigation actions against us.

Risk Management Philosophy and Approach

We design and deploy our network to comply with the relevant government-mandated standards for exposure to EME. Our standards are based upon those recommended by the International Commission on Non-Ionizing Radiation Protection (ICNIRP), which is a related agency of the World Health Organisation. The ICNIRP standards are adopted by many countries around the world and are considered best practices. We continue to monitor research findings on EME, health risks and their implications on relevant standards and regulations.

CLIMATE CHANGE RISKS

Climate change is one of the key long-term global risks that has the potential to impact our operations, infrastructure and supply chain. Some of the countries in which we and/or our regional associates operate have experienced a number of major natural catastrophes over the years, including typhoons, droughts, earthquakes, floods and bushfires, which have increased in intensity and frequency due to climate change factors. Apart from damage to our networks and disruptions to our operations, there are also other energy security and regulatory risks associated with climate change, which could result in stricter emissions standards, carbon taxes, increasing energy prices or accompanying infrastructure investments for adaptation or mitigation. To address these concerns, we have adopted a two-pronged approach i.e. carbon reduction target and the upgrading and adaptation of our infrastructure to build resilience to long-term climate change.

We have agreed to the Science Based Target initiative to address the continued impact of carbon and increasing temperatures. This approach progressively aligns our 2030 carbon contribution and reduction target with the agreements made at Paris COP 21 and the Intergovernmental Panel on Climate Change reports. We adapt our infrastructure design and standards progressively to long-term scenarios related to climate change, such as increased risk of inundation and stronger cyclonic activities, rising temperatures and higher frequency of bush fires in Australia. We have also committed to aligning our climate-related risks and financial reporting with the recommendations of the Task Force for Climate-Related Financial Disclosures.

Sustainability

The Singtel Group remains committed to sustainable growth as we seek to make a positive impact on our stakeholders, the communities we operate in, and the environment.

We strive to achieve this through a series of initiatives that aims to foster a more inclusive and diverse workplace and society, support vulnerable groups, reduce our environmental footprint, and spark positive change through social innovation.

Our efforts have not gone unnoticed, as we continue to be acknowledged globally in areas such as diversity, governance and climate change. In 2018, we were recognised by awards and indices including ASEAN's Top 5 and Singapore's Top 3 Publicly Listed Companies at the 2nd ASEAN Corporate Governance Awards, Best Strategy and Sustainability Management and Best Climate Change at the Sustainable Business Awards Singapore 2018, 2019 Bloomberg Gender-Equality Index and FTSE4Good Index for our sustainability initiatives.

Our sustainability strategy is made up of four key pillars, that aim to:
- Leave the smallest environmental footprint;
- Ensure the development and well-being of our people;
- Enable the development and inclusion of vulnerable segments in our community; and
- Catalyse change through responsible business practices and innovation in the marketplace.

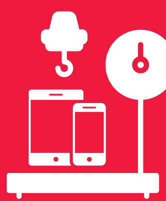
Singtel and Optus employees volunteering at schools from the Bharti Foundation's Satya Bharti School Programme as part of Better Together, our annual overseas volunteering programme.

Sustainability

Environment
The Smallest Footprint

Reducing e-waste

In Singapore, ReCYCLE saw compounded growth in collection rate of



400%

with over

24,000kg

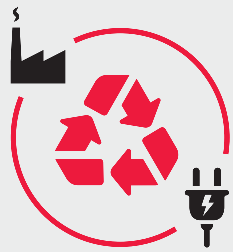
of mobile phones, batteries and accessories since 2017.

In Australia, we diverted

4,000kg

of e-waste from landfills, saving 10 tonnes of CO_2 emissions and conserving 50 tonnes of mineral resource.

Recycle and Reuse



We recycled, reused and incinerated for energy recovery

77%

of waste generated within our operations.

Environmental issues have heightened in recent years as the impact of climate change becomes more evident. We believe that everyone, from governments and companies to the person on the street, has a responsibility to tackle climate change through mitigation and adaptation efforts. At Singtel, we aim to do our part by leaving the smallest environmental footprint, even as our business continues to expand.

SETTING THE CLIMATE AGENDA FROM THE TOP

Singtel is taking a regional leadership role to steer the industry towards tackling climate change. We have set science-based carbon targets to serve as a guide for all of our business activities. For instance, we are searching for renewable energy sources to help us achieve and exceed our carbon reduction targets approved by the Science Based Targets initiative. Last year, we also pledged to support 2018 as the Year of Climate Action for Singapore. In Australia, we continue to play an active role in the Australian Business Roundtable for Disaster Resilience and Safer Communities, collaborating with diverse stakeholders in Australia to help shape government policy and planning for climate-related disasters.

MINIMISING THE ENVIRONMENTAL IMPACT OF OUR PRODUCTS

As a leading communications technology company, we are committed to minimising e-waste, such as metals, plastics and batteries from mobile phones, that have the potential to be pollutive. Our ongoing efforts such as ReCYCLE in Singapore and Mobile Muster in Australia have been well-received by customers and staff and collection rates continue to grow yearly.

People

Ensuring the Development and Well-being of Our Greatest Asset

NURTURING OUR PEOPLE TO POWER OUR FUTURE

Our people are our most important asset and we ensure that they are equipped with the relevant skills to navigate a fast-changing global landscape. We take a proactive approach to the future of work as we recognise the huge impact on business from rapid digitisation. Hence, we continue to improve the digital literacy and capabilities of our people through various training initiatives. By grooming a digital workforce and workplace, we enhance our employee experience and drive Singtel's overall digital transformation.

ATTRACTING AND RETAINING TALENT

We have ramped up our efforts to attract digitally-savvy candidates to ensure we remain relevant in the new economy. Part of this effort involves promoting Singtel's thought leadership in the areas of digital transformation journey and employer value proposition at recruitment events. We also launched a new Digital Leadership Experience programme in FY 2019 to develop leaders of digital businesses.

GENDER DIVERSITY AND INCLUSION

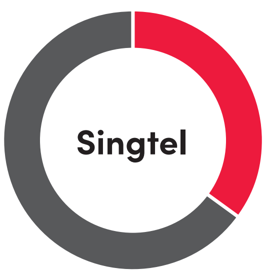
We strongly believe that diversity in the workplace is a key competitive advantage for us, providing a broad range of insights and opinions reflective of the diverse markets we operate in. To foster such diversity, we are committed to increasing the representation of women in senior leadership and technical roles. Singtel was one of only four Singapore companies and the only Southeast Asian communications company to be recognised for our gender diversity efforts when we were listed in the 2019 Bloomberg Gender-Equality Index. We were also part of the Thomson Reuters IX Global Diversity and Inclusion Index 2018.

Gender diversity in management

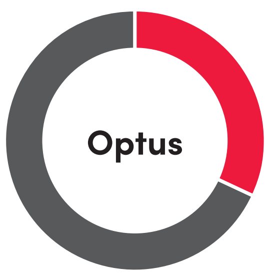
27%

of female employees in middle and top management.

Gender Distribution

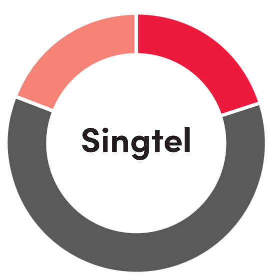


Female	35%
Male	65%

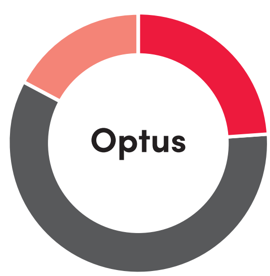


Female	32%
Male	68%

Age Distribution



< 30 years old	20%
30-49 years old	61%
≥ 50 years old	19%



< 30 years old	24%
30-49 years old	59%
≥ 50 years old	17%

Community
Driving Positive Change in Our Communities

Giving for good

We have invested

S$90m

into enabling and inclusion programmes for vulnerable groups since 2016.

Singtel Touching Lives Fund

Donated

S$3m

in 2018, bringing the total funds donated to

S$42m

since its inception in 2002.

Yes4Good

More than

A$175k

donated by employees to

277

charities in 2018.

More than

A$5.7m

donated since 2005.

As a leading communications group, we are well-positioned to play a significant role in supporting the inclusion and progress of society's more vulnerable segments. By leveraging our technologies and programmes, we aim to improve the well-being of vulnerable groups while helping them realise their potential. We also invest directly in the communities we operate in as part of our sustainability strategy. Through these efforts, Singtel strives to be a responsible corporate citizen that is a force for positive change in society.

PROVIDING OPPORTUNITIES THROUGH EDUCATION AND EMPLOYABILITY

Through various partnerships and programmes, we equip youth with disabilities with the skills they need to enter the workforce and lead independent lives. One of our key initiatives in this effort is the Singtel Touching Lives Fund, our flagship corporate philanthropy programme which raises funds for six schools that provide educational support for youth with special needs in Singapore. Another of our initiatives, the Singtel Enabling Innovation Centre, works to enhance employment opportunities for persons with disabilities by providing them with customised job training. It also promotes and showcases the use of assistive technologies that enable them to be productive at work.

In Australia, Optus, as a founding member of the Australian Business and Community Network (ABCN), continues to work closely with other ABCN members to improve opportunities and outcomes for vulnerable youth in high-needs schools across Australia. Our

Pathways2Employment Programme helps young people build confidence and skills and provides opportunities for them to secure employment with Optus Retail. We also collaborated with the KARI Foundation to help indigenous young people in Australia achieve and thrive in society through mentoring and education programmes.

ENCOURAGING OUR PEOPLE TO SERVE OUR COMMUNITIES

We actively encourage our staff to play their part in making a positive impact on our communities. Beyond helping the less fortunate around them, such activities also build empathy and character.

Our employees can volunteer their time and talent for a range of social and environmental causes, such as the annual Singtel Carnival – Singapore's largest event dedicated to children with special needs. In Australia, our online portal Yes4Good allows our people to donate, sign up to volunteer and fundraise for their favourite causes. Meanwhile, Better Together – our annual overseas volunteering programme with our associates – organised three expeditions in 2018 to India, the Philippines and Thailand.

INCLUSION AND WELL-BEING

One key focus of our community strategy involves supporting the cancer cause. Given its pervasiveness in society, we strongly believe that everyone affected by cancer should have access to care regardless of their social or financial status. To this end, we continue to support and participate in initiatives such as the Singtel-Singapore Cancer Society Race Against Cancer, an event that aims to raise funds to drive Singapore Cancer Society programmes. In Australia, Optus employees continue to participate in the Tour de Cure to raise awareness and funds towards cancer research and prevention.

We also strive to improve outcomes for disadvantaged groups, such as vulnerable youth and persons with disabilities. Through the Singapore Business Network on DisAbility, we work with like-minded companies to boost the employability of persons with disabilities by raising awareness, and sharing expertise and resources.

Optus employees participating in the Tour de Cure to raise funds in support of cancer research and prevention.

Sustainability

Marketplace And Customers
A Catalyst for Change Through Responsible Business Practices and Innovation

The Singtel Group is committed to ethical and responsible business practices, which extend to our supply chain as well. During the year, Australia introduced a new Modern Slavery Legislation, which we will be using to update our Supplier Code of Conduct, Supplier Risk Assessment Questionnaires, Supplier Service Agreements and engagement process to ensure that our supply chain operates at the highest level of human and labour rights as well as environmental practices.

Recognising that building a sustainable future requires the work of many hands, Singtel supports innovative individuals and businesses that are working to address social issues for vulnerable people.

We aim to empower such innovators through the Singtel Group Future Makers, our regional accelerator programme that supports entrepreneurs. The programme offers participants workshops, coaching and mentoring sessions to help with developing vision, leveraging technology, understanding customers, the art of storytelling and digital marketing strategies.

In 2018, the third instalment of the annual programme held in Sydney, Australia attracted over 3,000 applicants from Singapore, Australia, Thailand, the Philippines and Indonesia. 48 selected start-ups received more than S$1 million in funding and support, and were advised by volunteer teams of Singtel experts and partners from the social and private sectors on their technology solutions and business models.

KEY ENVIRONMENTAL AND SOCIAL PERFORMANCE INDICATORS

	Singapore		Australia	
	2019	2018	**2019**	2018
Environmental Performance [1]				
Energy use (GJ)	**1,347,094**	1,395,100	**1,749,622**	1,724,106
Carbon footprint (tonnes CO_2 equivalent)	**164,629**	174,391	**418,060**	418,760
Electricity intensity (kWh/TB)	**97**	118	**160**	195
Water use (cubic metres)	**753,238**	752,207	**78,774** [2]	74,235 [2]
Hazardous and non-hazardous wastes (tonnes)	**7,538**	6,289	**2,294** [3]	2,197 [3]
Social Performance: People				
Gender diversity (% female)				
– Total employees	**35**	35	**32**	32
– Middle and Top Management	**34**	33	**22**	21
Employee voluntary turnover (%)	**18.3**	17.1	**17.0**	15.4
Employee voluntary turnover by gender (%)				
– Male	**12.4**	11.1	**10.6**	9.7
– Female	**5.9**	6.0	**6.4**	5.7
Average training hours per employee	**34.8**	30.6	**18.4**	20.6 [5]
Employee health and safety [4]				
– Workplace injury incidence rate	**1.5**	2.1	**2.2**	4.1
– Workplace injury frequency rate	**0.7**	0.9	**1.3**	2.8
– Workplace injury severity rate	**12.9**	14.7	**16.7**	7.3
Social Performance: Community				
Community investment ($ million) [6]	**S$11.7**	S$7.5	**A$8.7**	A$9.4
Total volunteering hours	**13,503**	15,500	**13,206**	12,128

Notes:

(1) Please refer to the Singtel Group Sustainability Report for the reporting scope of environmental indicators.
(2) Water use for Optus Sydney Campus only.
(3) Data covers waste directly managed by Optus' contracted waste vendor.
(4) Workplace safety and health metrics based on International Labour Organization (ILO) definitions.
(5) Restated.
(6) Community investment has been verified by The London Benchmarking Group (LBG).

Scan here to view the Singtel Group Sustainability Report 2019 online.

Group Five-year Financial Summary

	Financial Year ended 31 March					
	2019 [(1)]	2018 [(1)]	2018	2017	2016	2015
Income Statement (S$ million)						
Group operating revenue	**17,372**	17,268	17,532	16,711	16,961	17,223
Singtel	**8,365**	8,235	8,396	7,928	7,663	7,348
Optus	**9,006**	9,033	9,136	8,784	9,298	9,875
Optus (A$ million)	***9,099***	*8,612*	*8,710*	*8,425*	*9,115*	*8,790*
Group EBITDA	**4,692**	5,051	5,089	4,998	5,013	5,091
Singtel	**2,022**	2,194	2,181	2,213	2,187	2,146
Optus	**2,670**	2,856	2,909	2,784	2,825	2,945
Optus (A$ million)	***2,699***	*2,724*	*2,774*	*2,669*	*2,771*	*2,624*
Share of associates' pre-tax profits	**1,536**	2,461	2,461	2,886	2,791	2,579
Group EBITDA and share of associates' pre-tax profits	**6,228**	7,511	7,550	7,884	7,804	7,670
Group EBIT	**4,006**	5,261	5,210	5,645	5,655	5,508
Net profit [(2)]	**3,095**	5,473	5,451	3,853	3,871	3,782
Underlying net profit [(3)]	**2,825**	3,593	3,544	3,871	3,805	3,779
Exchange rate (A$ against S$) [(4)]	***0.990***	*1.049*	*1.049*	*1.043*	*1.020*	*1.123*
Cash Flow (S$ million)						
Group free cash flow [(5)]	**3,650**	3,606	3,606	3,054	2,718	3,549
Singtel	**1,242**	1,126	1,126	1,040	869	1,379
Optus	**1,006**	989	989	514	631	1,070
Optus (A$ million)	***1,028***	*947*	*947*	*500*	*617*	*976*
Associates' dividends (net of withholding tax)	**1,402**	1,492	1,492	1,500	1,218	1,100
Cash capital expenditure	**1,718**	2,349	2,349	2,261	1,930	2,238
Balance Sheet (S$ million)						
Total assets	**48,915**	48,496	48,254	48,294	43,566	42,067
Shareholders' funds	**29,838**	29,737	29,679	28,214	24,989	24,733
Net debt	**9,883**	9,877	9,820	10,384	9,142	7,963
Key Ratios						
Proportionate EBITDA from outside Singapore (%)	**76**	76	77	75	74	74
Return on invested capital [(6)] (%)	**7.7**	9.6	9.5	10.9	11.7	12.1
Return on equity [(2)] (%)	**10.4**	18.9	18.8	14.5	15.6	15.6
Return on total assets [(2)] (%)	**6.3**	11.2	11.2	8.3	9.0	9.3
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	**1.6**	1.3	1.3	1.3	1.2	1.0
EBITDA and share of associates' pre-tax profits to net interest expense (number of times)	**16.2**	20.1	20.2	23.4	25.3	29.2
Per Share Information (S cents)						
Earnings per share - basic [(2)]	**18.96**	33.53	33.40	23.96	24.29	23.73
Earnings per share - underlying net profit [(3)]	**17.31**	22.01	21.71	24.07	23.88	23.71
Net assets per share	**183**	182	182	173	157	155
Dividend per share - ordinary	**17.5**	17.5	17.5	17.5	17.5	17.5
Dividend per share - special	**-**	3.0	3.0	-	-	-

"Singtel" refers to Singtel Group excluding Optus.

Notes:

(1) Based on Singapore Financial Reporting Standards (International).
(2) FY 2018 included the gain on disposal of economic interest in NetLink Trust of S$2.03 billion.
(3) Underlying net profit is defined as net profit before exceptional items.
(4) Average A$ rate for translation of Optus' operating revenue.
(5) Free cash flow refers to cash flow from operating activities, including dividends from associates, less cash capital expenditure.
(6) Return on invested capital is defined as EBIT (post-tax) divided by average capital.

Group Five-year Financial Summary

FIVE-YEAR FINANCIAL REVIEW

FY 2019

The Group has executed well on its strategy amid challenging conditions and gained market share in mobile across both Singapore and Australia. Operating revenue was stable at S$17.37 billion while EBITDA declined 7.1% to S$4.69 billion due partly to a 6% depreciation in the Australian Dollar. In constant currency terms, operating revenue grew 3.7% driven mainly by increases in ICT, digital services and equipment sales. However, EBITDA was down 3.9% mainly due to lower legacy carriage services especially voice, and price erosion.

The associates' pre-tax contributions declined a steep 38% to S$1.54 billion mainly driven by operating losses at Airtel and lower contribution from Telkomsel amid aggressive price competition in India and Indonesia. The decline was partly mitigated by double-digit profit growth at Globe with robust revenue growth in mobile and broadband.

With lower contributions from the associates, underlying net profit declined by 21%. Net profit was S$3.10 billion, down 44% from FY 2018 which included an exceptional gain from the divestment of units in NetLink Trust.

FY 2018

The Group delivered record earnings for FY 2018 with net profit of S$5.45 billion bolstered by exceptional gain of S$2.03 billion from the divestment of units in NetLink Trust and a strong core performance. Operating revenue was S$17.53 billion, 4.9% higher than FY 2017, while EBITDA rose 1.8% to S$5.09 billion reflecting strong customer gains in Australia and first time contribution from Turn (acquired by Amobee in April 2017). In constant currency terms, operating revenue and EBITDA increased by 4.7% and 1.5% respectively.

The associates' pre-tax contributions declined 15% to S$2.46 billion on weaker earnings from Airtel India and Telkomsel impacted by intense competition and mandated reduction in mobile termination charges in India, as well as lower contribution from NetLink NBN Trust following the reduction in economic interest of 75.2% in July 2017. The decline was partly mitigated by higher contribution from Intouch (acquired in November 2016).

With lower associates' contributions, higher depreciation and amortisation charges on network investments and spectrum, as well as increased net finance expense, underlying net profit declined by 8.4%.

FY 2017

The Group delivered resilient earnings amid heightened competition across all the markets the Group operated in. Operating revenue was S$16.71 billion, 1.5% lower than FY 2016 but would have increased 2.0% excluding the impact of regulatory mobile termination rates change in Australia from 1 January 2016. EBITDA remained stable at S$5.0 billion. The Australian Dollar appreciated 2% against the Singapore Dollar. In constant currency terms, operating revenue and EBITDA decreased by 2.6% and 1.5% respectively.

The associates' pre-tax contributions rose 5.4% to S$2.94 billion despite weakness in Airtel which faced intense price competition in India. Strong growth at Telkomsel and NetLink Trust, as well as first time contribution from Intouch (acquired in November 2016) was partly offset by lower profits at Airtel, AIS and Globe.

Underlying net profit grew 2.9% and net profit was stable at S$3.85 billion with an exceptional loss compared to an exceptional gain in FY 2016.

Group Five-year Financial Summary

FY 2016

The Group delivered a strong performance with resilient core business and robust contributions from associates. Operating revenue was S$16.96 billion, 1.5% lower than FY 2015 with the Australian Dollar declining a steep 9% against the Singapore Dollar and the impact of lower mobile termination rates in Australia from 1 January 2016. In constant currency terms, operating revenue would have grown 4.1% across all business units with first time contribution from Trustwave, Inc. (a newly acquired cyber security business). EBITDA was S$5.01 billion, 1.5% lower than FY 2015 and in constant currency terms, would have increased 4.1% with strong cost management.

The associates' pre-tax contributions rose 8.2% to S$2.79 billion and would have increased 9.7% excluding the currency translation impact. The regional associates recorded strong customer growth and robust mobile data growth, with higher earnings from Telkomsel and Globe offsetting the decline in Airtel.

Underlying net profit was stable and net profit including exceptional items increased 2.4% to S$3.87 billion. In constant currency terms, underlying net profit and net profit would have increased 4.0% and 5.5% respectively from FY 2015.

FY 2015

The Group delivered a strong set of results. Operating revenue was S$17.22 billion, 2.2% higher than FY 2014 with growth across all the business units. EBITDA was S$5.09 billion, 1.3% lower than FY 2014 with the Australian Dollar weakening 4% against the Singapore Dollar. In constant currency terms, revenue grew 4.8% and EBITDA rose 1.3% despite operating losses from the digital businesses.

The associates' pre-tax contributions rose strongly by 17% to S$2.58 billion and would have increased 21% excluding the currency translation impact. The regional associates registered strong customer growth and increased demand for mobile data services, with earnings growth led by Airtel India, Telkomsel and Globe.

Underlying net profit grew 4.7% and net profit including exceptional items increased 3.5% to S$3.78 billion. In constant currency terms, underlying net profit and net profit would have increased 7.5% and 6.2% respectively from FY 2014.

Group Value Added Statements

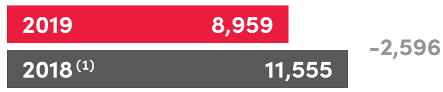
GROUP VALUE ADDED STATEMENTS

	FY 2019 S$ million	FY 2018 S$ million
Value added from:		
Operating revenue	**17,372**	17,268
Less: Purchases of goods and services	**(10,307)**	(9,716)
	7,065	7,552
Other income	**225**	259
Interest and investment income (net)	**38**	45
Share of results of associates (post-tax)	**1,563**	1,804
Exceptional items [(1)]	**68**	1,895
	1,894	4,003
Total value added	**8,959**	11,555
Distribution of total value added		
To employees in wages, salaries and benefits	**2,597**	2,760
To government in income and other taxes	**675**	703
To providers of capital on:		
- Interest on borrowings	**393**	390
- Dividends to shareholders	**2,857**	3,346
Total distribution	**6,522**	7,199
Retained in business		
Depreciation and amortisation	**2,222**	2,250
Retained profits	**238**	2,127
Non-controlling interests	**(23)**	(21)
	2,437	4,356
Total value added	**8,959**	11,555
Average number of employees	**24,071**	25,614

Note:
(1) FY 2018 included the gain on disposal of economic interest in NetLink Trust of S$2.03 billion.

PRODUCTIVITY DATA

Value Added
(S$ million)



Value Added Per Employee
(S$'000)

Value Added Per Dollar of Employee Costs
(S$)

Value Added Per Dollar of Turnover
(S$)

Management Discussion and Analysis

GROUP

	Financial Year ended 31 March 2019 (S$ million)	2018 (S$ million)	Change (%)	Change in constant currency [1] (%)
Operating revenue	**17,372**	17,268	0.6	3.7
EBITDA	**4,692**	5,051	-7.1	-3.9
EBITDA margin	***27.0%***	*29.2%*		
Share of associates' pre-tax profits	**1,536**	2,461	-37.6	-36.2
EBIT	**4,006**	5,261	-23.9	-21.8
(exclude share of associates' pre-tax profits)	***2,470***	*2,801*	*-11.8*	*-9.2*
Net finance expense	**(355)**	(345)	2.9	6.2
Taxation	**(850)**	(1,344)	-36.8	-35.8
Underlying net profit [2]	**2,825**	3,593	-21.4	-19.1
Underlying earnings per share (S cents) [2]	***17.3***	*22.0*	*-21.4*	*-19.1*
Exceptional items (post-tax)	**270**	1,880	-85.7	-85.2
Net profit	**3,095**	5,473	-43.5	-41.8
Basic earnings per share (S cents)	***19.0***	*33.5*	*-43.5*	*-41.8*
Share of associates' post-tax profits	**1,383**	1,823	-24.1	-21.8

Notes:

(1) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the previous year ended 31 March 2018 (FY 2018).

(2) Underlying net profit refers to net profit before exceptional items.

The Group has executed well on its strategy amid challenging industry, business and economic conditions. The fundamentals of the core businesses remained strong and the Group gained market share in mobile across both Singapore and Australia led by product innovations, content and services. Amobee and Trustwave continued to scale and deepen their capabilities, while the regional associates further monetised the growth in data as smartphone adoption increased. Leveraging on the Group's strengths and customer base, Singtel continued to build digital ecosystems in payments, gaming and esports.

In constant currency terms, operating revenue grew 3.7% driven by increases in ICT, digital services and equipment sales. However, EBITDA was down 3.9% mainly due to lower legacy carriage services especially voice, and price erosion. With 6% depreciation in the Australian Dollar, operating revenue was stable while EBITDA declined 7.1%.

Depreciation and amortisation charges fell 1.2% but rose 2.7% in constant currency terms, on increased investments in mobile infrastructure network, spectrum and project related capital spending.

Consequently, the Group's EBIT (before the associates' contributions) declined 12% and would have been down 9.2% in constant currency terms.

In the emerging markets, the regional associates continued to invest in network, spectrum and content to drive data usage. Pre-tax contributions from the associates declined a steep 38% mainly due to Airtel and Telkomsel, the Group's two largest regional associates. Airtel recorded operating losses on sustained pricing pressures in the Indian mobile market. Telkomsel's earnings fell on lower revenue due to fierce competition in Indonesia in the earlier part of the financial year when the mandatory SIM card registration exercise took effect. Including associates' contributions, the Group's EBIT was S$4.01 billion, down 24% from last year.

Net finance expense was up 2.9% on lower dividend income from the Southern Cross consortium and higher interest expense from increased borrowings.

With lower contributions from the associates, underlying net profit declined by 21%. Exceptional gain was lower as FY 2018 was boosted by a S$2.03 billion of gain on the divestment of units in NetLink Trust. Consequently, the Group recorded a net profit of S$3.10 billion, down 44% from last year.

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for three-quarters of both the Group's proportionate revenue and EBITDA.

The Group's financial position and cash flow generation remained strong as at 31 March 2019. Free cash flow for the year was up 1.2% to S$3.65 billion.

Management Discussion and Analysis

BUSINESS SEGMENT

	Financial Year ended 31 March			
	2019 (S$ million)	2018 (S$ million)	Change (%)	Change in constant currency [(1)] (%)
Operating revenue				
Australia Consumer	**7,579**	7,475	1.4	7.4
Singapore Consumer	**2,240**	2,236	0.2	0.2
Group Enterprise	**6,329**	6,477	-2.3	-1.0
Core Business	**16,148**	16,188	-0.2	3.1
Group Digital Life	**1,224**	1,080	13.3	13.2
Group	**17,372**	17,268	0.6	3.7
EBITDA				
Australia Consumer	**2,456**	2,591	-5.2	0.5
Singapore Consumer	**736**	753	-2.3	-2.3
Group Enterprise	**1,695**	1,863	-9.0	-8.3
International Group	**(25)**	(22)	16.2	16.2
Core Business	**4,862**	5,186	-6.3	-3.2
Group Digital Life	**(92)**	(51)	78.8	79.1
Corporate	**(78)**	(84)	-7.3	-7.3
Group	**4,692**	5,051	-7.1	-3.9
EBIT (before share of associates' pre-tax profits)				
Australia Consumer	**1,164**	1,261	-7.7	-2.1
Singapore Consumer	**485**	513	-5.5	-5.5
Group Enterprise	**1,080**	1,256	-14.0	-13.7
International Group	**(27)**	(23)	13.7	13.7
Core Business	**2,702**	3,006	-10.1	-7.7
Group Digital Life	**(152)**	(120)	26.2	26.2
Corporate	**(81)**	(85)	-5.5	-5.5
Group	**2,470**	2,801	-11.8	-9.2

Note:

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from FY 2018.

GROUP CONSUMER

In Australia, operating revenue grew 7.4% despite heightened competition. The increase was driven mainly by higher equipment sales and handset leasing, and customer growth with record net additions of 454,000 branded postpaid handset customers for the year. Mobile service revenue was stable as postpaid customer gains was negated by ARPU decline amid intense data price competition. Mass Market Fixed revenue remained stable with higher off-net revenue, driven by NBN customer growth of 137,000 from a year ago, offset by lower on-net revenue. NBN migration revenues fell 3.6%, hit by the temporary suspension in the rollout of HFC services over the NBN during the financial year. EBITDA was stable but would have grown 2.6% excluding NBN migration revenues and dispute settlement recorded in FY 2018.

In Singapore, operating revenue was stable in a highly competitive market. Including equipment sales, total Mobile revenue was flat. Mobile service revenue fell 3.8% from lower voice and ARPU dilution partially offset by growth in data. Postpaid continued its strong momentum with net additions of 125,000 customers for the year. Fixed broadband revenue rose 1.7% on increased take-up of higher speed fibre plans. TV revenue, boosted by the 2018 World Cup revenue, grew 4.9%. However, with the steep decline in voice revenues, EBITDA dipped 2.3%.

GROUP ENTERPRISE

Operating revenue slid 2.3% impacted by price competition and longer sales cycle in a cautious trading environment, particularly in Australia. Revenue would have been stable in constant currency terms with growth in ICT offset by decline in legacy carriage services especially voice. ICT revenue, which constituted 48% (FY 2018: 46%) of Group Enterprise's revenue, grew 2.1% in constant currency terms. The growth was driven by cyber security, cloud and digital services, which in total contributed approximately S$1.3 billion in revenue, up 15% from last year. EBITDA however declined 9.0% mainly from price erosions on renewals of major public sector ICT contracts, lower voice revenues and investments in digitalisation initiatives. Including higher depreciation charges from investments in network, data centres and project related capital spending, EBIT fell 14%.

GROUP DIGITAL LIFE

Group Digital Life posted robust revenue growth of 13% to S$1.22 billion from digital marketing arm Amobee and video-on-demand streaming service HOOQ. Amobee's revenue rose 12% fuelled by growth in its programmatic advertising business, and contributions from Videology assets (platform for advanced TV and video advertising acquired in August 2018) and first time recognition of technology licence fees from ITV plc, which mitigated the decline in its managed media business. HOOQ's revenue more than doubled, boosted by growth in paying subscribers and increased scale. Group Digital Life's negative EBITDA increased due mainly to Amobee's lower revenue from its higher-margin media business and inclusion of Videology's losses.

Management Discussion and Analysis

ASSOCIATES [1]

	Financial Year ended 31 March			
	2019 (S$ million)	2018 (S$ million)	Change (%)	Change in constant currency [2] (%)
Group share of associates' pre-tax profits [3]	**1,536**	2,461	-37.6	-36.2
Share of post-tax profits				
Telkomsel	**843**	1,031	-18.3	-12.4
AIS	**286**	292	-1.7	-3.9
Globe [3]				
- ordinary results	**251**	180	39.3	45.3
- exceptional items	**-**	22	nm	nm
	251	202	23.9	29.1
Intouch [3] [4]				
- operating results	**101**	106	-4.4	-6.5
- amortisation of acquired intangibles	**(22)**	(21)	8.3	5.9
	79	86	-7.5	-9.5
Airtel [3]	**(131)**	101	nm	nm
BTL [5]	**(40)**	(18)	127.8	140.9
	(171)	83	nm	nm
Regional associates [3]	**1,287**	1,694	-24.0	-21.5
NetLink NBN Trust/ NetLink Trust [6]	**48**	72	-32.9	-32.9
Other associates [3] [7]	**47**	57	-17.6	-17.6
Group share of associates' post-tax profits [3]	**1,383**	1,823	-24.1	-21.8

"nm" denotes not meaningful.

Notes:

(1) Based on Singapore Financial Reporting Standards (International).

(2) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from FY 2018.

(3) Share of results excluded the Group's share of the associates' significant one-off items which have been classified as exceptional items of the Group.

(4) Singtel holds an equity interest of 21.0% in Intouch which has an equity interest of 40.5% in AIS.

(5) Bharti Telecom Limited (**BTL**) holds an equity interest of 50.1% in Airtel as at 31 March 2019. In BTL's standalone books, its loss comprised mainly interest charges on its borrowings.

(6) Singtel ceased to own units in NetLink Trust following the sale to NetLink NBN Trust in July 2017 but continues to have an interest of 24.8% in NetLink NBN Trust, the holding company of NetLink Trust. The share of results included Singtel's amortisation of deferred gain of S$20 million (FY 2018: S$32 million) on assets previously transferred to NetLink Trust, but excluded the fair value adjustments recorded by NetLink NBN Trust in respect of its acquisition of units in NetLink Trust.

(7) Include the share of results of Singapore Post Limited.

	Telkomsel	AIS	Airtel [1]	Globe
Country mobile penetration rate	123%	139%	90%	138%
Market share, 31 March 2019 [2]	51.1%	45.2%	28.0%	56.6%
Market share, 31 March 2018 [2]	48.5%	44.8%	25.7%	52.1%
Market position [2]	#1	#1	#2	#1
Mobile customers ('000)				
- Aggregate	168,642	41,491	384,078	83,490
- Proportionate	59,025	9,676	144,770	39,307
Growth in mobile customers [3] (%)	-13%	3.6%	-2.9%	32%

Notes:

(1) Mobile penetration rate, market share and market position pertained to India market only.

(2) Based on number of mobile customers.

(3) Compared against 31 March 2018 and based on aggregate mobile customers.

The Group's combined mobile customer base reached 692 million, down 14 million from a year ago on declines in Indonesia and India.

Telkomsel's revenue fell 4% due to the steep 24% decline in traditional voice and SMS revenues on increased popularity of OTT apps and higher smartphone penetration. The decline was partly mitigated by 21% growth in data and digital services as Telkomsel's digital businesses gained traction. EBITDA fell 9% on lower revenue and higher network expenses from the accelerated deployment of its 4G network. With a weaker Indonesian Rupiah, Telkomsel's post-tax contribution declined 18%. Its mobile customer base was impacted by churn due to the SIM card registration exercise.

AIS' service revenue (excluding interconnect and equipment rental) grew 1%. The increase was driven by higher fixed broadband revenue and the consolidation of CS Loxinfo acquired in January 2018, partly offset by decline in mobile revenue due to intense price competition. EBITDA rose 3% on revenue growth and lower marketing spend. Including higher depreciation charges from 4G network investments and new spectrum amortisation, AIS' post-tax contribution dipped 1.7%.

Globe delivered a solid performance with double-digit growth in EBITDA and earnings. Service revenue grew 6% driven by robust data growth in mobile and broadband. EBITDA rose 22% on strong revenue growth and lower selling expenses. Despite higher depreciation charges and share of equity losses from its associates, Globe's post-tax ordinary contribution rose strongly by 39%. The share of Globe's one-off gain in FY 2018 arose from the increase in fair value of its retained interest in its associate. With the absence of exceptional gain this year, overall post-tax contribution grew 24%.

Intouch's [1] post-tax contribution decreased 4.4% on lower contribution from AIS and a one-off disposal gain on the sale of an investment last year. After including amortisation of acquired intangibles, Intouch's post-tax contribution declined by 7.5%.

The Group's share of **Airtel's** post-tax loss (excluding its net exceptional gain) was S$131 million, compared to the share of post-tax profit of S$101 million in FY 2018. The losses were mainly due to a steep decline in ARPU on disruptive price competition. Airtel Africa reported strong growth in operating revenue and EBITDA. Airtel's total mobile customers declined mainly from India due to implementation of minimum recharge plans.

Including the share of Bharti Telecom Limited's (**BTL**) net loss of S$40 million (FY 2018: S$18 million) mainly from net finance expense, total share of post-tax losses of Airtel and BTL amounted to S$171 million, compared to share of net profit of S$83 million in FY 2018.

Airtel recorded some one-off items in the current year which have been classified as exceptional items of the Group. The exceptional items comprised mainly fair value gains on deconsolidation of a subsidiary and write-back of accruals on re-assessment of levies partly offset by other charges. Including the share of Airtel's net exceptional gain of S$206 million, overall contribution from Airtel and BTL was a net profit of S$34 million, down 53% from last year.

Note:

(1) Intouch is listed on the Stock Exchange of Thailand and has investments in telecommunications via its 40.5% equity interest in AIS, as well as in satellite, internet, and media and advertising businesses.

Management Discussion and Analysis

CASH FLOW

	Financial Year ended 31 March		
	2019 (S$ million)	2018 (S$ million)	Change (%)
Net cash inflow from operating activities	**5,368**	5,955	-9.9
Net cash outflow for investing activities	**(2,329)**	(1,951)	19.4
Net cash outflow for financing activities	**(3,056)**	(4,009)	-23.8
Net change in cash balance	**(16)**	(5)	248.9
Exchange effects on cash balance	**4**	(4)	nm
Cash balance at beginning of year	**525**	534	-1.7
Cash balance at end of year	**513**	525	-2.3
Singtel [1]	**1,242**	1,126	10.3
Optus	**1,006**	989	1.8
Associates (net dividends after withholding tax)	**1,402**	1,492	-6.0
Group free cash flow	**3,650**	3,606	1.2
Optus (in A$ million)	***1,028***	*947*	*8.5*
Cash capital expenditure as a percentage of operating revenue	***10%***	*14%*	

"nm" denotes not meaningful.

Note:
(1) Refers to Singtel Group excluding Optus.

The Group's free cash flow grew 1.2% to S$3.65 billion. The increase was driven by lower capital expenditure partly offset by lower operating cash flow, higher cash taxes and lower associates' dividends.

Net cash inflow from operating activities declined 9.9% to S$5.37 billion. Dividends received from the associates fell 6.0% mainly from Telkomsel, the Southern Cross consortium and NetLink Trust.

The investing cash outflow was S$2.33 billion. During the year, Singtel received proceeds of S$118 million from the disposal of a property in Singapore. Payments of S$123 million were made for the acquisition of Videology assets in August 2018 and S$344 million for the acquisition of a 5.7% equity interest in Airtel Africa in October 2018. Capital expenditure totalled S$1.72 billion, comprising S$587 million for Singtel and S$1.13 billion (A$1.14 billion) for Optus. In Singtel, major capital investments in the year included S$215 million for fixed and data infrastructure, S$183 million for mobile networks and S$189 million for ICT and other investments.

In Optus, capital investments in mobile networks amounted to A$633 million with the balance in fixed and other investments.

Net cash outflow for financing activities amounted to S$3.06 billion. Major cash outflows included net interest payments of S$385 million, and payments of S$1.75 billion for final dividends in respect of FY 2018 and S$1.11 billion for interim dividends in respect of FY 2019, partly offset by increase in net borrowings of S$222 million.

SUMMARY STATEMENTS OF FINANCIAL POSITION

	As at 31 March	
	2019 (S$ million)	2018 (S$ million)
Current assets	**7,078**	6,759
Non-current assets	**41,837**	41,737
Total assets	**48,915**	48,496
Current liabilities	**8,794**	8,429
Non-current liabilities	**10,311**	10,355
Total liabilities	**19,105**	18,784
Net assets	**29,810**	29,712
Share capital	**4,127**	4,127
Retained earnings	**27,513**	27,269
Currency translation reserve [1]	**(1,768)**	(1,284)
Other reserves	**(35)**	(376)
Equity attributable to shareholders	**29,838**	29,737
Non-controlling interests and other reserve	**(28)**	(26)
Total equity	**29,810**	29,712

Note:

(1) 'Currency translation reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

The Group's financial position remains healthy.

Total assets were stable with additions from the acquisitions of Videology assets and equity interest in Airtel Africa offset by the translation impact from a weaker Australian Dollar. Total liabilities increased on higher trade payables related to handset leasing and network investments.

Currency translation losses increased mainly due to the weaker Australian Dollar and Indian Rupee against the Singapore Dollar from a year ago when translating the Group's investments in Optus and Airtel.

Management Discussion and Analysis

CAPITAL MANAGEMENT AND DIVIDEND POLICY

Group	Financial Year ended 31 March 2019	2018
Gross debt (S$ million)	**10,396**	10,402
Net debt [(1)] (S$ million)	**9,883**	9,877
Net debt gearing ratio [(2)] (%)	**24.9**	24.9
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	**1.6**	1.3
Interest cover [(3)] (number of times)	**16.2**	20.1

Notes:

(1) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.

(2) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and non-controlling interests.

(3) Interest cover refers to the ratio of EBITDA and share of associates' pre-tax profits to net interest expense.

As at 31 March 2019, the Group's net debt was S$9.9 billion, stable from a year ago.

The Group has one of the strongest credit ratings among telecommunication companies in the Asia Pacific region. Singtel is currently rated A1 by Moody's and A+ by S&P Global Ratings. The Group continues to maintain a healthy capital structure.

For the financial year ended 31 March 2019, the total ordinary dividend payout, including the proposed final dividend, was 17.5 cents per share or 101% of the Group's underlying net profit and 88% of the Group's free cash flow (after interest and tax payments).

Singtel is committed to delivering dividends that increase over time with growth in underlying earnings, while maintaining an optimal capital structure and investment grade credit ratings. Barring unforeseen circumstances, it expects to maintain its ordinary dividends at 17.5 cents per share for the next financial year ending 31 March 2020.

OUTLOOK FOR THE NEXT FINANCIAL YEAR ENDING 31 MARCH 2020

For the Group's outlook for the next financial year ending 31 March 2020, please refer to pages 9 to 10 of the Management Discussion and Analysis for the fourth quarter and year ended 31 March 2019 announced on 15 May 2019.

Financials

Additional Information

Directors' Statement

For the financial year ended 31 March 2019

The Directors present their statement to the members together with the audited financial statements of the Company ("**Singtel**") and its subsidiaries (the "**Group**") for the financial year ended 31 March 2019.

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 137 to 249 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2019, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. DIRECTORS

The Directors of the Company in office at the date of this statement are –

Simon Claude Israel (Chairman)
Chua Sock Koong (Group Chief Executive Officer)
Gautam Banerjee
Dominic Stephen Barton (appointed on 25 March 2019)
Bobby Chin Yoke Choong
Venkataraman Vishnampet Ganesan
Bradley Joseph Horowitz (appointed on 26 December 2018)
Gail Patricia Kelly (appointed on 26 December 2018)
Low Check Kian
Peter Edward Mason AM [1]
Christina Hon Kwee Fong (Christina Ong)
Teo Swee Lian

Peter Ong Boon Kwee, who served during the financial year, stepped down as a Director of the Company following the conclusion of the Annual General Meeting on 24 July 2018.

Note:
(1) Member of the Order of Australia

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except for performance shares granted under the Singtel Performance Share Plan 2012 (the "**Singtel PSP 2012**") and share options granted by Amobee Group Pte. Ltd. ("**Amobee**").

Directors' Statement

For the financial year ended 31 March 2019

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The interests of the Directors holding office at the end of the financial year in the share capital of the Company and related corporations according to the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act were as follows –

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2019	At 1 April 2018 or date of appointment, if later	At 31 March 2019	At 1 April 2018 or date of appointment, if later
The Company				
Singapore Telecommunications Limited				
(Ordinary shares)				
Simon Claude Israel	**1,019,593** [(1)]	919,961	**1,360** [(2)]	1,360
Chua Sock Koong	**8,229,844** [(3)]	7,540,668	**4,104,371** [(4)]	4,852,449
Gautam Banerjee	**-**	-	**-**	-
Dominic Stephen Barton	**-**	-	**-**	-
Bobby Chin Yoke Choong	**-**	-	**-**	-
Bradley Joseph Horowitz	**-**	-	**-**	-
Gail Patricia Kelly	**-**	-	**-**	-
Low Check Kian	**1,490**	1,490	**-**	-
Peter Edward Mason AM	**50,000** [(5)]	50,000	**-**	-
Christina Ong	**-**	-	**-**	-
Teo Swee Lian	**1,550**	1,550	**-**	-
(American Depositary Shares)				
Venkataraman Vishnampet Ganesan	**3,341.45** [(6)]	3,341.45	**-**	-
Subsidiary Corporations				
Amobee Group Pte. Ltd.				
(Options to subscribe for ordinary shares)				
Venkataraman Vishnampet Ganesan	**1,581,805**	750,718	**-**	-
Optus Finance Pty Limited				
(A$250,000,000 4% fixed rate notes due 2022)				
Simon Claude Israel	**A$1,600,000** [(7)] **(principal amount)**	A$1,600,000 (principal amount)	**-**	-
(A$500,000,000 3.25% fixed rate notes due 2023)				
Simon Claude Israel	**A$1,000,000** [(8)] **(principal amount)**	-	**-**	-

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(Cont'd)*

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2019	**At 1 April 2018 or date of appointment, if later**	**At 31 March 2019**	**At 1 April 2018 or date of appointment, if later**
Related Corporations				
Ascendas Funds Management (S) Limited				
(Unit holdings in Ascendas Real Estate Investment Trust)				
Simon Claude Israel	**1,000,000** (9)	1,000,000	-	-
Chua Sock Koong	**142,000**	142,000	-	-
Gautam Banerjee	**20,000**	20,000	-	-
Ascendas Property Fund Trustee Pte. Ltd.				
(Unit holdings in Ascendas India Trust)				
Gautam Banerjee	**120,000**	120,000	-	-
Mapletree Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Commercial Trust)				
Simon Claude Israel	**4,043,520** (7)	4,043,520	-	-
Bobby Chin Yoke Choong	-	-	**117,000** (2)	117,000
Mapletree Greater China Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Greater China Commercial Trust)				
Simon Claude Israel	**1,000,000** (7)	1,000,000	-	-
Chua Sock Koong	**430,000**	430,000	**50,000** (2)	50,000
Mapletree Industrial Trust Management Ltd.				
(Unit holdings in Mapletree Industrial Trust)				
Simon Claude Israel	**990,160** (7)	990,160	-	-
Chua Sock Koong	**11,000**	11,000	-	-
Bobby Chin Yoke Choong	**129,600**	129,600	-	-
Mapletree Logistics Trust Management Ltd.				
(Unit holdings in Mapletree Logistics Trust)				
Simon Claude Israel	**1,100,000** (7)	1,100,000	-	-
Mapletree Real Estate Advisors Pte. Ltd.				
(Unit holdings in Mapletree US Logistics Private Trust)				
Christina Ong	**185**	-	-	-
(Unit holdings in Mapletree EU Logistics Private Trust)				
Christina Ong	**185**	-	-	-

Directors' Statement

For the financial year ended 31 March 2019

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES *(Cont'd)*

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2019	**At 1 April 2018 or date of appointment, if later**	**At 31 March 2019**	**At 1 April 2018 or date of appointment, if later**
Mapletree Treasury Services Limited				
(S$625,500,000 4.5% perpetual capital securities)				
Simon Claude Israel	**S$500,000 (principal amount)**	S$500,000 (principal amount)	-	-
Olam International Limited				
(Ordinary shares)				
Low Check Kian	**1,024,995**	500,000	**2,074,518** (10)	2,074,518
Singapore Airlines Limited				
(Ordinary shares)				
Simon Claude Israel	**9,000** (11)	9,000	-	-
Chua Sock Koong	**2,000**	2,000	-	-
Bobby Chin Yoke Choong	-	-	**2,000** (2)	2,000
Low Check Kian	**5,600**	5,600	-	-
Singapore Technologies Engineering Limited				
(Ordinary shares)				
Christina Ong	**1**	1	-	-

Notes:

(1) 1,015,182 ordinary shares held in the name of Citibank Nominees Singapore Pte Ltd and 4,411 ordinary shares held in the name of DBS Nominees (Private) Limited.

(2) Held by Director's spouse.

(3) 688,750 ordinary shares held in the name of DBS Nominees (Private) Limited and 2,000,000 ordinary shares held jointly with spouse in the name of DBSN Services Pte Ltd.

(4) Ms Chua Sock Koong's deemed interest of 4,104,371 shares included:
(a) 28,137 ordinary shares held by Ms Chua's spouse; and
(b) An aggregate of up to 4,076,234 ordinary shares in Singtel awarded to Ms Chua pursuant to the Singtel PSP 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant minimum performance criteria, up to an aggregate of 5,847,725 ordinary shares may be released pursuant to the conditional awards granted.

According to the Register of Directors' Shareholdings, Ms Chua had a deemed interest in 10,836,742 shares held by DBS Trustee Limited, the trustee of a trust established for the purposes of the Singtel Performance Share Plan and the Singtel PSP 2012 for the benefit of eligible employees of the Group, as at 19 November 2012, being the date on which the Securities and Futures (Disclosure of Interests) Regulations 2012 (the "**SFA (DOI) Regulations**") came into operation. Under regulation 6 of the SFA (DOI) Regulations, Ms Chua is exempted from reporting interests, and changes in interests, in shares held by the trust, with effect from 19 November 2012.

(5) Held (through custodians) by Burgoyne Investments Pty Ltd as trustee for Burgoyne Superannuation Fund. Both Mr Peter Edward Mason AM and spouse are directors of Burgoyne Investments Pty Ltd and beneficiaries of Burgoyne Superannuation Fund.

(6) 1 American Depositary Share represents 10 ordinary shares in Singtel.

(7) Held in the name of Citibank Nominees Singapore Pte Ltd.

(8) Held in the name of Citibank N.A. (Hong Kong).

(9) 100,000 units held jointly by Mr Simon Claude Israel and his spouse, and 900,000 units held in the name of Citibank Nominees Singapore Pte Ltd.

(10) Held by Cluny Capital Limited. Mr Low Check Kian is the sole shareholder of Cluny Capital Limited.

(11) 6,200 ordinary shares held in the name of Citibank Nominees Singapore Pte Ltd and 2,800 ordinary shares held in the name of DBS Nominees (Private) Limited.

According to the register of Directors' shareholdings, there were no changes to any of the above-mentioned interests between the end of the financial year and 21 April 2019.

4. PERFORMANCE SHARES

The Executive Resource and Compensation Committee ("**ERCC**") is responsible for administering the Singtel PSP 2012. At the date of this statement, the members of the ERCC are Peter Edward Mason AM (Chairman of the ERCC), Simon Claude Israel, Teo Swee Lian and Gail Kelly.

At the Extraordinary General Meeting held on 27 July 2012, the shareholders approved the adoption of the Singtel PSP 2012. The duration of the Singtel PSP 2012 is 10 years commencing 27 July 2012. This plan gives the flexibility to either allot and issue and deliver new Singtel shares or purchase and deliver existing Singtel shares upon the vesting of awards.

The participants of the Singtel PSP 2012 will receive fully paid Singtel shares free of charge, the equivalent in cash, or combinations thereof, provided that certain prescribed performance targets or vesting conditions are met within a prescribed performance period. The performance period for the awards granted is three years, except for Restricted Share Awards which have a performance period of two years. The number of Singtel shares that will vest for each participant or category of participants will be determined at the end of the performance period based on the level of attainment of the performance targets or vesting conditions.

Awards comprising an aggregate of 86.2 million shares have been granted under the Singtel PSP 2012 from its commencement to 31 March 2019.

Performance share awards granted, vested and cancelled during the financial year, and share awards outstanding at the end of the financial year, were as follows –

Date of grant	Balance as at 1 April 2018 ('000)	Share awards granted ('000)	Additional share awards from targets exceeded ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2019 ('000)
Share award for Chairman						
(Simon Claude Israel)						
14.08.18	**-**	**100**	**-**	**(100)**	**-**	**-**
Special Share Award						
For Group Chief Executive Officer						
(Chua Sock Koong)						
19.06.18	-	498	-	(498)	-	-
For other staff						
19.06.18	-	959	-	(959)	-	-
Sub-total	**-**	**1,457**	**-**	**(1,457)**	**-**	**-**
Performance shares						
(Restricted Share Awards)						
For Group Chief Executive Officer						
(Chua Sock Koong)						
17.06.15	55	-	-	(55)	-	-
20.06.16	201	-	72	(137)	-	136
19.06.17	383	-	-	-	-	383
19.06.18	-	397	-	-	-	397
	639	397	72	(192)	-	916

Directors' Statement

For the financial year ended 31 March 2019

4. PERFORMANCE SHARES *(Cont'd)*

Date of grant	Balance as at 1 April 2018 ('000)	Share awards granted ('000)	Additional share awards from targets exceeded ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2019 ('000)
For other staff						
17.06.15	2,132	–	–	(2,111)	(21)	–
28.09.15	15	–	–	(15)	–	–
05.01.16	5	–	–	(5)	–	–
20.06.16	4,710	–	1,676	(3,264)	(206)	2,916
20.03.17	20	–	8	(14)	–	14
19.06.17	6,910	–	–	(201)	(474)	6,235
21.09.17	87	–	–	–	–	87
18.12.17	77	–	–	–	(48)	29
14.03.18	150	–	–	–	(32)	118
19.06.18	–	9,132	–	(17)	(692)	8,423
21.09.18	–	82	–	–	–	82
18.12.18	–	77	–	–	–	77
21.03.19	–	147	–	–	–	147
	14,106	9,438	1,684	(5,627)	(1,473)	18,128
Sub-total	**14,745**	**9,835**	**1,756**	**(5,819)**	**(1,473)**	**19,044**
Performance shares (Performance Share Awards)						
For Group Chief Executive Officer (Chua Sock Koong)						
17.06.15	1,659	–	–	–	(1,659)	–
20.06.16	1,695	–	–	–	–	1,695
19.06.17	832	–	–	–	–	832
19.06.18	–	634	–	–	–	634
	4,186	634	–	–	(1,659)	3,161
For other staff						
17.06.15	6,870	–	–	–	(6,870)	–
28.09.15	125	–	–	–	(125)	–
05.01.16	32	–	–	–	(32)	–
20.06.16	6,956	–	–	–	(376)	6,580
20.03.17	91	–	–	–	–	91
19.06.17	3,897	–	–	–	(189)	3,708
21.09.17	24	–	–	–	–	24
18.12.17	53	–	–	–	(36)	17
14.03.18	79	–	–	–	–	79
19.06.18	–	3,537	–	–	(163)	3,374
21.09.18	–	24	–	–	–	24
18.12.18	–	12	–	–	–	12
	18,127	3,573	–	–	(7,791)	13,909
Sub-total	**22,313**	**4,207**	**–**	**–**	**(9,450)**	**17,070**
Total	**37,058**	**15,599**	**1,756**	**(7,376)**	**(10,923)**	**36,114**

4. PERFORMANCE SHARES *(Cont'd)*

During the financial year, awards in respect of an aggregate of 7.4 million shares granted under the Singtel PSP 2012 were vested. The awards were satisfied by the delivery of existing shares purchased from the market as permitted under the Singtel PSP 2012.

As at 31 March 2019, no participant (other than Ms Chua Sock Koong) has received shares pursuant to the vesting of awards granted under the Singtel PSP 2012 which, in aggregate, represents five per cent or more of the aggregate of –

(i) the total number of new shares available under the Singtel PSP 2012; and

(ii) the total number of existing shares purchased for delivery of awards released under the Singtel PSP 2012.

5. SHARE OPTION PLANS

During the financial year, there were:

(a) no options granted by the Company to any person to take up unissued shares of the Company; and

(b) no shares issued by virtue of any exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

The particulars of the share option plans of subsidiary corporations of the Company are as follows:

Amobee Group Pte. Ltd.

In April 2015, Amobee, a wholly-owned subsidiary corporation of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Under the terms of Amobee LTI Plan, options to purchase ordinary shares of Amobee may be granted to employees (including executive directors) and non-executive directors of Amobee and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 62.6 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries. As at 31 March 2019, options in respect of an aggregate of 112.6 million of ordinary shares in Amobee are outstanding.

The grant dates and exercise prices of the share options were as follows –

Date of grant	Exercise price
For employees	
13 April 2015, 14 October 2015	US$0.54 to US$0.79
20 January 2016, 10 May 2016, 23 June 2016, 24 August 2016, 25 January 2017, 19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	US$0.54
21 August 2018, 25 March 2019	US$0.55 to US$0.58
For non-executive directors	
14 October 2015	US$0.54
21 August 2018	US$0.55

Directors' Statement

For the financial year ended 31 March 2019

5. SHARE OPTION PLANS *(Cont'd)*

The options granted to employees and non-executive directors expire 10 years and 5 years from the date of grant respectively.

During the financial year, 10,879 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Trustwave Holdings, Inc.

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a wholly-owned subsidiary corporation of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Under the terms of the Trustwave ESOP, options to purchase common stock of Trustwave may be granted to employees (including executive directors) and non-executive directors of Trustwave and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustwave on the date of grant.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 0.6 million of common stock in Trustwave have been granted to the employees of Trustwave and/or its subsidiaries. As at 31 March 2019, options in respect of an aggregate of 2.2 million of common stock in Trustwave are outstanding.

The grant dates and exercise prices of the stock options were as follows –

Date of grant	Exercise price
1 December 2015, 22 January 2016, 19 May 2016, 12 September 2016	US$16.79
20 January 2017	US$16.24
15 March 2018, 23 May 2018, 12 July 2018, 31 August 2018	US$15.37

The options granted expire 10 years from the date of grant.

No common stock of Trustwave was issued during the financial year pursuant to the exercise of options granted under the Trustwave ESOP. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

HOOQ Digital Pte. Ltd.

In December 2015, HOOQ Digital Pte. Ltd. ("**HOOQ**"), a 65%-owned subsidiary corporation of the Company, implemented the HOOQ Digital Employee Share Option Scheme ("the **Scheme**"). Under the terms of the Scheme, options to purchase ordinary shares of HOOQ may be granted to employees (including executive directors) of HOOQ and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of HOOQ on the date of grant.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 9.6 million of ordinary shares in HOOQ have been granted to the employees of HOOQ and/or its subsidiaries. As at 31 March 2019, options in respect of an aggregate of 43.3 million of ordinary shares in HOOQ are outstanding.

5. SHARE OPTION PLANS *(Cont'd)*

The grant dates and exercise prices of the share options were as follows –

Date of grant	Exercise price
16 May 2016, 24 April 2017, 2 May 2017, 31 July 2017, 8 September 2017, 23 October 2017, 10 January 2018, 1 April 2018, 1 July 2018, 19 October 2018, 31 January 2019	US$0.07

The options granted expire 10 years from the date of grant.

No ordinary shares of HOOQ were issued during the financial year pursuant to the exercise of options granted under the Scheme. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

6. AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members, all of whom are non-executive and independent –

Bobby Chin Yoke Choong (Chairman of the Audit Committee)
Gautam Banerjee
Christina Hon Kwee Fong (Christina Ong)

Peter Ong Boon Kwee, who served during the financial year, stepped down as a member of the Audit Committee following the conclusion of the Annual General Meeting on 24 July 2018.

The Audit Committee carried out its functions in accordance with Section 201B of the Singapore Companies Act, Chapter 50.

In performing its functions, the Committee reviewed the overall scope and results of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal auditors to discuss the results of the respective examinations and their evaluation of the Company's system of internal accounting controls. The Committee also held discussions with the internal and external auditors and is satisfied that the processes put in place by management provide reasonable assurance on mitigation of fraud risk exposure to the Group.

The Committee also reviewed the financial statements of the Company and the Group, as well as the Independent Auditors' Report thereon. In the review of the financial statements of the Company and the Group, the Committee had discussed with management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements.

Directors' Statement

For the financial year ended 31 March 2019

6. AUDIT COMMITTEE *(Cont'd)*

In addition, the Committee had, with the assistance of the internal auditors, reviewed the procedures set up by the Company and the Group to identify and report, and where necessary, sought appropriate approval for interested person transactions.

The Committee has full access to and has the co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Committee has nominated KPMG LLP for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

7. AUDITORS

KPMG LLP were appointed as auditors of the Company at the Annual General Meeting of the Company held on 24 July 2018.

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

On behalf of the Directors

Simon Claude Israel
Chairman

Chua Sock Koong
Director

Singapore
14 May 2019

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Telecommunications Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2019 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 137 to 249.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

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

Key audit matters

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

The key audit matter	How the matter was addressed in our audit
Revenue recognition	
For the main Operating Revenues – Mobile Service, Data and Internet and Sale of Equipment, there is an inherent risk around the accuracy and timing of revenue recognition given the complexity of systems and the large volume of data processed, which are also impacted by changing pricing models and the introduction of new products and tariff arrangements. Significant management judgements and estimates are required when accounting for revenue from long-term contracts with respect to the Group Enterprise Infocomm Technology ("ICT") Operating Revenues. For some of these ICT contracts, estimates are required in determining the completeness and valuation of provisions against contracts that are expected to be loss-making and the recoverability of the contract assets.	We obtained an understanding of the nature of the various revenue streams and the related revenue recording processes, systems and controls. Our audit approach included controls testing as well as substantive procedures. For our procedures over the design and operating effectiveness of controls over significant IT systems, we involved our IT specialists. In particular, our procedures included: • *IT systems:* Testing of the design and implementation, and the operating effectiveness of automated controls over the capture of data at the network switches and interfaces between relevant IT applications, measurement and billing of revenue, and the recording of entries in the general ledger.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

The key audit matter

Revenue recognition *(Cont'd)*

In addition, the initial application of SFRS(I) 15 *Revenue from Contracts with Customers* required the exercise of significant judgement regarding:

- Identification of performance obligations for each product and service offering;
- Estimation of stand-alone selling prices, variable consideration, future customer behaviour with respect to early contract renewals and terminations; and
- The timing of revenue recognition.

The accounting policies for revenue recognition are set out in Note 2.23 to the financial statements and the various revenue streams for the Group have been disclosed in Note 4 to the financial statements.

How the matter was addressed in our audit

- *Manual controls:* Testing of the design and implementation, and the operating effectiveness of manual controls over the initiation, authorisation, recording, and processing of revenue transactions. This included evaluating process controls over authorising new price plans and rate changes and the adjustments to the relevant billing systems. We had also tested the access controls and change management controls over the relevant billing systems.
- Testing of contracts in the ICT business for appropriate revenue recognition and provisioning for contracts that were expected to be loss-making. We challenged management's underlying assumptions in making their judgements on the provisions required.
- Assessing the appropriateness of the revenue recognition policies for the products and services offered by the Group in adopting SFRS(I) 15, which included but was not limited to:
  - Assessing the appropriateness of the transaction price and its allocation to performance obligations identified within bundled contracts based on stand-alone selling prices;
  - Inspection of customer contracts to evaluate whether performance obligations were satisfied over time or at a point in time, and assessed the reasonableness of estimates used in respect to revenue recognition and deferral of revenue; and
  - Assessing the effects of the initial application of SFRS(I) 15 as at 1 April 2018.
- Testing of manual journal entries recorded in the general ledger relating to revenue recognition.

Findings

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

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

Impairment assessment of goodwill

Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment.

At 31 March 2019, the Group's statement of financial position includes goodwill amounting to S$11.5 billion, primarily related to the following cash-generating units ("CGUs"):

Singtel Optus Pty Limited ("**Optus**"): S$9.3 billion
Amobee, Inc. ("**Amobee**"): S$1.1 billion
Global Cyber Security: S$1.0 billion

We evaluated whether CGUs were appropriately identified by management based on our understanding of the current business structure of the Group.

We involved our valuation specialists in the overall assessment of the recoverable amounts of the respective CGUs.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

The key audit matter	How the matter was addressed in our audit

Impairment assessment of goodwill *(Cont'd)*

Global Cyber Security CGU
Subsequent to the reorganisation of the Group's cyber security business, with effect from 1 April 2018, management has assessed and considered the combined cyber security businesses of the Group, including Trustwave, to constitute one CGU.

The Group performed impairment assessments for each of the CGUs by estimating the recoverable amounts. The recoverable amount is the discounted sum of individually forecasted cash flows for each year and the value of the cash flows for the years thereafter using a long-term growth rate. As the recoverable amount for each of the CGUs was calculated to be in excess of the respective carrying amounts, no impairment was determined.

Forecasting of future cash flows is a highly judgmental process which requires estimation of revenue growth rates, profit margins, discount rates and future economic conditions.

Refer to Note 24 to the financial statements for the impairment assessments.

In particular, our procedures included:

Optus, Amobee and Global Cyber Security
We assessed the reasonableness of the key assumptions used by management in developing the cash flow forecasts and the discount rates used in computing the recoverable amounts, which included but are not limited to:

- Agreeing the cash flow forecasts used in the impairment model to Board approved forecasts and budgets;
- Considering management's expectations of the future business developments and corroborated certain information with market data; we also considered planned operational improvements to the businesses and how these plans would impact future cash flows and whether these were appropriately reflected in the cash flow forecasts used;
- Challenging the appropriateness of cash flow forecasts used by comparing against historical trends and recent performance and industry trends. Where relevant, assessing whether budgeted cash flows for prior years were achieved to assess forecasting accuracy;
- Comparing the discount rates and terminal growth rates to observable market data; and
- Performing a sensitivity analysis of the key assumptions used to determine which reasonable changes to assumptions would change the outcome of the impairment assessment.

Findings
We found the identification of CGUs to be reasonable and appropriate.

We found the key assumptions and estimates used in determining the recoverable amounts to be within a supportable range.

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

The Group's significant joint ventures have a number of on-going disputes and litigations with their local regulators and tax authorities.

Significant judgement is required by management in assessing the likelihood of the outcome of each matter and whether the risk of loss is remote, possible or probable and whether the matter is considered a contingent liability to be disclosed.

Please refer to Note 41 to the financial statements for 'Significant Contingent Liabilities of Associates and Joint Ventures'.

Our audit procedures included:

- Inquiring with management and legal counsel of the joint ventures to understand the process and internal controls relating to the identification, assessment and recognition of the disputes and litigations.
- Reviewing the audit working papers of the auditors of the joint ventures ('Component Auditors'), in particular their assessment on the regulatory litigations and tax disputes that may have a material impact to the financial statements.
- Discussing with the Component Auditors on their evaluation of the probability and magnitude of losses relating to the disputes and litigations, and their conclusions reached in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets.*

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

The key audit matter	How the matter was addressed in our audit

Findings
We found management's assessment of the regulatory litigations and tax disputes to be reasonable, and the disclosure of contingent liabilities to be appropriate.

Taxation

The Group is exposed to tax disputes with local tax authorities in the jurisdiction it operates in on a regular basis. The assessment of the outcome of such disputes requires significant judgement and could have a material impact on the financial statements.

Australian Tax Office ("ATO") audit
The Group has been responding to an on-going specific issue audit by the ATO in connection with the acquisition financing of Optus.

The Group has engaged external specialists to advise on this matter and to assist in raising objections to the amended assessments. Significant judgement is required in assessing the probability and timing of the outlays necessary for the resolution of this matter.

Please refer to Note 40 to the financial statements.

Our audit procedures included:

- Inquiring with management on the tax issues raised by the tax authorities and assessing their impact to the financial statements;
- Involving our tax specialists in assessing the appropriateness of the accounting treatments of significant tax issues for the Group; and
- Assessing the reasonableness of management's position and the accounting impact to the Group's consolidated financial statements.

With respect to the ATO matter:

- Involving our tax specialists in assessing the appropriateness of management's judgements taken on this matter, and the disclosure as a contingent liability, and that the amount paid continues to represent a receivable as at 31 March 2019;
- Examining the advice that the Group had obtained from external specialists to support the position taken by management; and
- Inquiring with management and the external specialists to discuss the merits of the Group's position on the specific issue audit by ATO.

Findings
We found the position of management and the basis for it to be appropriate.

We found the disclosures to the consolidated financial statements to be adequate and appropriate in accordance to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets.*

Other matter

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 31 March 2018 were audited by another auditor who expressed an unmodified opinion on those statements on 16 May 2018.

Other information

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

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

Independent Auditors’ Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

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

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

Responsibilities of management and directors for the financial statements

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

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

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

Auditors’ responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

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

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 May 2019

Consolidated Income Statement

For the financial year ended 31 March 2019

	Notes	2019 S$ Mil	2018 S$ Mil
Operating revenue	4	**17,371.7**	17,268.0
Operating expenses	5	**(12,904.5)**	(12,476.3)
Other income	6	**224.7**	258.8
		4,691.9	5,050.5
Depreciation and amortisation	7	**(2,222.2)**	(2,250.0)
		2,469.7	2,800.5
Exceptional items	8	**68.2**	1,895.1
Profit on operating activities		**2,537.9**	4,695.6
Share of results of associates and joint ventures	9	**1,562.7**	1,804.0
Profit before interest, investment income (net) and tax		**4,100.6**	6,499.6
Interest and investment income (net)	10	**38.1**	45.5
Finance costs	11	**(392.8)**	(390.2)
Profit before tax		**3,745.9**	6,154.9
Tax expense	12	**(674.8)**	(703.0)
Profit after tax		**3,071.1**	5,451.9
Attributable to:			
Shareholders of the Company		**3,094.5**	5,473.0
Non-controlling interests		**(23.4)**	(21.1)
		3,071.1	5,451.9
Earnings per share attributable to shareholders of the Company			
- basic (cents)	13	**18.96**	33.53
- diluted (cents)	13	**18.93**	33.48

Note:
The Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") which became effective from 1 April 2018 and has applied them retrospectively. Accordingly, the comparatives have been restated to take into account adjustments relating to SFRS(I) 1, *First-time Adoption of SFRS(I)*, SFRS(I) 15, *Revenue from Contracts with Customers* and SFRS(I) 9, *Financial Instruments*.

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
Independent Auditors' Report – pages 131 to 136.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2019

	2019 S$ Mil	2018 S$ Mil
Profit after tax	**3,071.1**	5,451.9
Other comprehensive (loss)/ income		
Items that may be reclassified subsequently to income statement:		
Exchange differences arising from translation of foreign operations and other currency translation differences	**(484.5)**	(1,283.0)
Cash flow hedges		
- Fair value changes	**182.9**	(46.9)
- Tax effects	**(23.7)**	(55.2)
	159.2	(102.1)
- Fair value changes transferred to income statement	**(122.4)**	35.0
- Tax effects	**17.8**	46.8
	(104.6)	81.8
	54.6	(20.3)
Share of other comprehensive income of associates and joint ventures	**283.8**	650.3
Items that will not be reclassified subsequently to income statement:		
Fair value changes on Fair Value through Other Comprehensive Income (“**FVOCI**”) investments	**13.2**	9.6
Other comprehensive loss, net of tax	**(132.9)**	(643.4)
Total comprehensive income	**2,938.2**	4,808.5
Attributable to:		
Shareholders of the Company	**2,962.3**	4,828.9
Non-controlling interests	**(24.1)**	(20.4)
	2,938.2	4,808.5

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
Independent Auditors’ Report – pages 131 to 136.

Statements of Financial Position

As at 31 March 2019

		Group			Company		
	Notes	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Current assets							
Cash and cash equivalents	15	**512.7**	524.9	533.8	**81.6**	92.0	89.2
Trade and other receivables	16	**5,992.7**	5,813.7	5,762.4	**1,960.9**	2,323.9	1,673.3
Inventories	17	**417.6**	397.4	352.2	**37.2**	21.8	23.8
Derivative financial instruments	18	**155.1**	22.6	106.1	**0.7**	70.1	105.9
		7,078.1	6,758.6	6,754.5	**2,080.4**	2,507.8	1,892.2
Non-current assets							
Property, plant and equipment	19	**11,050.4**	11,454.1	11,456.1	**2,250.0**	2,259.4	2,266.6
Intangible assets	20	**14,016.7**	13,969.1	13,072.8	**-**	-	-
Subsidiaries	21	**-**	-	-	**20,009.2**	19,425.9	17,441.0
Joint ventures	22	**12,857.9**	12,786.5	12,285.3	**22.8**	22.8	23.0
Associates	23	**2,060.2**	2,000.2	1,946.7	**24.7**	24.7	603.5
Fair value through other comprehensive income (“**FVOCI**”) investments	25	**646.9**	197.9	192.9	**5.3**	5.5	37.4
Derivative financial instruments	18	**283.6**	388.3	434.4	**125.9**	130.6	283.5
Deferred tax assets	12	**276.6**	353.0	634.9	**-**	-	-
Other assets	26	**644.4**	587.8	592.0	**130.7**	144.9	161.0
Loan to an associate		**-**	-	1,100.5	**-**	-	1,100.5
		41,836.7	41,736.9	41,715.6	**22,568.6**	22,013.8	21,916.5
Total assets		**48,914.8**	48,495.5	48,470.1	**24,649.0**	24,521.6	23,808.7
Current liabilities							
Trade and other payables	27	**5,817.1**	5,371.0	5,054.8	**1,737.5**	1,468.4	1,602.0
Advance billings		**812.1**	794.1	861.1	**89.8**	80.1	74.8
Current tax liabilities		**255.0**	351.3	296.3	**83.6**	101.5	100.6
Borrowings (unsecured)	28	**1,846.2**	1,800.5	3,046.6	**-**	-	-
Borrowings (secured)	29	**34.0**	23.1	86.7	**4.8**	7.4	1.5
Derivative financial instruments	18	**9.2**	69.3	15.8	**0.5**	84.9	108.8
Net deferred gain	31	**20.8**	20.1	68.8	**-**	-	-
		8,794.4	8,429.4	9,430.1	**1,916.2**	1,742.3	1,887.7
Non-current liabilities							
Advance billings		**197.4**	221.6	241.9	**129.2**	136.7	138.3
Borrowings (unsecured)	28	**8,734.4**	8,586.1	7,898.2	**786.5**	739.5	802.7
Borrowings (secured)	29	**49.5**	81.5	199.6	**7.7**	68.5	157.2
Derivative financial instruments	18	**149.5**	277.0	279.4	**191.8**	250.9	344.0
Net deferred gain	31	**375.0**	357.7	1,282.7	**-**	-	-
Deferred tax liabilities	12	**515.1**	535.6	572.8	**274.5**	268.2	273.0
Other non-current liabilities	32	**289.8**	295.1	324.2	**26.5**	31.4	23.7
		10,310.7	10,354.6	10,798.8	**1,416.2**	1,495.2	1,738.9
Total liabilities		**19,105.1**	18,784.0	20,228.9	**3,332.4**	3,237.5	3,626.6
Net assets		**29,809.7**	29,711.5	28,241.2	**21,316.6**	21,284.1	20,182.1
Share capital and reserves							
Share capital	33	**4,127.3**	4,127.3	4,127.3	**4,127.3**	4,127.3	4,127.3
Reserves		**25,710.5**	25,609.8	24,113.9	**17,189.3**	17,156.8	16,054.8
Equity attributable to shareholders of the Company		**29,837.8**	29,737.1	28,241.2	**21,316.6**	21,284.1	20,182.1
Non-controlling interests		**(28.1)**	(3.2)	22.4	**-**	-	-
Other reserve		**-**	(22.4)	(22.4)	**-**	-	-
Total equity		**29,809.7**	29,711.5	28,241.2	**21,316.6**	21,284.1	20,182.1

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2019

Group - 2019	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve[2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves[3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Other Reserve[4] S$ Mil	Total Equity S$ Mil
	Attributable to shareholders of the Company											
Balance as at 1 April 2018, previously reported	**4,127.3**	**(32.7)**	**(96.2)**	**(5,773.3)**	**5.3**	**25.5**	**31,600.7**	**(177.4)**	**29,679.2**	**(3.2)**	**(22.4)**	**29,653.6**
Effects of adoption of SFRS(I) 1, 9 and 15	**-**	**-**	**-**	**4,489.6**	**(59.6)**	**(44.4)**	**(4,331.3)**	**3.6**	**57.9**	**-**	**-**	**57.9**
Balance as at 1 April 2018, restated	**4,127.3**	**(32.7)**	**(96.2)**	**(1,283.7)**	**(54.3)**	**(18.9)**	**27,269.4**	**(173.8)**	**29,737.1**	**(3.2)**	**(22.4)**	**29,711.5**
Changes in equity for the year												
Performance shares purchased by the Company	**-**	**(1.8)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.8)**	**-**	**-**	**(1.8)**
Performance shares purchased by Trust[5]	**-**	**(17.5)**	**-**	**-**	**-**	**-**	**-**	**-**	**(17.5)**	**-**	**-**	**(17.5)**
Performance shares vested	**-**	**20.3**	**(20.3)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Equity-settled share-based payment	**-**	**-**	**38.0**	**-**	**-**	**-**	**-**	**-**	**38.0**	**-**	**-**	**38.0**
Transfer of liability to equity	**-**	**-**	**7.8**	**-**	**-**	**-**	**-**	**-**	**7.8**	**-**	**-**	**7.8**
Cash paid to employees under performance share plans	**-**	**-**	**(0.1)**	**-**	**-**	**-**	**-**	**-**	**(0.1)**	**-**	**-**	**(0.1)**
Performance shares purchased by Singtel Optus Pty Limited (“**Optus**”) and vested	**-**	**-**	**(5.5)**	**-**	**-**	**-**	**-**	**-**	**(5.5)**	**-**	**-**	**(5.5)**
Final dividend paid (see **Note 34**)	**-**	**-**	**-**	**-**	**-**	**-**	**(1,746.7)**	**-**	**(1,746.7)**	**-**	**-**	**(1,746.7)**
Interim dividend paid (see **Note 34**)	**-**	**-**	**-**	**-**	**-**	**-**	**(1,109.9)**	**-**	**(1,109.9)**	**-**	**-**	**(1,109.9)**
Dividend paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(5.4)**	**-**	**(5.4)**
Acquisition of non-controlling interests[4]	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(27.0)**	**(27.0)**	**4.6**	**22.4**	**-**
Reclassification due to disposal of FVOCI investments	**-**	**-**	**-**	**-**	**-**	**(4.6)**	**4.6**	**-**	**-**	**-**	**-**	**-**
Others	**-**	**-**	**-**	**-**	**-**	**-**	**1.1**	**-**	**1.1**	**-**	**-**	**1.1**
	-	**1.0**	**19.9**	**-**	**-**	**(4.6)**	**(2,850.9)**	**(27.0)**	**(2,861.6)**	**(0.8)**	**22.4**	**(2,840.0)**
Total comprehensive (loss)/ income for the year	**-**	**-**	**-**	**(483.8)**	**54.6**	**13.2**	**3,094.5**	**283.8**	**2,962.3**	**(24.1)**	**-**	**2,938.2**
Balance as at 31 March 2019	**4,127.3**	**(31.7)**	**(76.3)**	**(1,767.5)**	**0.3**	**(10.3)**	**27,513.0**	**83.0**	**29,837.8**	**(28.1)**	**-**	**29,809.7**

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2019

Group - 2018	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve[2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves[3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Other Reserve[4] S$ Mil	Total Equity S$ Mil
	Attributable to shareholders of the Company											
Balance as at 1 April 2017, previously reported	4,127.3	(32.5)	(108.0)	(4,507.5)	11.1	57.0	29,493.9	(827.7)	28,213.6	22.4	(22.4)	28,213.6
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	4,507.5	(45.1)	(46.1)	(4,392.3)	3.6	27.6	-	-	27.6
Balance as at 1 April 2017, restated	4,127.3	(32.5)	(108.0)	-	(34.0)	10.9	25,101.6	(824.1)	28,241.2	22.4	(22.4)	28,241.2
Changes in equity for the year												
Performance shares purchased by the Company	-	(2.4)	-	-	-	-	-	-	(2.4)	-	-	(2.4)
Performance shares purchased by Trust[5]	-	(15.9)	-	-	-	-	-	-	(15.9)	-	-	(15.9)
Performance shares vested	-	18.1	(18.1)	-	-	-	-	-	-	-	-	-
Equity-settled share-based payment	-	-	32.5	-	-	-	-	-	32.5	0.2	-	32.7
Transfer of liability to equity	-	-	4.2	-	-	-	-	-	4.2	-	-	4.2
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	-	-	(0.2)	-	-	(0.2)
Performance shares purchased by Optus and vested	-	-	(6.6)	-	-	-	-	-	(6.6)	-	-	(6.6)
Final dividend paid (see **Note 34**)	-	-	-	-	-	-	(1,746.6)	-	(1,746.6)	-	-	(1,746.6)
Interim dividend paid (see **Note 34**)	-	-	-	-	-	-	(1,110.0)	-	(1,110.0)	-	-	(1,110.0)
Special dividend paid (see **Note 34**)	-	-	-	-	-	-	(489.7)	-	(489.7)	-	-	(489.7)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.4)	-	(5.4)
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(39.4)	39.4	-	-	-	-	-
Others	-	-	-	-	-	-	1.7	-	1.7	-	-	1.7
	-	(0.2)	11.8	-	-	(39.4)	(3,305.2)	-	(3,333.0)	(5.2)	-	(3,338.2)
Total comprehensive (loss)/income for the year	-	-	-	(1,283.7)	(20.3)	9.6	5,473.0	650.3	4,828.9	(20.4)	-	4,808.5
Balance as at 31 March 2018	4,127.3	(32.7)	(96.2)	(1,283.7)	(54.3)	(18.9)	27,269.4	(173.8)	29,737.1	(3.2)	(22.4)	29,711.5

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2019

Company - 2019	Share Capital S$ Mil	Treasury Shares[1] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2018, previously reported	4,127.3	(1.0)	39.4	60.1	2.2	17,133.7	21,361.7
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	(56.1)	-	(21.5)	(77.6)
Balance as at 1 April 2018, restated	4,127.3	(1.0)	39.4	4.0	2.2	17,112.2	21,284.1
Changes in equity for the year							
Performance shares purchased by the Company	-	(1.8)	-	-	-	-	(1.8)
Performance shares vested	-	1.7	(1.7)	-	-	-	-
Equity-settled share-based payment	-	-	13.6	-	-	-	13.6
Transfer of liability to equity	-	-	7.8	-	-	-	7.8
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust[5]	-	-	(13.8)	-	-	-	(13.8)
Final dividend paid (see **Note 34**)	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend paid (see **Note 34**)	-	-	-	-	-	(1,110.4)	(1,110.4)
	-	(0.1)	5.8	-	-	(2,857.6)	(2,851.9)
Total comprehensive income/ (loss) for the year	-	-	-	20.2	(0.2)	2,864.4	2,884.4
Balance as at 31 March 2019	4,127.3	(1.1)	45.2	24.2	2.0	17,119.0	21,316.6

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Statements of Changes in Equity

For the financial year ended 31 March 2019

Company - 2018	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2017, previously reported	4,127.3	(0.9)	38.3	60.3	27.7	16,006.1	20,258.8
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	(46.3)	-	(30.4)	(76.7)
Balance as at 1 April 2017, restated	4,127.3	(0.9)	38.3	14.0	27.7	15,975.7	20,182.1
Changes in equity for the year							
Performance shares purchased by the Company	-	(2.4)	-	-	-	-	(2.4)
Performance shares vested	-	2.3	(2.3)	-	-	-	-
Equity-settled share-based payment	-	-	11.8	-	-	-	11.8
Transfer of liability to equity	-	-	4.2	-	-	-	4.2
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	(0.2)
Contribution to Trust [5]	-	-	(12.4)	-	-	-	(12.4)
Final dividend paid (see **Note 34**)	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend paid (see **Note 34**)	-	-	-	-	-	(1,110.4)	(1,110.4)
Special dividend paid (see **Note 34**)	-	-	-	-	-	(489.9)	(489.9)
Reclassification due to disposal of FVOCI investments	-	-	-	-	(25.0)	25.0	-
	-	(0.1)	1.1	-	(25.0)	(3,322.5)	(3,346.5)
Total comprehensive (loss)/ income for the year	-	-	-	(10.0)	(0.5)	4,459.0	4,448.5
Balance as at 31 March 2018	4,127.3	(1.0)	39.4	4.0	2.2	17,112.2	21,284.1

Notes:

(1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-32, *Financial Instruments: Presentation*.

(2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

(3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.

(4) This amount was a reserve for an obligation which arose from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("**Trustwave**"). In May 2018, the put option was exercised for the acquisition of the remaining 2% equity interest in Trustwave.

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

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
Independent Auditors' Report – pages 131 to 136.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

	2019 S$ Mil	2018 S$ Mil
Cash Flows From Operating Activities		
Profit before tax	**3,745.9**	6,154.9
Adjustments for –		
Depreciation and amortisation	**2,222.2**	2,250.0
Share of results of associates and joint ventures	**(1,562.7)**	(1,804.0)
Exceptional items (non-cash)	**(171.7)**	(1,920.3)
Interest and investment income (net)	**(38.1)**	(45.5)
Finance costs	**392.8**	390.2
Other non-cash items	**36.3**	30.3
	878.8	(1,099.3)
Operating cash flow before working capital changes	**4,624.7**	5,055.6
Changes in operating assets and liabilities		
Trade and other receivables	**(431.6)**	(139.1)
Trade and other payables	**338.8**	58.8
Inventories	**(33.6)**	(59.1)
Cash generated from operations	**4,498.3**	4,916.2
Dividends received from associates and joint ventures	**1,548.9**	1,647.7
Income tax and withholding tax paid	**(679.5)**	(607.8)
Payment to employees in cash under performance share plans	**(0.1)**	(0.9)
Net cash from operating activities	**5,367.6**	5,955.2
Cash Flows From Investing Activities		
Payment for purchase of property, plant and equipment	**(1,718.1)**	(2,349.0)
Purchase of intangible assets	**(216.7)**	(1,124.4)
Investment in associate/ joint venture (**Note 1**)	**(2.3)**	(540.6)
Payment for acquisition of subsidiary, net of cash acquired (**Note 2**)	**(5.8)**	(336.5)
Payment for acquisition of intangibles and other assets (**Note 3**)	**(123.1)**	-
Investment in FVOCI investments (**Note 4**)	**(436.9)**	(59.6)
Proceeds from disposal of subsidiary	**15.4**	-
Payment for acquisition of non-controlling interests	**(16.1)**	-
Proceeds/ Deferred proceeds from disposal of associates and joint venture (**Note 5**)	**14.8**	1,146.4
Repayment of loan by an associate (**Note 5**)	**-**	1,100.5
Proceeds from sale of property, plant and equipment	**160.9**	142.6
Proceeds from sale of FVOCI investments	**14.8**	77.7
Interest received	**7.0**	16.4
Dividends received from FVOCI investments (net of withholding tax paid)	**0.3**	1.8
Withholding tax paid on intra-group interest income	**(22.7)**	(26.0)
Net cash used in investing activities	**(2,328.5)**	(1,950.7)

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

	Note	2019 S$ Mil	2018 S$ Mil
Cash Flows From Financing Activities			
Proceeds from term loans		**7,157.1**	6,948.6
Repayment of term loans		**(6,983.1)**	(6,726.0)
Proceeds from bond issue		**1,177.6**	430.2
Repayment of bonds		**(1,139.1)**	(936.4)
Increase in finance lease liabilites		**44.3**	18.0
Finance lease payments		**(34.5)**	(46.3)
Net proceeds from/ (repayment of) borrowings		**222.3**	(311.9)
Final dividend paid to shareholders of the Company		**(1,746.7)**	(1,746.6)
Interim dividend paid to shareholders of the Company		**(1,109.9)**	(1,110.0)
Special dividend paid to shareholders of the Company		**-**	(489.7)
Net interest paid on borrowings and swaps		**(385.1)**	(379.9)
Settlement of swaps for bonds repaid		**(6.2)**	61.4
Purchase of performance shares		**(25.6)**	(25.0)
Dividend paid to non-controlling interests		**(5.4)**	(5.4)
Others		**1.1**	(2.1)
Net cash used in financing activities		**(3,055.5)**	(4,009.2)
Net change in cash and cash equivalents		**(16.4)**	(4.7)
Exchange effects on cash and cash equivalents		**4.2**	(4.2)
Cash and cash equivalents at beginning of year		**524.9**	533.8
Cash and cash equivalents at end of year	15	**512.7**	524.9

Note 1: Investment in joint venture

Singtel acquired an additional 1.7% equity interest in Bharti Telecom Limited for S$539.4 million in the previous financial year.

Note 2: Payment for acquisition of subsidiary

(a) On 28 December 2018, Singtel's wholly-owned subsidiary, Optus Cyber Security Pty Limited, completed the acquisition of 100% of shares in Hivint Pty Limited ("**Hivint**"), a cyber security consulting company in Australia, for S$16.6 million (A$17 million). The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

Note 2: Payment for acquisition of subsidiary *(Cont'd)*

	31 March 2019 S$ Mil
Cash and cash equivalents	**2.2**
Trade and other receivables	**2.8**
Total liabilities	**(3.5)**
Net assets acquired	**1.5**
Goodwill	**15.1**
Total cash consideration	**16.6**
Less: Consideration unpaid as at 31 March 2019	**(8.6)**
Less: Cash and cash equivalents acquired	**(2.2)**
Net outflow of cash	**5.8**

(b) The payment of S$336.5 million in the previous financial year was for the acquisition of Turn, Inc. by Amobee, Inc. ("**Amobee**"), a wholly-owned subsidiary of the Group.

Note 3: Payment for acquisition of intangibles and other assets

On 22 August 2018, Amobee completed the acquisition of the technology platform, intellectual property and certain other assets of Videology, Inc. and its subsidiaries for S$123.1 million (US$90 million). The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

	31 March 2019 S$ Mil
Identifiable intangible assets	**18.8**
Non-current assets	**0.1**
Trade and other receivables	**11.4**
Total liabilities	**(2.0)**
Net assets acquired	**28.3**
Goodwill	**94.8**
Net outflow of cash	**123.1**

Note 4: Investment in FVOCI investments

This included a payment of S$344.3 million (US$250 million) for Singtel's acquisition of 5.7% equity interest in Airtel Africa Limited on 24 October 2018.

Note 5: Proceeds from disposal of an associate, and repayment of loan by an associate

In the previous financial year, Singtel sold its 100% interest in NetLink Trust to NetLink NBN Trust for an aggregate consideration of S$1.89 billion comprising a cash consideration of S$1.11 billion and 24.8% interest in NetLink NBN Trust. In addition, a unitholder loan of S$1.10 billion was repaid by NetLink Trust to Singtel.

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Notes to the Financial Statements

For the financial year ended 31 March 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Singtel is domiciled and incorporated in Singapore and is publicly traded on the Singapore Exchange. The address of its registered office is 31 Exeter Road, Comcentre, Singapore 239732.

The principal activities of the Company consist of the operation and provision of telecommunications systems and services, and investment holding. The principal activities of the significant subsidiaries are disclosed in **Note 44**.

In Singapore, the Group has the rights to provide fixed national and international telecommunications services to 31 March 2037, and public cellular mobile telephone services to 31 March 2032. In addition, the Group is licensed to offer Internet services and has also obtained frequency spectrum and licence rights to install, operate and maintain mobile communication systems and services including wireless broadband systems and services. The Group also holds the requisite licence to provide nationwide subscription television services.

In Australia, Optus is granted telecommunication licences under the Telecommunications Act 1991. Pursuant to the Telecommunications (Transitional Provisions and Consequential Amendments) Act 1997, the licences continued to have effect after the deregulation of telecommunications in Australia in 1997. The licences do not have a finite term, but are of continuing operation until cancelled under the Telecommunications Act 1997.

These financial statements were authorised and approved for issue in accordance with a Directors' resolution dated 14 May 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

For all periods up to and including the financial year ended 31 March 2018, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore ("**FRS**"). With effect from 1 April 2018, the Group adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations of SFRS(I) on a mandatory basis. SFRS(I) are identical to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The new accounting framework and standards have been retrospectively applied to the financial statements for the previous financial year ended 31 March 2018 and the opening statement of financial position as at 1 April 2017. These are the Group's first set of financial statements prepared in accordance with SFRS(I), of which SFRS(I) 1, *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied. The adoption of SFRS(I) has no material effect on the financial statements prepared under FRS, except for SFRS(I) 1, SFRS(I) 9, *Financial Instruments*, and SFRS(I) 15, *Revenue from Contracts with Customers*. The summarised impact of adopting SFRS(I) 1, SFRS(I) 9 and SFRS(I) 15 for the previous financial year ended 31 March 2018, and as at 31 March 2018 and 1 April 2017, are shown in **Note 42**.

The financial statements have been prepared under the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and SFRS(I). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2.1 Basis of Accounting *(Cont'd)*

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

Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement are disclosed in **Note 3**.

2.2 Foreign Currencies

2.2.1 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The statement of financial position and statement of changes in equity of the Company and consolidated financial statements of the Group are presented in Singapore Dollar, which is the functional and presentation currency of the Company and the presentation currency of the Group.

2.2.2 Transactions and balances

Transactions in a currency other than the functional currency ("**foreign currency**") are translated into the functional currency at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated at exchange rates ruling at that date. Foreign exchange differences arising from translation are recognised in the income statement.

2.2.3 Translation of foreign operations' financial statements

In the preparation of the consolidated financial statements, the assets and liabilities of foreign operations are translated to Singapore Dollar at exchange rates ruling at the end of the reporting period except for share capital and reserves which are translated at historical rates of exchange (see below for translation of goodwill and fair value adjustments).

Income and expenses in the consolidated income statement are translated using either the average exchange rates for the month or year, which approximate the exchange rates at the dates of the transactions. All resulting translation differences are taken directly to 'Other Comprehensive Income'.

On loss of control of a subsidiary, loss of significant influence of an associate or loss of joint control of a joint venture, the accumulated translation differences relating to that foreign operation are reclassified from equity to the consolidated income statement as part of gain or loss on disposal.

On partial disposal where there is no loss of control of a subsidiary, the accumulated translation differences relating to the disposal are reclassified to non-controlling interests. For partial disposals of associates or joint ventures, the proportionate accumulated translation differences relating to the disposal are taken to the consolidated income statement.

2.2.4 Translation of goodwill and fair value adjustments

Goodwill and fair value adjustments arising on the acquisition of foreign entities completed on or after 1 April 2005 are treated as assets and liabilities of the foreign entities and are recorded in the functional currencies of the foreign entities and translated at the exchange rates prevailing at the end of the reporting period. However, for acquisitions of foreign entities completed prior to 1 April 2005, goodwill and fair value adjustments continue to be recorded at the exchange rates at the respective dates of the acquisitions.

2.2.5 Net investment in a foreign entity

The exchange differences on loans from the Company to its subsidiaries, associates or joint ventures which form part of the Company's net investment in the subsidiaries, associates or joint ventures are included in 'Currency Translation Reserve' in the consolidated financial statements. On disposal of the foreign entity, the accumulated exchange differences deferred in the 'Currency Translation Reserve' are reclassified to the consolidated income statement in a similar manner as described in **Note 2.2.3**.

2.3 Cash and Cash Equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, balances with banks and fixed deposits with original maturity of mainly three months or less, net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

Bank overdrafts are included under borrowings in the statement of financial position.

2.4 Contract Assets

Where revenue recognised for a customer contract exceeds the amount received or receivable from a customer, a contract asset is recognised. Contract assets arise from bundled telecommunications contracts where equipment delivered at a point in time are bundled with services delivered over time. Contract assets also arise from information technology contracts where performance obligations are delivered over time (see **Note 2.23**). Contract assets are transferred to trade receivables when the consideration for performance obligations are billed. Contract assets are included in 'Trade and other receivables' under current assets as they are expected to be realised in the normal operating cycle. Contract assets are subject to impairment review for credit risk in accordance with the expected loss model.

2.5 Trade and Other Receivables

Trade and other receivables, including contract assets and receivables from subsidiaries, associates and joint ventures, are initially recognised at fair values and subsequently measured at amortised cost using the effective interest method, less an allowance for expected credit loss ("**ECL**").

The Group applied the 'simplified approach' for determining the allowance for ECL for trade receivables and contract assets, where lifetime ECL are recognised in the income statement at initial recognition of receivables and updated at each reporting date. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of the receivable. When determining the allowance for ECL, the Group considers reasonable and supportable information that is relevant and available for customer types. This includes both qualitative and quantitative information based on the Group's historical experience and forward looking information such as general economic factors as applicable. Loss events include financial difficulty or bankruptcy of the debtor, significant delay in payments and breaches of contracts.

Trade and other receivables are written off against the allowance for ECL when there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are recognised in the income statement.

2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

2.7 Contract Liabilities

Where the amounts received or receivable from customers exceed the revenues recognised for contracts, contract liabilities or advance billings are recognised in the statement of financial position. Contract liabilities or advance billings are recognised as revenues when services are provided to customers.

2.8 Trade and Other Payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2.9 Borrowings

Borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs. After initial recognition, borrowings are subsequently stated at amortised cost using the effective interest method.

2.10 Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. No provision is recognised for future operating losses.

For information technology contracts, a provision for expected project loss is made when it is probable that total contract costs will exceed total contract revenue.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

2.11 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which fair values can be reliably determined.

2.12 Group Accounting

The accounting policy for investments in subsidiaries, associates and joint ventures in the Company's financial statements is stated in **Note 2.13.** The Group's accounting policy on goodwill is stated in **Note 2.19.1**.

2.12.1 Subsidiaries

Subsidiaries are entities (including structured entities) controlled by the Group. Control exists when the Group has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the Group the ability to direct activities that significantly affect the entity's returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above. Subsidiaries are consolidated from the date that control commences until the date that control ceases. All significant inter-company balances and transactions are eliminated on consolidation.

2.12.2 Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Equity accounting involves recording the investment in associates initially at cost, and recognising the Group's share of the post-acquisition results of associates in the consolidated income statement, and the Group's share of post-acquisition reserve movements in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments in the consolidated statement of financial position.

Where the Group's interest in an associate reduces as a result of a deemed disposal, any gain or loss arising as a result of the deemed disposal is taken to the consolidated income statement.

Where the Group increases its interest in its existing associate and it remains as an associate, the incremental cost of investment is added to the existing carrying amount without considering the fair value of the associate's identifiable assets and liabilities.

In the consolidated statement of financial position, investments in associates include goodwill on acquisition identified on acquisitions completed on or after 1 April 2001, net of accumulated impairment losses. Goodwill is assessed for impairment as part of the investment in associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including loans that are in fact extensions of the Group's investment, the Group does not recognise further losses, unless it has incurred or guaranteed obligations in respect of the associate.

Unrealised gains resulting from transactions with associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.12.3 Joint ventures

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing the control.

The Group's interest in joint ventures is accounted for in the consolidated financial statements using the equity method of accounting.

Where the Group's interest in a joint venture reduces as a result of a deemed disposal, any gain or loss arising as a result of the deemed disposal is taken to the consolidated income statement.

Notes to the Financial Statements

For the financial year ended 31 March 2019

2.12.3 Joint ventures *(Cont'd)*

Where the Group increases its interest in its existing joint venture and it remains as a joint venture, the incremental cost of investment is added to the existing carrying amount without considering the fair value of the joint venture's identifiable assets and liabilities.

In the consolidated statement of financial position, investments in joint ventures include goodwill on acquisition identified on acquisitions completed on or after 1 April 2001, net of accumulated impairment losses. Goodwill is assessed for impairment as part of the investment in joint ventures.

The Group's interest in its unincorporated joint operations is accounted for by recognising the Group's assets and liabilities from the joint operations, as well as expenses incurred by the Group and the Group's share of income earned from the joint operations, in the consolidated financial statements.

Unrealised gains resulting from transactions with joint ventures are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.12.4 Dividends from associates and joint ventures

Dividends are recognised when the Group's rights to receive payment have been established. Dividends received from an associate or joint venture in excess of the Group's carrying value of the equity accounted investee are recognised as dividend income in the consolidated income statement where there is no legal or constructive obligation to refund the dividend nor is there any commitment to provide financial support to the investee. Equity accounting is then suspended until the investee has made sufficient profits to cover the income previously recognised for the excess cash distributions.

2.12.5 Structured entity

The Trust has been consolidated in the consolidated financial statements under SFRS(I) 10, *Consolidated Financial Statements*.

2.12.6 Business combinations

Business combinations are accounted for using the acquisition method on and after 1 April 2010. The consideration for each acquisition is measured at the aggregate of the fair values of assets given, liabilities incurred and equity interests issued by the Group and any contingent consideration arrangement at acquisition date. Acquisition-related costs, other than those associated with the issue of debt or equity, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the consolidated income statement.

For business combinations that are achieved in stages, any existing equity interests in the acquiree entity are re-measured to their fair values at acquisition date and any changes are taken to the consolidated income statement.

2.12.6 Business combinations *(Cont'd)*

Non-controlling interests in subsidiaries represent the equity in subsidiaries which are not attributable, directly or indirectly, to the shareholders of the Company, and are presented separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and within equity in the consolidated statement of financial position. The Group elects for each individual business combination whether non-controlling interests in the acquiree entity are recognised at fair value, or at the non-controlling interests' proportionate share of the fair value of the acquiree entity's identifiable net assets, at the acquisition date.

Total comprehensive income is attributed to non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a debit balance.

Changes in the Group's interest in subsidiaries that do not result in loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, any interest retained in the former subsidiary is recorded at fair value with the re-measurement gain or loss recognised in the consolidated income statement.

2.13 Investments in Subsidiaries, Associates and Joint Ventures

In the Company's statement of financial position, investments in subsidiaries, associates and joint ventures, including loans that meet the definition of equity instruments, are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable value. On disposal of investments in subsidiaries, associates and joint ventures, the difference between the net disposal proceeds and the carrying amount of the investment is recognised in the income statement of the Company.

2.14 Fair Value Through Other Comprehensive Income ("FVOCI") investments

On initial recognition, the Group has made an irrevocable election to designate all equity investments (other than investments in subsidiaries, associates or joint ventures) as FVOCI investments as these are strategic investments held for the long term. They are initially recognised at fair value plus directly attributable transaction costs, with subsequent changes in fair value and translation differences recognised in 'Other Comprehensive Income' and accumulated within 'Fair Value Reserve' in equity. Upon disposal, the gain or loss accumulated in equity is transferred to retained earnings and is not reclassified to the income statement. Dividends are recognised in the income statement when the Group's right to receive payments is established.

Purchases and sales of investments are recognised on trade date, which is the date that the Group commits to purchase or sell the investment.

2.15 Derivative Financial Instruments and Hedging Activities

The Group enters into the following derivative financial instruments to hedge its risks, namely –

Cross currency swaps and interest rate swaps as fair value hedges for interest rate risk and cash flow hedges for currency risk arising from the Group's issued bonds. The swaps involve the exchange of principal and floating or fixed interest receipts in the foreign currency in which the issued bonds are denominated, for principal and floating or fixed interest payments in the entities' functional currencies.

Forward foreign exchange contracts as cash flow hedges for the Group's exposure to foreign currency exchange risks arising from forecasted or committed expenditure.

2.15 Derivative Financial Instruments and Hedging Activities *(Cont'd)*

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair values at the end of each reporting period.

A derivative financial instrument is carried as an asset when the fair value is positive and as a liability when the fair value is negative.

Any gains or losses arising from changes in fair value are recognised immediately in the income statement, unless they qualify for hedge accounting.

2.15.1 Hedge accounting

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and strategy for undertaking various hedge transactions. At inception and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting the changes in fair values or cash flows of the hedged item attributable to the hedged risk. To be effective, the hedging relationships are to meet all of the following requirements:

(i) there is an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk does not dominate the fair value changes that result from that economic relationship; and

(iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group hedges and the quantity of the hedging instrument that the Group uses to hedge that quantity of the hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward currency contract (i.e. including the forwards elements) as the hedged risk for all its hedging relationships involving forward currency contracts.

Note 18.1 sets out the details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedge

Designated derivative financial instruments that qualify for fair value hedge accounting are initially recognised at fair value on the date that the contract is entered into. Changes in fair value of derivatives are recorded in the income statement together with any changes in the fair value of the hedged items that are attributable to the hedged risks.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised in the income statement from that date.

2.15.1 Hedge accounting *(Cont'd)*

Cash flow hedge

The effective portion of changes in the fair value of the designated derivative financial instruments that qualify as cash flow hedges are recognised in 'Other Comprehensive Income'. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in the 'Hedging Reserve' within equity are transferred to the income statement in the periods when the hedged items affect the income statement.

However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gain or loss previously recognised in 'Other Comprehensive Income' and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect 'Other Comprehensive Income'. Furthermore, if the Group expects some or all the loss accumulated in 'Other Comprehensive Income' will not be recovered in the future, that amount is immediately reclassified to the income statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is transferred to the income statement when the forecast transaction is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the income statement.

2.16 Fair Value Estimation of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

The following methods and assumptions are used to estimate the fair value of each class of financial instrument –

Bank balances, receivables and payables, current borrowings

The carrying amounts approximate fair values due to the relatively short maturity of these instruments.

Quoted and unquoted investments

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

The fair values of unquoted investments are determined primarily using recent arm's length transactions.

Cross currency and interest rate swaps

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

2.16 Fair Value Estimation of Financial Instruments *(Cont'd)*

Forward foreign currency contracts

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

Non-current borrowings

For disclosure purposes, the fair values of non-current borrowings which are traded in active markets are based on the quoted market ask price. For other non-current borrowings, the fair values are based on valuations provided by service providers or estimated by discounting the future contractual cash flows using discount rates based on the borrowing rates which the Group expects would be available at the end of the reporting period.

2.17 Financial Guarantee Contracts

Financial guarantees issued by the Company prior to 1 April 2010 are recorded initially at fair values plus transaction costs and amortised in the income statement over the period of the guarantee. Financial guarantees issued by the Company on or after 1 April 2010 are directly charged to the subsidiary as guarantee fees based on fair values.

2.18 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, where applicable. The cost of self-constructed assets includes the cost of material, direct labour, capitalised borrowing costs and an appropriate proportion of production overheads.

Depreciation is calculated on a straight-line basis to write off the cost of the property, plant and equipment over its expected useful life. Property, plant and equipment under finance lease is depreciated over the shorter of the lease term or useful life.

The estimated useful lives are as follows –

	No. of years
Buildings	5 - 40
Transmission plant and equipment	5 - 25
Switching equipment	3 - 15
Other plant and equipment	2 - 20

Other plant and equipment consist mainly of finance-leased handsets, motor vehicles, office equipment, and furniture and fittings.

No depreciation is provided on freehold land, long-term leasehold land with a remaining lease period of more than 100 years and capital work-in-progress. Leasehold land with a remaining lease period of 100 years or less is depreciated in equal instalments over its remaining lease period.

In respect of capital work-in-progress, assets are depreciated from the month the asset is completed and ready for use.

2.18 Property, Plant and Equipment *(Cont'd)*

Costs of computer software which are an integral part of the related hardware are capitalised and recognised as assets and included in property, plant and equipment when it is probable that the costs will generate economic benefits beyond one year and the costs are associated with identifiable software products which can be reliably measured by the Group.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Costs may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Subsequent expenditure is included in the carrying amount of an asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

On disposal of property, plant and equipment, the difference between the disposal proceeds and its carrying value is taken to the income statement.

2.19 Intangible Assets

2.19.1 Goodwill

Goodwill on acquisition of subsidiaries on and after 1 April 2010 represents the excess of the consideration transferred, the recognised amount of any non-controlling interest in the acquiree entity and the fair value of any previous equity interest in the acquiree entity over the fair value of the net identifiable assets acquired, including contingent liabilities, at the acquisition date. Such goodwill is recognised separately as intangible asset and stated at cost less accumulated impairment losses.

Acquisitions completed prior to 1 April 2001

Goodwill on acquisitions of subsidiaries, associates and joint ventures completed prior to 1 April 2001 had been adjusted in full against 'Other Reserves' within equity. Such goodwill has not been retrospectively capitalised and amortised.

The Group also had acquisitions where the costs of acquisition were less than the fair value of identifiable net assets acquired. Such differences (negative goodwill) were adjusted against 'Other Reserves' in the year of acquisition.

Goodwill which has been previously taken to 'Other Reserves', is not taken to the consolidated income statement when the entity is disposed of or when the goodwill is impaired.

Acquisitions completed on or after 1 April 2001

Prior to 1 April 2004, goodwill on acquisitions of subsidiaries, associates and joint ventures completed on or after 1 April 2001 was capitalised and amortised on a straight-line basis in the consolidated income statement over its estimated useful life of up to 20 years. In addition, goodwill was assessed for indications of impairment at the end of each reporting period.

2.19.1 Goodwill *(Cont'd)*

Since 1 April 2004, goodwill is no longer amortised but is tested annually for impairment or whenever there is an indication of impairment (see **Note 2.20**). The accumulated amortisation for goodwill as at 1 April 2004 had been eliminated with a corresponding decrease in the capitalised goodwill.

A bargain purchase gain is recognised directly in the consolidated income statement.

Gains or losses on disposal of subsidiaries, associates and joint ventures include the carrying amount of capitalised goodwill relating to the entity sold.

2.19.2 Other intangible assets

Expenditure on telecommunication and spectrum licences are capitalised and amortised using the straight-line method over their estimated useful lives of 11 to 16 years.

Other intangible assets which are acquired in business combinations are carried at fair values at the date of acquisition, and amortised on a straight-line basis over the period of the expected benefits. Customer relationships or customer contracts, brand, and technology have estimated useful lives of 4 to 10 years. Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

2.20 Impairment of Non-Financial Assets

Goodwill on acquisition of subsidiaries is subject to an annual impairment test or is more frequently tested for impairment if events or changes in circumstances indicate that it might be impaired. Goodwill is not amortised (see **Note 2.19.1**).

Other intangible assets of the Group, which have finite useful lives and are subject to amortisation, as well as property, plant and equipment and investments in subsidiaries, associates and joint ventures, are reviewed at the end of each reporting period to determine whether there is any indicator for impairment, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the assets' recoverable amounts are estimated.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value-in-use.

An impairment loss for an asset, other than goodwill on acquisition of subsidiaries, is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. Impairment loss on goodwill on acquisition of subsidiaries is not reversed.

2.21 Non-current Assets (or Disposal Groups) Held For Sale

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of their carrying amounts and fair value less costs to sell if their carrying amounts are recovered principally through sale transactions rather than through continuing use.

2.22 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity shares are taken to equity as a deduction, net of tax, from the proceeds.

When the Company purchases its own equity share capital, the consideration paid, including any directly attributable costs, is recognised as 'Treasury Shares' within equity. When the shares are subsequently disposed, the realised gains or losses on disposal of the treasury shares are included in 'Other Reserves' of the Company.

The Trust acquires shares in the Company from the open market for delivery to employees upon vesting of performance shares awarded under Singtel performance share plans. Such shares are designated as 'Treasury Shares'. In the consolidated financial statements, the cost of unvested shares, including directly attributable costs, is recognised as 'Treasury Shares' within equity.

Upon vesting of the performance shares, the weighted average costs of the shares delivered to employees, whether held by the Company or the Trust, are transferred to 'Capital Reserve' within equity in the financial statements.

2.23 Revenue Recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring control of a promised good or service to the customer. It is measured based on the amount of the transaction price allocated to the satisfied performance obligation, and are net of goods and services tax, rebates, discounts and sales within the Group.

Revenue from service contracts (e.g. telecommunications or pay TV) are recognised ratably over the contract periods as control over the services passes to the customers as services are provided. Service revenue is also recognised based on usage (e.g. minutes of traffic/ bytes of data).

For prepaid cards which have been sold, revenue is recognised based on usage. A contract liability is recognised for advance payments received from customers where services have not been rendered as at the end of the reporting period. Expenses directly attributable to the unearned revenue are deferred until the revenue is recognised.

Revenue from the sale of equipment (primarily handsets and accessories) is recognised upon the transfer of control to the customer or third party dealer which generally coincides with delivery and acceptance of the equipment sold.

Goods and services deliverable under bundled telecommunication contracts are identified as separate performance obligations to the extent that the customer can benefit from the goods or services on their own. The transaction price is allocated between goods and services based on their relative standalone selling prices. Standalone selling prices are determined by assessing prices paid for standalone equipment and for service-only contracts (e.g. arrangements where customers bring their own equipment). Where standalone selling prices are not directly observable, estimation techniques are used.

Contracts with customers generally do not include a material right. In cases where material rights are granted such as the award of mobile price plan discount vouchers, a portion of the transaction price is deferred as a contract liability (see **Note 2.7**) and is not recognised as revenue until this additional performance obligation has been satisfied or has lapsed.

Incentives given to customers are recognised as a reduction from revenue in accordance with the specific terms and conditions of each contract.

2.23 Revenue Recognition *(Cont'd)*

Non-refundable, upfront service activation and setup fees associated with service arrangements are deferred and recognised over the associated service contract period or customer life.

The Group may exchange network capacity with other capacity or service providers. The exchange is regarded as a transaction which generates revenue unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given up is reliably measurable.

When the Group has control of goods or services prior to delivery to a customer, the Group is the principal in the sale to the customer. If another party has control of goods and services prior to transfer to a customer, then the Group is acting as an agent for the other party and revenue is recognised net of any related payments. The Group typically acts as an agent for digital mobile content such as music and video.

For information technology projects, revenue is recognised over time based on the cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, while invoicing is typically based on milestones. A contract asset is recognised for work performed. Any amount previously recognised as a contract asset is transferred to trade receivable upon invoicing to the customer. If the milestone payment exceeds the revenue recognised to date, then the Group recognises a contract liability for the difference.

Revenues from sale of perpetual software licences and the related hardware are recognised when title passes to the customer, generally upon delivery.

Revenues from digital advertising services and solutions are recognised when advertising services are delivered, and when digital advertising impressions are delivered or click-throughs occur. Revenue from sale of advertising space is recognised when the advertising space is filled and sold to customers. The Group is generally the principal in transactions carried out through Amobee's advertising platforms and therefore reports gross revenue based on the amount billed to customers.

Dividend income is recorded gross in the income statement when the right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

Revenue recognition for leases is described in **Note 2.24.2**.

2.24 Leases

2.24.1 Where the Group is the lessee

Operating leases

Leases where substantially all the risks and rewards of ownership are not transferred to the Group are classified as operating leases. Operating lease payments are recognised as operating expenses in the income statement on a straight-line basis over the lease term.

2.24.1 Where the Group is the lessee *(Cont'd)*

Finance leases

Finance leases are those leasing agreements which effectively transfer substantially all the risks and benefits incidental to ownership of the leased items to the Group. Assets financed under such leases are treated as if they had been purchased outright at the lower of fair value and present value of the minimum lease payments. The liabilities to the lessor are recognised as finance lease obligations in the statement of financial position. Lease payments are apportioned between finance expenses and reduction of the lease liability to achieve a constant periodic rate of interest on the remaining balance of the liability.

2.24.2 Where the Group is the lessor

Operating leases

Leases where the Group retains substantially all the risks and rewards of ownership of the assets are classified as operating leases.

Income from operating leases are recognised on a straight-line basis over the lease terms as the entitlement to the fees accrues. The leased assets are included in the statement of financial position as property, plant and equipment.

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the assets are transferred by the Group to the lessees are classified as finance leases. Receivables under finance leases are presented in the statement of financial position at an amount equal to the net investment in the leases and the leased assets are derecognised. Finance income is allocated using a constant periodic rate of return on the net investment over the lease term.

Sales of network capacity are accounted as finance leases where –

(i) the purchaser's right of use is exclusive and irrevocable;
(ii) the asset is specific and separable;
(iii) the terms of the contract are for the major part of the asset's economic useful life;
(iv) the attributable costs or carrying value can be measured reliably; and
(v) no significant risks are retained by the Group.

2.24.3 Gains or losses from sale and leaseback

Gains on sale and leaseback transactions resulting in finance leases are deferred and amortised over the lease term on a straight-line basis, while losses are recognised immediately in the income statement.

Gains and losses on sale and leaseback transactions established at fair value which resulted in operating leases are recognised immediately in the income statement.

2.25 Contract Costs

Sales commission and the costs of customer premise equipment directly attributable to obtaining and fulfilling a customer's contract are capitalised in the statement of financial position and amortised as operating expenses over the contract period or expected customer relationship period.

2.25 Contract Costs *(Cont'd)*

Costs to obtain contracts in the form of handset subsidies given to mobile customers via indirect channels are also capitalised in the statement of financial position but are amortised as a reduction of mobile service revenue over the contract period or expected customer relationship period. The contract period or expected customer relationship period typically ranges from 1 year to 2 years.

Capitalised contract costs are included in 'Other Assets' under non-current assets.

2.26 Employees' Benefits

2.26.1 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund. The Group has no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

The Group's contributions to the defined contribution plans are recognised in the income statement as expenses in the financial year to which they relate.

2.26.2 Employees' leave entitlements

Employees' entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability of annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

2.26.3 Share-based compensation

Performance shares and share options
The performance share plans of the Group are accounted for either as equity-settled share-based payments or cash-settled share-based payments. The share option plans of the subsidiaries are accounted for as equity-settled share-based payments.

Equity-settled share-based payments are measured at fair value at the date of grant, whereas cash-settled share-based payments are measured at current fair value at the end of each reporting period. The share-based payment expense is amortised and recognised in the income statement on a straight-line basis over the vesting period.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that the participants are expected to receive based on non-market vesting conditions. The difference is charged or credited to the income statement, with a corresponding adjustment to equity or liability for equity-settled and cash-settled share-based payments respectively.

The dilutive effects of the Singtel performance share plans are reflected as additional share dilution in the computation of diluted earnings per share.

2.27 Borrowing Costs

Borrowing costs comprise interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in arranging the borrowings, and finance lease charges. Borrowing costs are generally expensed as incurred, except to the extent that they are capitalised if they are directly attributable to the acquisition, construction, or production of a qualifying asset.

2.28 Pre-incorporation Expenses

Pre-incorporation expenses are expensed as incurred.

2.29 Government Grants

Grants in recognition of specific expenses are recognised in the income statement over the periods necessary to match them with the relevant expenses they are intended to compensate. Grants related to depreciable assets are deferred and recognised in the income statement over the period in which such assets are depreciated and used in the projects subsidised by the grants.

2.30 Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity or in 'Other Comprehensive Income'.

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate, at the end of the reporting period.

Deferred taxation is provided in full, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/ loss, it is not recognised. Deferred income tax is also not recognised for goodwill which is not deductible for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates (and tax laws) enacted or substantively enacted in countries where the Company and its subsidiaries operate, at the end of the reporting period.

Deferred tax liabilities are provided on all taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unutilised tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carry forward of unused losses can be utilised.

2.30 Income Tax *(Cont'd)*

At the end of each reporting period, the Group re-assesses unrecognised deferred tax assets and the carrying amount of deferred tax assets. The Group recognises a previously unrecognised deferred tax asset to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered. The Group conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable profit will be available to allow the benefit of all or part of the deferred tax asset to be utilised.

Current and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or different period, directly to equity.

2.31 Dividends

Interim and special dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

2.32 Segment Reporting

An operating segment is identified as the component of the Group that is regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

2.33 Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the financial year.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be equal to the future actual results. As accounting standards are principles-based, professional judgement is required under certain circumstances. The estimates, assumptions and judgements that bear a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

3.1 Impairment Reviews

The accounting policies for impairment of non-financial assets are stated in **Note 2.20**.

During an impairment review, the Group assesses whether the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is defined as the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use. In making this judgement, the Group evaluates the value-in-use which is supported by the net present value of future cash flows derived from such assets or cash-generating units using cash flow projections which have been discounted at an appropriate rate. Forecasts of future cash flows are based on the Group's estimates using historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

3.1 Impairment Reviews *(Cont'd)*

Goodwill recorded by associates and joint ventures is required to be tested for impairment at least annually. The impairment assessment requires the exercise of significant judgement about future market conditions, including growth rates and discount rates applicable in a number of markets where the associates and joint ventures operate.

The assumptions used by management to determine the value-in-use calculations of goodwill on acquisition of subsidiaries are disclosed in **Note 24**. The carrying values of joint ventures and associates including goodwill capitalised are stated in **Note 22** and **Note 23** respectively.

3.2 Expected Credit Loss ("ECL") of Receivables

At each reporting date, the Group assesses whether trade and other receivables are credit-impaired. The allowance for ECL is based on management's assessment of the collectability of individual customer accounts taking into consideration the credit worthiness and financial condition of those customers. The Group also records an allowance for all other receivables based on management's collective assessment of their collectability taking into consideration multiple factors including historical experience of credit losses, forward looking information as applicable and the aging of the receivables with allowances generally increasing as the receivable ages. If there is a deterioration of customers' financial condition or if future default rates in general differ from those currently anticipated, the Group may have to adjust the allowance for credit losses, which would affect earnings in the period that adjustments are made.

The exposure to credit risk for receivables is disclosed in **Note 16.**

3.3 Estimated Useful Lives of Property, Plant and Equipment

Property, plant and equipment balances represent a significant component of the Group's assets. Property, plant and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives of property, plant and equipment on an annual basis based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives would increase the recorded depreciation and decrease the carrying value of property, plant and equipment.

3.4 Taxation

3.4.1 Deferred tax asset

The Group reviews the carrying amount of deferred tax assets at each reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular legal entity or tax group for which the deferred tax asset has been recognised.

3.4.2 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business, including the tax matters disclosed in **Note 40(b)**. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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For the financial year ended 31 March 2019

3.5 Fair values of derivative financial instruments

The Group uses valuation techniques to determine the fair values of financial instruments. The valuation techniques used for different financial instruments are selected to reflect how the market would be expected to price the instruments, using inputs that reasonably reflect the risk-return factors inherent in the instruments. Depending upon the characteristics of the financial instruments, observable market factors are available for use in most valuations, while others involve a greater degree of judgment and estimation.

3.6 Share-based Payments

Equity-settled share-based payments are measured at fair value at the date of grant, whereas cash-settled share-based payments are measured at current fair value at the end of each reporting period. In addition, the Group revises the estimated number of equity instruments that participants are expected to receive based on non-market vesting conditions at the end of each reporting period.

The Group uses expert valuation services to determine the fair values. The assumptions of the valuation model used to determine fair values are set out in **Note 5.3**.

3.7 Contingent Liabilities

The Group consults with its legal counsel on matters related to litigation, and other experts both within and outside the Group with respect to matters in the ordinary course of business. As at 31 March 2019, the Group was involved in various legal proceedings where it has been vigorously defending its claims as disclosed in **Note 40**. Assessment on whether the risk of loss is remote, possible or probable requires significant judgement given the complexities involved.

The Group's associates and joint ventures also report significant contingent liabilities. The significant contingent liabilities of the Group's associates and joint ventures are disclosed in **Note 41.**

3.8 Revenue Recognition

The accounting policies for revenue recognition are stated in **Note 2.23.**

The application of SFRS(I) 15 requires the Group to exercise judgement in identifying distinct or non-distinct performance obligations. For bundled telecommunications contracts, the Group is required to estimate the standalone selling prices of performance obligations, which materially impacts the allocation of revenue between performance obligations. Where the Group does not sell equivalent goods or services in similar circumstances on a standalone basis, it is necessary to estimate the standalone selling price. Changes in estimates of standalone selling prices can significantly influence the allocation of the transaction price between performance obligations. When estimating the standalone selling price, the Group maximises the use of observable inputs.

The assessment of whether the Group presents operating revenue as the principal, or net after deduction of costs as an agent, is a matter of judgement which requires an analysis of both the legal form and the substance of contracts. Depending on the conclusion reached, there may be material differences in the amounts of revenues and expenses, though there is no impact on profit.

4. OPERATING REVENUE

	Group 2019 S$ Mil	Group 2018 S$ Mil
Mobile service[(1)]	**5,395.7**	5,737.3
Sale of equipment	**2,876.7**	2,414.5
Handset operating lease income	**140.5**	25.2
Mobile	**8,412.9**	8,177.0
Data and Internet	**3,340.9**	3,435.7
Business solutions	**604.1**	560.7
Cyber security	**548.7**	527.1
Other managed services	**1,880.8**	1,920.0
Infocomm Technology ("**ICT**")[(2)]	**3,033.6**	3,007.8
Digital businesses[(3)]	**1,245.3**	1,113.1
Fixed voice	**899.0**	1,084.3
Pay television	**372.7**	369.4
Others[(4)]	**67.3**	80.7
Operating revenue	**17,371.7**	17,268.0
Operating revenue	**17,371.7**	17,268.0
Other income	**224.7**	258.8
Interest and investment income (see **Note 10**)	**38.1**	45.5
Total	**17,634.5**	17,572.3

Notes:

(1) Includes revenues from subscription (prepaid/postpaid), interconnect, outbound and inbound roaming, wholesale revenue from MVNOs (Mobile Virtual Network Operators) and mobile content services such as music and video.

(2) Includes equipment sales related to ICT services.

(3) Mainly from provisions of digital marketing and advertising services and regional premium OTT video.

(4) Includes energy reselling fees.

As at 31 March 2019, the transaction price attributable to unsatisfied performance obligations for ICT services rendered by NCS Pte. Ltd. is approximately S$3 billion which will be recognised as operating revenue mostly over the next 5 years.

Service contracts with consumers typically range from a month to 2 years, and contracts with enterprises typically range from 1 to 3 years.

5. OPERATING EXPENSES

	Group 2019 S$ Mil	Group 2018 S$ Mil
Cost of equipment sold[(1)]	**3,106.1**	2,696.7
Other cost of sales	**2,767.1**	2,499.2
Staff costs	**2,597.3**	2,760.1
Selling and administrative costs[(2)]	**2,472.6**	2,536.6
Traffic expenses	**1,573.4**	1,615.8
Repair and maintenance	**388.0**	367.9
	12,904.5	12,476.3

Notes:

(1) Includes equipment costs related to ICT services.

(2) Includes supplies and services, as well as rentals of properties and mobile base stations.

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For the financial year ended 31 March 2019

5.1 Staff Costs

	Group	
	2019 S$ Mil	**2018 S$ Mil**
Staff costs included the following –		
Contributions to defined contribution plans	**225.1**	237.3
Performance share and share option expenses		
- equity-settled arrangements	**38.0**	32.7
- cash-settled arrangements	**3.3**	1.9

5.2 Key Management Personnel Compensation

	Group	
	2019 S$ Mil	**2018 S$ Mil**
Key management personnel compensation[(1)]		
Executive director[(2)]	**3.5**	6.1
Other key management personnel[(3)]	**15.9**	22.4
	19.4	28.5
Directors' remuneration[(4)]	**2.7**	2.5
	22.1	31.0

Notes:

(1) Comprise base salary, bonus, contributions to defined contribution plans and other benefits, but exclude performance share and share option expenses disclosed below.

(2) The Group Chief Executive Officer, an executive director of Singtel, was awarded up to 1,030,168 (2018: 1,712,538) ordinary shares of Singtel pursuant to Singtel performance share plans, subject to certain performance criteria including other terms and conditions being met. The performance share award in the previous financial year included a one-off Special Share Award ("**SSA**"). The performance share expense computed in accordance with SFRS(I) 2, *Share-based Payment*, was S$1.5 million (2018: S$3.3 million).

(3) The other key management personnel of the Group comprise the Chief Executive Officers of Consumer Singapore, Consumer Australia, Group Enterprise, Group Digital Life and International Group, as well as the Group Chief Corporate Officer, Group Chief Financial Officer, Group Chief Human Resources Officer, Group Chief Information Officer and Group Chief Technology Officer.

The other key management personnel were awarded up to 3,537,119 (2018: 4,391,498) ordinary shares of Singtel pursuant to Singtel performance share plans, subject to certain performance criteria including other terms and conditions being met. The performance share award in the previous financial year included a one-off SSA. The performance share expense computed in accordance with SFRS(I) 2 was S$6.1 million (2018: S$8.5 million).

(4) Directors' remuneration comprises the following:

(i) Directors' fees of S$2.7 million (2018: S$2.5 million), including fees paid to certain directors in their capacities as members of the Optus Advisory Committee and the Technology Advisory Panel, and as director of Singtel Innov8 Pte. Ltd.

(ii) Car-related benefits of the Chairman of S$24,557 (2018: S$20,446).

In addition to the Directors' remuneration, Venkataraman Vishnampet Ganesan, a non-executive director of Singtel, was awarded 831,087 (2018: Nil) of share options pursuant to the Amobee Long-Term Incentive Plan during the financial year, subject to certain terms and conditions being met. The share option expense computed in accordance with SFRS(I) 2 was S$104,278 (2018: S$21,607).

5.3 Share-based Payments

5.3.1 Performance share plans

With effect from 1 April 2012, Restricted Share Awards and Performance Share Awards are given to selected employees of Singtel and its subsidiaries. The awards are conditional upon the achievement of predetermined performance targets or vesting conditions over the performance period, which is two years for the Restricted Share Awards and three years for the Performance Share Awards. Both awards are generally settled by delivery of Singtel shares, with the awards for certain senior executives to be settled by Singtel shares or cash, at the option of the recipient.

5.3.1 Performance share plans *(Cont'd)*

Additionally, early vesting of the performance shares can also occur under special circumstances approved by the Executive Resource and Compensation Committee such as retirement, redundancy, illness and death while in employment.

Though the performance shares are awarded by Singtel, the respective subsidiaries bear all costs and expenses in any way arising out of, or connected with, the grant and vesting of the awards to their employees.

The fair values of the performance shares are estimated using a Monte-Carlo simulation methodology at the measurement dates, which are the grant value dates for equity-settled awards, and at the end of the reporting period for cash-settled awards.

In recognition of the value created from the development and operation of Singapore's nationwide fibre network infrastructure and the successful IPO of NetLink NBN Trust in July 2017, Senior Management received a one-off Special Share Award in July 2018.

Restricted Share Awards

The movements of the number of performance shares for the Restricted Share Awards during the financial year were as follows –

Group and Company 2019	Outstanding as at 1 April 2018 '000	Granted '000	Awarded from targets exceeded '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2019 '000
Date of grant						
FY2016[1]						
17 June 2015	2,187	-	-	(2,166)	(21)	-
September 2015 to March 2016	20	-	-	(20)	-	-
FY2017						
20 June 2016	4,911	-	1,748	(3,401)	(206)	3,052
September 2016 to March 2017	20	-	8	(14)	-	14
FY2018						
19 June 2017	7,293	-	-	(201)	(474)	6,618
September 2017 to March 2018	314	-	-	-	(80)	234
FY2019						
19 June 2018	-	9,529	-	(17)	(692)	8,820
September 2018 to March 2019	-	306	-	-	-	306
	14,745	9,835	1,756	(5,819)	(1,473)	19,044

Note:
[1] "FY2016" denotes financial year ended 31 March 2016.

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For the financial year ended 31 March 2019

5.3.1 Performance share plans *(Cont'd)*

Group and Company 2018	Outstanding as at 1 April 2017 '000	Granted '000	Awarded from targets exceeded '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2018 '000
Date of grant						
FY2015						
23 June 2014	2,707	-	-	(2,690)	(17)	-
September 2014 to March 2015	9	-	-	(9)	-	-
FY2016						
17 June 2015	3,679	-	1,094	(2,406)	(180)	2,187
September 2015 to March 2016	30	-	10	(20)	-	20
FY2017						
20 June 2016	5,319	-	1	(67)	(342)	4,911
September 2016 to March 2017	87	-	-	(67)	-	20
FY2018						
19 June 2017	-	7,701	-	(15)	(393)	7,293
September 2017 to March 2018	-	314	-	-	-	314
	11,831	8,015	1,105	(5,274)	(932)	14,745

The fair values of the Restricted Share Awards and the assumptions of the fair value model for the grants were as follows –

Equity-settled	Date of grant 20 June 2016	19 June 2017	19 June 2018
Fair value at grant date	S$3.46	S$3.34	S$2.85
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	15.6%	14.3%	14.6%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2016	36 months historical volatility preceding May 2017	36 months historical volatility preceding May 2018
Risk free interest rates			
Yield of Singapore Government Securities on	1 June 2016	7 June 2017	7 June 2018

5.3.1 Performance share plans *(Cont'd)*

Cash-settled 2019	**Date of grant** 20 June 2016	19 June 2017	19 June 2018
Fair value at 31 March 2019	S$3.02	S$2.93	S$2.77
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	12.1%	12.1%	12.1%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2019		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2019	31 March 2019	31 March 2019

Cash-settled 2018	**Date of grant** 17 June 2015	20 June 2016	19 June 2017
Fair value at 31 March 2018	S$3.37	S$3.28	S$3.10
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.4%	14.4%	14.4%
MSCI Asia Pacific Telco Index	10.2%	NA	NA
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2018		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2018	31 March 2018	31 March 2018

"NA" denotes Not Applicable.

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5.3.1 Performance share plans *(Cont'd)*

Performance Share awards

The movements of the number of performance shares for the Performance Share Awards during the financial year were as follows –

Group and Company 2019	Outstanding as at 1 April 2018 '000	Granted '000	Cancelled '000	Outstanding as at 31 March 2019 '000
Date of grant				
FY2016				
17 June 2015	8,529	-	(8,529)	-
September 2015 to March 2016	157	-	(157)	-
FY2017				
20 June 2016	8,651	-	(376)	8,275
September 2016 to March 2017	91	-	-	91
FY2018				
19 June 2017	4,729	-	(189)	4,540
September 2017 to March 2018	156	-	(36)	120
FY2019				
19 June 2018	-	4,171	(163)	4,008
September 2018 to March 2019	-	36	-	36
	22,313	4,207	(9,450)	17,070

5.3.1 Performance share plans *(Cont'd)*

Group and Company 2018	Outstanding as at 1 April 2017 '000	Granted '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2018 '000
Date of grant					
FY2015					
23 June 2014	7,947	-	(1,285)	(6,662)	-
September 2014 to March 2015	21	-	(3)	(18)	-
FY2016					
17 June 2015	8,976	-	-	(447)	8,529
September 2015 to March 2016	157	-	-	-	157
FY2017					
20 June 2016	9,068	-	-	(417)	8,651
September 2016 to March 2017	91	-	-	-	91
FY2018					
19 June 2017	-	4,804	-	(75)	4,729
September 2017 to March 2018	-	156	-	-	156
	26,260	4,960	(1,288)	(7,619)	22,313

The fair values of the Performance Share Awards and the assumptions of the fair value model for the grants were as follows –

	Date of grant		
Equity-settled	**20 June 2016**	**19 June 2017**	**19 June 2018**
Fair value at grant date	S$1.81	S$1.28	S$1.77
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	15.6%	14.3%	14.6%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2016	36 months historical volatility preceding May 2017	36 months historical volatility preceding May 2018
Risk free interest rates			
Yield of Singapore Government Securities on	1 June 2016	7 June 2017	7 June 2018

Notes to the Financial Statements

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5.3.1 Performance share plans *(Cont'd)*

Cash-settled 2019	Date of grant 20 June 2016	19 June 2017	19 June 2018
Fair value at 31 March 2019	-	S$0.07	S$1.23
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	12.1%	12.1%	12.1%
MSCI Asia Pacific Telco Component Stocks		36 months historical volatility preceding March 2019	
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2019	31 March 2019	31 March 2019

Cash-settled 2018	Date of grant 17 June 2015	20 June 2016	19 June 2017
Fair value at 31 March 2018	-	S$0.91	S$0.80
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.4%	14.4%	14.4%
MSCI Asia Pacific Telco Index	10.2%	NA	NA
MSCI Asia Pacific Telco Component Stocks		36 months historical volatility preceding March 2018	
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2018	31 March 2018	31 March 2018

Special Share Award

The movements of the number of performance shares for the Special Share Award during the financial year were as follows –

Group and Company 2019	Outstanding as at 1 April 2018 '000	Granted '000	Vested '000	Outstanding as at 31 March 2019 '000
Date of grant				
FY2019				
19 June 2018	-	1,457	(1,457)	-
	-	1,457	(1,457)	-

5.3.2 Amobee's share options - equity-settled arrangement

In April 2015, Amobee Group Pte. Ltd. ("**Amobee**"), a wholly-owned subsidiary of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Selected employees (including executive directors) and non-executive directors of Amobee and/or its subsidiaries are granted options to purchase ordinary shares of Amobee.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant. Options for employees are scheduled to be fully vested in either 3 years or 3.5 years from the vesting commencement date.

The grant dates, exercise prices and fair values of the share options were as follows –

Equity-settled **Date of grant**	**Exercise price** **US$**	**Fair value at grant/ repriced date** **US$**
For employees		
13 April 2015	0.79	0.224 to 0.261
14 October 2015	0.54 to 0.79	0.217 to 0.287
20 January 2016, 10 May 2016, 24 August 2016, 25 January 2017	0.54	0.287
23 June 2016	0.54	0.273 to 0.287
19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	0.54	0.260 to 0.268
21 August 2018, 25 March 2019	0.55 to 0.58	0.259 to 0.266
For non-executive directors		
14 October 2015	0.54	0.203
21 August 2018	0.55	0.181

The terms of the options granted to employees and non-executive directors are 10 years and 5 years from the date of grant respectively.

The fair values for the share options granted were estimated using the Black-Scholes pricing model.

From 1 April 2018 to 31 March 2019,

(a) options in respect of an aggregate of 62.6 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries.

(b) 10,879 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan.

As at 31 March 2019, options in respect of an aggregate of 112.6 million of ordinary shares in Amobee are outstanding.

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For the financial year ended 31 March 2019

5.3.3 Trustwave's share options - equity-settled arrangement

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a wholly-owned subsidiary of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Selected employees (including executive directors) and non-executive directors of Trustwave and/or its subsidiaries are granted options to purchase common stock of Trustwave.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustwave on the date of grant, and are scheduled to be fully vested 4 years from the vesting commencement date.

The grant dates, exercise prices and fair values of the stock options were as follows –

Equity-settled **Date of grant**	**Exercise price US$**	**Fair value at grant date US$**
1 December 2015	16.79	6.57
22 January 2016	16.79	6.28
19 May 2016	16.79	6.16 to 6.27
12 September 2016	16.79	6.03 to 6.10
20 January 2017	16.24	5.93 to 6.57
15 March 2018	15.37	6.71 to 6.92
23 May 2018	15.37	6.80 to 7.05
12 July 2018	15.37	6.97
31 August 2018	15.37	6.17

The term of each option granted is 10 years from the date of grant.

The fair values for the stock options granted were estimated using the Black-Scholes pricing model.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 0.6 million of common stock in Trustwave have been granted. As at 31 March 2019, options in respect of an aggregate of 2.2 million of common stock in Trustwave are outstanding.

5.3.4 HOOQ's share options - equity-settled arrangement

In December 2015, HOOQ Digital Pte. Ltd. ("**HOOQ**"), a 65%-owned subsidiary of the Company, implemented the HOOQ Digital Employee Share Option Scheme (the "**Scheme**"). Selected employees (including executive directors) of HOOQ and/or its subsidiaries are granted options to purchase ordinary shares of HOOQ.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of HOOQ on the date of grant, and are scheduled to be fully vested 4 years from the vesting commencement date.

The grant dates, exercise prices and fair values of the share options were as follows –

Equity-settled Date of grant	Exercise price US$	Fair value at grant date US$
16 May 2016	0.07	0.0445 to 0.0463
24 April 2017	0.07	0.0301 to 0.0315
2 May 2017	0.07	0.0292 to 0.0313
31 July 2017	0.07	0.0313 to 0.0315
8 September 2017	0.07	0.0296 to 0.0298
23 October 2017	0.07	0.0309 to 0.0320
10 January 2018	0.07	0.0316 to 0.0318
1 April 2018	0.07	0.0360 to 0.0366
1 July 2018	0.07	0.0368 to 0.0373
19 October 2018	0.07	0.0371 to 0.0374
31 January 2019	0.07	0.0367 to 0.0369

The term of each option granted is 10 years from the date of grant.

The fair values for the share options granted were estimated using the Black-Scholes pricing model.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 9.6 million of ordinary shares in HOOQ have been granted. As at 31 March 2019, options in respect of an aggregate of 43.3 million of ordinary shares in HOOQ are outstanding.

5.4 Structured Entity

The Trust's purpose is to purchase the Company's shares from the open market for delivery to the recipients upon vesting of the share-based payments awards.

As at the end of the reporting period, the Trust held the following assets –

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Cost of Singtel shares, net of vesting	**28.0**	29.1	**26.0**	27.2
Cash at bank	**0.5**	0.6	**0.4**	0.6
	28.5	29.7	**26.4**	27.8

Notes to the Financial Statements

For the financial year ended 31 March 2019

5.4 Structured Entity *(Cont'd)*

The details of Singtel shares held by the Trust were as follows –

Group	Number of shares 2019 '000	Number of shares 2018 '000	Amount 2019 S$ Mil	Amount 2018 S$ Mil
Balance as at 1 April	**7,613**	7,404	**29.1**	29.0
Purchase of Singtel shares	**5,504**	4,255	**17.5**	15.9
Vesting of shares	**(4,886)**	(4,046)	**(18.6)**	(15.8)
Balance as at 31 March	**8,231**	7,613	**28.0**	29.1

Upon consolidation of the Trust in the consolidated financial statements, the weighted average cost of vested Singtel shares is taken to 'Capital Reserve' whereas the weighted average cost of unvested shares is taken to 'Treasury Shares' within equity. See **Note 2.22**.

5.5 Other Operating Expense Items

	Group 2019 S$ Mil	Group 2018 S$ Mil
Operating expenses included the following –		
Auditors' remuneration		
- KPMG LLP, Singapore	**2.4**	-
- KPMG, Australia	**1.2**	-
- Other KPMG offices	**1.3**	-
- Deloitte & Touche LLP, Singapore	**-**	1.5
- Deloitte Touche Tohmatsu, Australia	**-**	1.2
- Other Deloitte & Touche offices	**-**	2.1
Non-audit fees [1] paid to		
- KPMG LLP, Singapore	**0.4**	-
- KPMG, Australia	**0.4**	-
- Other KPMG offices	**0.1**	-
- Deloitte & Touche LLP, Singapore	**-**	0.3
- Deloitte Touche Tohmatsu, Australia	**-**	0.3
- Other Deloitte & Touche offices	**-**	0.2
Impairment of trade receivables	**121.8**	128.0
Allowance for inventory obsolescence	**1.1**	7.1
Operating lease payments	**437.2**	470.7

Note:

(1) The non-audit fees for the current financial year ended 31 March 2019 included S$0.4 million and S$0.2million paid to KPMG LLP, Singapore and KPMG, Australia in respect of tax services, certification and review for regulatory purposes. In the previous financial year, the non-audit fees included S$0.2 million and S$0.3 million paid to Deloitte & Touche LLP, Singapore, and Deloitte Touche Tohmatsu, Australia, respectively in respect of tax services, certification and review for regulatory purposes.

The Audit Committee had undertaken a review of the non-audit services provided by the auditors, KPMG LLP, and in the opinion of the Audit Committee, these services did not affect the independence of the auditors.

Notes to the Financial Statements
For the financial year ended 31 March 2019

6. OTHER INCOME

Other income included the following items –

	Group 2019 S$ Mil	Group 2018 S$ Mil
Rental income	**3.3**	3.3
Net gains on disposal of property, plant and equipment	**5.3**	4.3
Net foreign exchange gains/ (losses)	**3.4**	(9.1)

7. DEPRECIATION AND AMORTISATION

	Group 2019 S$ Mil	Group 2018 S$ Mil
Depreciation of property, plant and equipment	**1,896.1**	1,951.0
Amortisation of intangible assets	**326.1**	300.5
Amortisation of deferred gain on sale of a joint venture	**-**	(1.5)
	2,222.2	2,250.0

8. EXCEPTIONAL ITEMS

	Group 2019 S$ Mil	Group 2018 S$ Mil
Exceptional gains		
Gain on disposal of property	**105.5**	-
Gain on sale and leaseback	**42.4**	-
Gain on disposal of a subsidiary	**19.2**	-
Gain on disposal of joint ventures	**0.3**	6.5
Gain on disposal of an associate	**-**	2,030.9
Disputes settlement	**-**	54.8
	167.4	2,092.2
Exceptional losses		
Staff restructuring costs	**(88.4)**	(57.7)
Provision for contingent claims and other charges	**(10.8)**	(57.1)
Impairment of non-current assets	**-**	(77.3)
Impairment of an associate	**-**	(5.0)
	(99.2)	(197.1)
	68.2	1,895.1

Notes to the Financial Statements

For the financial year ended 31 March 2019

9. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	Group	
	2019 S$ Mil	2018 S$ Mil
Share of ordinary results		
- joint ventures	**1,338.2**	2,213.3
- associates	**197.7**	240.3
	1,535.9	2,453.6
Share of net exceptional gains/ (losses) of associates and joint ventures (post-tax)	**301.1**	(9.5)
Share of tax of ordinary results		
- joint ventures	**(241.7)**	(602.0)
- associates	**(32.6)**	(38.1)
	(274.3)	(640.1)
	1,562.7	1,804.0

10. INTEREST AND INVESTMENT INCOME (NET)

	Group	
	2019 S$ Mil	2018 S$ Mil
Interest income from		
- bank deposits	**7.6**	7.6
- others	**0.7**	9.0
	8.3	16.6
Dividends from joint ventures	**13.0**	30.3
Gross dividends from FVOCI investments	**0.5**	2.3
	21.8	49.2
Other foreign exchange gains/ (losses)	**5.9**	(11.1)
Other fair value gains	**10.3**	6.9
Fair value (losses)/ gains on fair value hedges		
- hedged items	**(35.0)**	65.4
- hedging instruments	**35.1**	(64.9)
	0.1	0.5
Fair value (losses)/ gains on cash flow hedges		
- hedged items	**(122.4)**	35.0
- hedging instruments	**122.4**	(35.0)
	-	-
	38.1	45.5

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For the financial year ended 31 March 2019

11. FINANCE COSTS

	Group 2019 S$ Mil	Group 2018 S$ Mil
Interest expense on		
- bonds	**308.4**	302.8
- bank loans	**56.5**	49.7
- finance leases	**8.2**	10.3
	373.1	362.8
Financing related costs	**17.0**	20.6
Effects of hedging using interest rate swaps	**2.7**	6.8
	392.8	390.2

12. TAXATION

12.1 Tax Expense

	Group 2019 S$ Mil	Group 2018 S$ Mil
Current income tax		
- Singapore	**223.5**	237.6
- Overseas	**223.7**	318.4
	447.2	556.0
Deferred tax expense/ (credit)	**36.2**	(49.7)
Tax expense attributable to current year's profit	**483.4**	506.3
Adjustments in respect of prior years –		
Current income tax	**5.0**	(17.9)
Deferred income tax	**12.4**	36.5
Withholding and dividend distribution taxes on dividend income from associates and joint ventures	**174.0**	178.1
	674.8	703.0

Notes to the Financial Statements

For the financial year ended 31 March 2019

12.1 Tax Expense *(Cont'd)*

The tax expense on profits was different from the amount that would arise using the Singapore standard rate of income tax due to the following –

	Group 2019 S$ Mil	Group 2018 S$ Mil
Profit before tax	**3,745.9**	6,154.9
Less: Share of results of associates and joint ventures	**(1,562.7)**	(1,804.0)
	2,183.2	4,350.9
Tax calculated at tax rate of 17 per cent (2018: 17 per cent)	**371.1**	739.7
Effects of –		
Different tax rates of other countries	**36.3**	79.4
Income not subject to tax	**(29.5)**	(342.7)
Expenses not deductible for tax purposes	**29.4**	33.7
Deferred tax asset not recognised	**79.1**	39.6
Change in tax rate of other country	**-**	(27.5)
Others	**(3.0)**	(15.9)
Tax expense attributable to current year's profit	**483.4**	506.3

12.2 Deferred Taxes

The movements of the deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year were as follows –

Group - 2019 Deferred tax assets	Provisions S$ Mil	TWDV (1) in excess of NBV (2) of depreciable assets S$ Mil	Tax losses and unutilised capital allowances S$ Mil	Others S$ Mil	Total S$ Mil
Balance as at 1 April 2018, previously reported	**43.1**	**79.2**	**22.8**	**237.2**	**382.3**
Effects of adoption of SFRS(I) 1, 9 and 15	**-**	**-**	**(4.4)**	**(2.7)**	**(7.1)**
Balance as at 1 April 2018, restated	**43.1**	**79.2**	**18.4**	**234.5**	**375.2**
Credited/ (Charged) to income statement	**2.3**	**(25.6)**	**(19.0)**	**(9.6)**	**(51.9)**
Charged to other comprehensive income	**-**	**-**	**-**	**(5.9)**	**(5.9)**
Transfer to current tax	**(5.3)**	**-**	**-**	**-**	**(5.3)**
Translation differences	**(2.7)**	**(2.9)**	**0.6**	**(5.7)**	**(10.7)**
Balance as at 31 March 2019	**37.4**	**50.7**	**-**	**213.3**	**301.4**

12.2 Deferred Taxes *(Cont'd)*

Group - 2019 Deferred tax liabilities	Accelerated tax depreciation S$ Mil	Offshore interest and dividend not remitted S$ Mil	Others S$ Mil	Total S$ Mil
Balance as at 1 April 2018, previously reported	**(470.9)**	**(5.2)**	**(66.5)**	**(542.6)**
Effects of adoption of SFRS(I) 1 and 15	**59.0**	**-**	**(74.2)**	**(15.2)**
Balance as at 1 April 2018, restated	**(411.9)**	**(5.2)**	**(140.7)**	**(557.8)**
(Charged)/ Credited to income statement	**(47.2)**	**(0.1)**	**47.6**	**0.3**
Transfer to current tax	**-**	**-**	**19.7**	**19.7**
Disposal of subsidiary	**(0.1)**	**-**	**-**	**(0.1)**
Translation differences	**(0.7)**	**-**	**(1.3)**	**(2.0)**
Balance as at 31 March 2019	**(459.9)**	**(5.3)**	**(74.7)**	**(539.9)**

Group - 2018 Deferred tax assets	Provisions S$ Mil	TWDV (1) in excess of NBV (2) of depreciable assets S$ Mil	Tax losses and unutilised capital allowances S$ Mil	Others S$ Mil	Total S$ Mil
Balance as at 1 April 2017, previously reported	40.3	137.8	21.7	469.6	669.4
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	(2.1)	(20.8)	(22.9)
Balance as at 1 April 2017, restated	40.3	137.8	19.6	448.8	646.5
Credited/ (Charged) to income statement	5.2	(53.1)	-	(198.5)	(246.4)
Charged to other comprehensive income	-	-	-	(8.4)	(8.4)
Transfer from current tax	1.0	-	-	-	1.0
Translation differences	(3.4)	(5.5)	(1.2)	(7.4)	(17.5)
Balance as at 31 March 2018	43.1	79.2	18.4	234.5	375.2

12.2 Deferred Taxes *(Cont'd)*

Group - 2018 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Offshore interest and dividend not remitted** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2017, previously reported	(457.8)	(5.1)	(123.3)	(586.2)
Effects of adoption of SFRS(I) 1 and 15	74.3	-	(72.5)	1.8
Balance as at 1 April 2017, restated	(383.5)	(5.1)	(195.8)	(584.4)
Acquisition of a subsidiary	-	-	(21.4)	(21.4)
(Charged)/ Credited to income statement	(29.2)	(0.1)	71.7	42.4
Transfer to current tax	0.5	-	1.3	1.8
Translation differences	0.3	-	3.5	3.8
Balance as at 31 March 2018	(411.9)	(5.2)	(140.7)	(557.8)

Company - 2019 **Deferred tax assets**	**Provisions** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2018	**0.5**	**11.0**	**11.5**
Effects of adoption of SFRS(I) 15	**-**	**(0.2)**	**(0.2)**
Balance as at 1 April 2018, restated	**0.5**	**10.8**	**11.3**
(Charged)/ Credited to income statement	**(0.1)**	**1.1**	**1.0**
Balance as at 31 March 2019	**0.4**	**11.9**	**12.3**

Company - 2019 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2018	**(287.1)**	**(287.1)**
Effects of adoption of SFRS(I) 1	**7.6**	**7.6**
Balance as at 1 April 2018, restated	**(279.5)**	**(279.5)**
Charged to income statement	**(7.3)**	**(7.3)**
Balance as at 31 March 2019	**(286.8)**	**(286.8)**

Notes to the Financial Statements

For the financial year ended 31 March 2019

12.2 Deferred Taxes *(Cont'd)*

Company - 2018 **Deferred tax assets**	**Provisions** **S$ Mil**	**Others** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2017	0.3	2.8	3.1
Effects of adoption of SFRS(I) 15	–	(1.0)	(1.0)
Balance as at 1 April 2017, restated	0.3	1.8	2.1
Credited to income statement	0.2	9.0	9.2
Balance as at 31 March 2018	0.5	10.8	11.3

Company - 2018 **Deferred tax liabilities**	**Accelerated tax depreciation** **S$ Mil**	**Total** **S$ Mil**
Balance as at 1 April 2017	(285.3)	(285.3)
Effects of adoption of SFRS(I) 1	10.2	10.2
Balance as at 1 April 2017, restated	(275.1)	(275.1)
Charged to income statement	(4.4)	(4.4)
Balance as at 31 March 2018	(279.5)	(279.5)

Notes:

(1) TWDV – Tax written down value

(2) NBV – Net book value

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities, and when deferred income taxes relate to the same fiscal authority.

The amounts, determined after appropriate offsetting, are shown in the statements of financial position as follows –

	Group			**Company**		
	31 March 2019 S$ Mil	**31 March 2018 S$ Mil**	**1 April 2017 S$ Mil**	**31 March 2019 S$ Mil**	**31 March 2018 S$ Mil**	**1 April 2017 S$ Mil**
Deferred tax assets	**276.6**	353.0	634.9	**-**	-	-
Deferred tax liabilities	**(515.1)**	(535.6)	(572.8)	**(274.5)**	(268.2)	(273.0)
	(238.5)	(182.6)	62.1	**(274.5)**	(268.2)	(273.0)

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

As at 31 March 2019, the subsidiaries of the Group had estimated unutilised income tax losses of approximately S$1.65 billion (31 March 2018: $1.35 billion), of which S$25 million (31 March 2018: S$16 million) will expire in the next five years and S$960 million (31 March 2018: S$700 million) will expire from 2024 to 2037.

Notes to the Financial Statements

For the financial year ended 31 March 2019

12.2 Deferred Taxes *(Cont'd)*

As at 31 March 2019, the subsidiaries of the Group also had estimated unutilised investment allowances of S$46 million (31 March 2018: S$48 million), unutilised capital tax losses of S$69 million (31 March 2018: S$91 million) and unabsorbed capital allowances of approximately S$19 million (31 March 2018: S$10 million).

These unutilised income tax losses and investment allowances, and unabsorbed capital allowances are available for set-off against future taxable profits, subject to the agreement of the relevant tax authorities and compliance with certain provisions of the income tax regulations of the respective countries in which the subsidiaries operate. The unutilised capital tax losses are available for set-off against future capital gains of a similar nature subject to compliance with certain statutory tests in Australia.

As at the end of the reporting period, the potential tax benefits arising from the following items were not recognised in the financial statements due to uncertainty on their recoverability –

	Group	
	2019 S$ Mil	**2018 S$ Mil**
Unutilised income tax losses and investment allowances, and unabsorbed capital allowances	**1,711.8**	1,405.1
Unutilised capital tax losses	**69.3**	90.9

13. EARNINGS PER SHARE

	Group	
	2019 '000	**2018 '000**
Weighted average number of ordinary shares in issue for calculation of basic earnings per share [1]	**16,322,339**	16,322,581
Adjustment for dilutive effects of performance share plans	**19,963**	21,748
Weighted average number of ordinary shares for calculation of diluted earnings per share	**16,342,302**	16,344,329

Note:

[1] Adjusted to exclude the number of performance shares held by the Trust and the Company.

'Basic earnings per share' is calculated by dividing the Group's profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year.

For 'Diluted earnings per share', the weighted average number of ordinary shares in issue includes the number of additional shares outstanding if the potential dilutive ordinary shares arising from the performance shares granted by the Group were issued. Adjustment is made to earnings for the dilutive effect arising from the associates and joint ventures' dilutive shares.

14. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the Group had the following significant transactions and balances with related parties –

	Group	
	2019 S$ Mil	2018 S$ Mil
Income		
Subsidiaries of ultimate holding company		
Telecommunications	**100.3**	93.7
Rental and maintenance	**28.8**	29.0
Associates		
Telecommunications	**8.8**	19.8
Interest on loan	**-**	8.2
Joint ventures		
Telecommunications	**48.3**	45.8
Expenses		
Subsidiaries of ultimate holding company		
Telecommunications	**35.2**	34.6
Utilities	**80.9**	68.7
Associates		
Telecommunications	**149.3**	144.0
Postal	**7.8**	7.9
Rental	**6.5**	6.3
Joint ventures		
Telecommunications	**32.8**	32.0
Transmission capacity	**7.5**	4.6
Others		
Associates		
Sale and leaseback gain from associate	**42.4**	-
Proceeds from sale of property, plant and equipment	**2.4**	137.8
Joint ventures		
Acquisition of shares in a joint venture	**-**	539.4
Proceeds from disposal of a joint venture	**-**	15.0
Proceeds from disposal of FVOCI investments	**-**	27.0
Due from subsidiaries of ultimate holding company	**37.1**	28.0
Due to subsidiaries of ultimate holding company	**11.0**	1.6

All the above transactions were on normal commercial terms and conditions and at market rates.

Please refer to **Note 5.2** for information on key management personnel compensation.

Notes to the Financial Statements

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15. CASH AND CASH EQUIVALENTS

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Fixed deposits	**153.5**	122.7	164.1	**42.4**	28.0	27.6
Cash and bank balances	**359.2**	402.2	369.7	**39.2**	64.0	61.6
	512.7	524.9	533.8	**81.6**	92.0	89.2

The carrying amounts of the cash and cash equivalents approximate their fair values.

Cash and cash equivalents denominated in currencies other than the respective functional currencies of the Group's entities were as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
USD	**106.5**	87.5	140.7	**48.6**	30.3	34.6
HKD	**22.3**	15.6	8.0	**0.1**	0.3	0.3
AUD	**17.9**	14.8	16.9	**6.0**	0.3	8.1

The maturities of the fixed deposits were as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Less than three months	**142.9**	105.7	147.8	**42.4**	28.0	27.6
Over three months	**10.6**	17.0	16.3	**-**	-	-
	153.5	122.7	164.1	**42.4**	28.0	27.6

As at 31 March 2019, the weighted average effective interest rate of the fixed deposits of the Group and the Company were 2.1 per cent (31 March 2018: 1.6 per cent) per annum and 2.2 per cent (31 March 2018: 1.7 per cent) per annum respectively.

The exposure of cash and cash equivalents to interest rate risks is disclosed in **Note 36.3**.

16. TRADE AND OTHER RECEIVABLES

	Group			Company		
Current	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Trade receivables	**2,341.3**	2,247.6	2,084.7	**422.2**	452.7	459.3
Contract assets	**2,591.0**	2,601.3	2,603.7	**22.0**	34.9	33.0
	4,932.3	4,848.9	4,688.4	**444.2**	487.6	492.3
Less: Allowance for ECL	**(259.7)**	(263.8)	(248.9)	**(94.3)**	(96.4)	(90.7)
	4,672.6	4,585.1	4,439.5	**349.9**	391.2	401.6
Other receivables	**421.9**	430.0	525.0	**22.8**	20.6	18.9
Loans to subsidiaries	**-**	-	-	**122.4**	120.6	127.6
Less: Allowance for ECL	**-**	-	-	**(9.3)**	(9.3)	(12.7)
	-	-	-	**113.1**	111.3	114.9
Amount due from subsidiaries						
- trade	**-**	-	-	**828.8**	722.3	717.0
- non-trade	**-**	-	-	**585.6**	1,029.0	363.3
Less: Allowance for ECL	**-**	-	-	**(45.4)**	(45.4)	(45.4)
	-	-	-	**1,369.0**	1,705.9	1,034.9
Amount due from associates and joint ventures						
- trade	**30.3**	16.6	13.6	**1.3**	1.9	4.4
- non-trade	**98.9**	140.9	155.2	**2.0**	4.0	4.0
	129.2	157.5	168.8	**3.3**	5.9	8.4
Prepayments	**685.0**	552.3	540.3	**73.5**	57.6	60.2
Interest receivable	**70.3**	73.4	74.9	**29.3**	31.4	34.4
Others	**13.7**	15.4	13.9	**-**	-	-
	5,992.7	5,813.7	5,762.4	**1,960.9**	2,323.9	1,673.3

"ECL" denotes expected credit loss.

Trade receivables are non-interest bearing and are generally on 14-day or 30-day terms, while balances due from carriers are on 60-day terms. There was no significant change in contract assets during the year.

As at 31 March 2019, the effective interest rate of an amount due from a subsidiary of S$331.0 million (31 March 2018: S$824.5 million) was 0.33 per cent (31 March 2018: 0.12 per cent) per annum. The loans to subsidiaries and amounts due from other subsidiaries, associates and joint ventures were unsecured, interest-free and repayable on demand.

An amount of S$6.8 million (31 March 2018: S$18.8 million) under other receivables of the Group is guaranteed by a third party and repayable by 31 March 2020.

16. TRADE AND OTHER RECEIVABLES *(Cont'd)*

The age analysis of trade receivables and contract assets (before allowance for expected credit loss) was as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Less than 60 days	**4,344.5**	4,324.2	4,263.6	**297.1**	327.4	332.9
61 to 120 days	**222.2**	198.7	114.4	**61.2**	45.1	32.4
More than 120 days	**365.6**	326.0	310.4	**85.9**	115.1	127.0
	4,932.3	4,848.9	4,688.4	**444.2**	487.6	492.3

The movements in the allowance for expected credit losses of trade receivables and contract assets were as follows –

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**263.8**	248.9	**96.4**	90.7
Acquisition of a subsidiary	**0.9**	2.2	**-**	-
Allowance	**146.4**	141.2	**30.5**	35.3
Utilisation of allowance	**(120.3)**	(103.9)	**(26.6)**	(29.3)
Write-back of allowance	**(24.6)**	(13.2)	**(6.0)**	(0.3)
Translation differences	**(6.5)**	(11.4)	**-**	-
Balance as at 31 March	**259.7**	263.8	**94.3**	96.4

The maximum exposure to credit risk for trade receivables and contract assets were as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Individuals	**2,269.4**	2,366.8	2,409.4	**131.8**	141.8	145.9
Corporations and others	**2,403.2**	2,218.3	2,030.1	**218.1**	249.4	255.7
	4,672.6	4,585.1	4,439.5	**349.9**	391.2	401.6

The expected credit losses for debts which are collectively assessed are estimated based on a provision matrix by reference to historical credit loss experience of the different segments, adjusted as appropriate to reflect current conditions and estimates of future economic conditions as applicable. The expected credit losses for debts which are individually assessed are based on an analysis of the debtor's current financial position and are adjusted for factors that are specific to the debtors.

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17. INVENTORIES

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Equipment held for resale	**379.1**	374.1	320.1	**0.1**	0.1	0.2
Maintenance and capital works' inventories	**38.5**	23.3	32.1	**37.1**	21.7	23.6
	417.6	397.4	352.2	**37.2**	21.8	23.8

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April, previously reported	**60.6**	243.6	**(159.7)**	(88.0)
Effects of adoption of SFRS(I) 9	**4.0**	1.7	**24.6**	24.6
Balance as at 1 April, restated	**64.6**	245.3	**(135.1)**	(63.4)
Fair value gains/ (losses)				
- included in income statement	**163.5**	(97.5)	**50.1**	(63.5)
- included in 'Hedging Reserve'	**59.6**	(10.3)	**19.3**	(8.2)
Settlement of swaps for bonds repaid	**6.2**	(61.4)	**-**	-
Translation differences	**(13.9)**	(11.5)	**-**	-
Balance as at 31 March	**280.0**	64.6	**(65.7)**	(135.1)

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Disclosed as –						
Current asset	**155.1**	22.6	106.1	**0.7**	70.1	105.9
Non-current asset	**283.6**	388.3	434.4	**125.9**	130.6	283.5
Current liability	**(9.2)**	(69.3)	(15.8)	**(0.5)**	(84.9)	(108.8)
Non-current liability	**(149.5)**	(277.0)	(279.4)	**(191.8)**	(250.9)	(344.0)
	280.0	64.6	245.3	**(65.7)**	(135.1)	(63.4)

18.1 Fair Values

The fair values of the currency and interest rate swap contracts exclude accrued interest of S$16.3 million (31 March 2018: S$16.8 million). The accrued interest is separately disclosed in **Note 16** and **Note 27**.

The fair values of the derivative financial instruments were as follows –

	Group		Company	
	Fair values		Fair values	
2019	**Assets S$ Mil**	**Liabilities S$ Mil**	**Assets S$ Mil**	**Liabilities S$ Mil**
Fair value and cash flow hedges				
Cross currency swaps	414.6	95.5	1.0	60.2
Interest rate swaps	11.1	59.8	-	8.9
Forward foreign exchange contracts	12.9	1.5	3.3	1.0
Derivatives that do not qualify for hedge accounting				
Cross currency swaps	-	-	104.7	104.7
Interest rate swaps	-	1.9	17.5	17.5
Forward foreign exchange contracts	0.1	-	0.1	-
	438.7	158.7	126.6	192.3
Disclosed as –				
Current	155.1	9.2	0.7	0.5
Non-current	283.6	149.5	125.9	191.8
	438.7	158.7	126.6	192.3

18.1 Fair Values *(Cont'd)*

2018	Group Fair values Assets S$ Mil	Group Fair values Liabilities S$ Mil	Company Fair values Assets S$ Mil	Company Fair values Liabilities S$ Mil
Fair value and cash flow hedges				
Cross currency swaps	397.3	228.4	-	111.1
Interest rate swaps	13.5	88.3	-	7.2
Forward foreign exchange contracts	0.1	25.2	-	16.8
Derivatives that do not qualify for hedge accounting				
Cross currency swaps	-	-	182.5	182.5
Interest rate swaps	-	4.4	18.2	18.2
	410.9	346.3	200.7	335.8
Disclosed as –				
Current	22.6	69.3	70.1	84.9
Non-current	388.3	277.0	130.6	250.9
	410.9	346.3	200.7	335.8

2017	Group Fair values Assets S$ Mil	Group Fair values Liabilities S$ Mil	Company Fair values Assets S$ Mil	Company Fair values Liabilities S$ Mil
Fair value and cash flow hedges				
Cross currency swaps	509.1	129.0	2.5	50.3
Interest rate swaps	29.1	131.5	-	7.5
Forward foreign exchange contracts	2.1	27.1	2.1	10.2
Derivatives that do not qualify for hedge accounting				
Cross currency swaps	-	-	346.5	346.5
Interest rate swaps	-	7.6	38.3	38.3
Forward foreign exchange contracts	0.2	-	-	-
	540.5	295.2	389.4	452.8
Disclosed as –				
Current	106.1	15.8	105.9	108.8
Non-current	434.4	279.4	283.5	344.0
	540.5	295.2	389.4	452.8

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18.1 Fair Values *(Cont'd)*

The cash flow hedges are designated for foreign currency commitments and repayments of principal and interest of foreign currency denominated bonds.

The forecast transactions for the foreign currency commitments are expected to occur in the financial year ending 31 March 2020, while the forecast transactions for the repayment of principal and interest of the foreign currency denominated bonds will occur according to the timing disclosed in **Note 28**.

As at 31 March 2019, the details of the outstanding derivative financial instruments were as follows –

	Group			Company		
	31 March 2019	31 March 2018	1 April 2017	31 March 2019	31 March 2018	1 April 2017
Interest rate swaps						
Notional principal (S$ million equivalent)	**2,557.4**	2,702.5	3,680.9	**2,663.4**	2,838.4	4,639.6
Fixed interest rates	**2.0% - 6.2%**	2.0% - 6.2%	1.2% - 6.2%	**2.0% - 4.5%**	2.0% - 4.5%	1.2% - 4.5%
Floating interest rates	**1.8% - 3.6%**	2.0% - 3.2%	1.8% - 2.3%	**1.8% - 3.6%**	1.1% - 3.2%	1.1% - 2.3%
Cross currency swaps						
Notional principal (S$ million equivalent)	**4,600.2**	4,794.9	6,073.3	**5,014.4**	5,256.8	7,543.6
Fixed interest rates	**2.6% - 7.5%**	1.9% - 7.5%	1.9% - 7.5%	**2.4% - 5.2%**	0.9% - 5.2%	0.9% - 5.2%
Floating interest rates	**2.3% - 4.0%**	1.5% - 3.5%	1.5% - 3.3%	**2.3% - 4.0%**	1.5% - 3.3%	1.5% - 3.2%
Forward foreign exchange						
Notional principal (S$ million equivalent)	**705.7**	846.5	1,358.2	**306.3**	304.1	713.3

The interest rate swaps entered into by the Group are re-priced at intervals ranging from monthly to six-monthly periods. The interest rate swaps entered by the Company are re-priced every six months.

19. PROPERTY, PLANT AND EQUIPMENT

Group - 2019	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2018, previously reported	21.2	264.7	911.1	20,740.2	2,781.1	7,252.5	1,569.1	33,539.9
Effects of adoption of SFRS(I) 1	-	-	-	(807.4)	(163.2)	-	(1.6)	(972.2)
Balance as at 1 April 2018, restated	21.2	264.7	911.1	19,932.8	2,617.9	7,252.5	1,567.5	32,567.7
Additions (net of rebates)	-	4.6	0.4	50.3	18.8	139.2	1,729.2	1,942.5
Disposals/ Write-offs	-	(3.4)	(4.0)	(45.0)	(138.8)	(196.6)	(2.1)	(389.9)
Acquisition of a subsidiary	-	-	-	-	-	0.1	-	0.1
Disposal of a subsidiary	-	(13.9)	-	(18.9)	-	(0.1)	-	(32.9)
Reclassifications/ Adjustments	-	-	17.0	855.3	73.3	538.9	(1,589.9)	(105.4)
Translation differences	(0.9)	0.5	(14.3)	(737.1)	(48.4)	(197.0)	(42.7)	(1,039.9)
Balance as at 31 March 2019	20.3	252.5	910.2	20,037.4	2,522.8	7,537.0	1,662.0	32,942.2
Accumulated depreciation								
Balance as at 1 April 2018, previously reported	-	81.8	360.7	14,007.0	2,120.4	5,133.8	-	21,703.7
Effects of adoption of SFRS(I) 1	-	-	-	(491.4)	(134.1)	-	-	(625.5)
Balance as at 1 April 2018, restated	-	81.8	360.7	13,515.6	1,986.3	5,133.8	-	21,078.2
Depreciation charge for the year	-	4.3	24.0	1,044.8	134.7	688.3	-	1,896.1
Disposals/ Write-offs	-	(0.5)	(3.4)	(32.3)	(138.8)	(188.6)	-	(363.6)
Disposal of a subsidiary	-	(13.9)	-	(18.1)	-	(0.1)	-	(32.1)
Reclassifications/ Adjustments	-	-	-	-	-	(38.6)	-	(38.6)
Translation differences	-	0.5	(0.6)	(504.4)	(30.8)	(147.7)	-	(683.0)
Balance as at 31 March 2019	-	72.2	380.7	14,005.6	1,951.4	5,447.1	-	21,857.0
Accumulated impairment								
Balance as at 1 April 2018	-	2.0	7.3	5.4	0.3	20.4	-	35.4
Translation differences	-	-	-	-	-	(0.6)	-	(0.6)
Balance as at 31 March 2019	-	2.0	7.3	5.4	0.3	19.8	-	34.8
Net Book Value as at 31 March 2019	20.3	178.3	522.2	6,026.4	571.1	2,070.1	1,662.0	11,050.4

19. **PROPERTY, PLANT AND EQUIPMENT** *(Cont'd)*

Group - 2018	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2017, previously reported	22.5	265.7	819.5	20,533.2	2,927.8	6,679.6	1,616.2	32,864.5
Effects of adoption of SFRS(I) 1	-	-	-	(807.4)	(163.2)	-	(1.6)	(972.2)
Balance as at 1 April 2017, restated	22.5	265.7	819.5	19,725.8	2,764.6	6,679.6	1,614.6	31,892.3
Additions (net of rebates)	-	-	1.0	102.4	34.5	229.2	2,101.1	2,468.2
Disposals/ Write-offs	-	-	-	(82.5)	(215.9)	(140.7)	-	(439.1)
Acquisition of a subsidiary	-	-	-	-	-	10.6	-	10.6
Reclassifications/ Adjustments	-	-	109.1	1,139.2	100.1	739.5	(2,092.6)	(4.7)
Translation differences	(1.3)	(1.0)	(18.5)	(952.1)	(65.4)	(265.7)	(55.6)	(1,359.6)
Balance as at 31 March 2018	21.2	264.7	911.1	19,932.8	2,617.9	7,252.5	1,567.5	32,567.7
Accumulated depreciation								
Balance as at 1 April 2017, previously reported	-	78.7	335.9	13,505.7	2,223.4	4,793.2	-	20,936.9
Effects of adoption of SFRS(I) 1	-	-	-	(422.2)	(113.2)	-	-	(535.4)
Balance as at 1 April 2017, restated	-	78.7	335.9	13,083.5	2,110.2	4,793.2	-	20,401.5
Depreciation charge for the year	-	4.1	22.8	1,124.9	138.8	660.4	-	1,951.0
Disposals/ Write-offs	-	-	-	(61.4)	(215.9)	(120.6)	-	(397.9)
Reclassifications/ Adjustments	-	-	2.5	2.7	(6.1)	(3.8)	-	(4.7)
Translation differences	-	(1.0)	(0.5)	(634.1)	(40.7)	(195.4)	-	(871.7)
Balance as at 31 March 2018	-	81.8	360.7	13,515.6	1,986.3	5,133.8	-	21,078.2
Accumulated impairment								
Balance as at 1 April 2017	-	2.0	7.3	5.4	0.3	19.7	-	34.7
Impairment charge for the year	-	-	-	-	-	1.5	-	1.5
Translation differences	-	-	-	-	-	(0.8)	-	(0.8)
Balance as at 31 March 2018	-	2.0	7.3	5.4	0.3	20.4	-	35.4
Net Book Value as at 31 March 2018	21.2	180.9	543.1	6,411.8	631.3	2,098.3	1,567.5	11,454.1

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Company - 2019	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2018, previously reported	0.4	228.2	523.1	3,301.4	792.3	1,937.2	404.6	7,187.2
Effects of adoption of SFRS(I) 1	-	-	-	(221.8)	(24.1)	-	(1.6)	(247.5)
Balance as at 1 April 2018, restated	0.4	228.2	523.1	3,079.6	768.2	1,937.2	403.0	6,939.7
Additions (net of rebates)	-	4.6	0.4	22.6	1.8	23.0	287.2	339.6
Disposals/ Write-offs	-	(3.4)	(4.0)	(32.1)	(100.1)	(73.4)	(2.1)	(215.1)
Reclassifications	-	-	4.9	50.3	18.3	85.3	(158.8)	-
Balance as at 31 March 2019	0.4	229.4	524.4	3,120.4	688.2	1,972.1	529.3	7,064.2
Accumulated depreciation								
Balance as at 1 April 2018, previously reported	-	59.2	293.0	2,531.2	700.1	1,286.5	-	4,870.0
Effects of adoption of SFRS(I) 1	-	-	-	(185.1)	(17.9)	-	-	(203.0)
Balance as at 1 April 2018, restated	-	59.2	293.0	2,346.1	682.2	1,286.5	-	4,667.0
Depreciation charge for the year	-	4.0	20.8	103.2	37.4	154.8	-	320.2
Disposals/ Write-offs	-	(0.5)	(3.4)	(19.5)	(100.1)	(62.8)	-	(186.3)
Balance as at 31 March 2019	-	62.7	310.4	2,429.8	619.5	1,378.5	-	4,800.9
Accumulated impairment								
Balance as at 1 April 2018 and 31 March 2019	-	2.0	7.2	4.1	-	-	-	13.3
Net Book Value as at 31 March 2019	0.4	164.7	206.8	686.5	68.7	593.6	529.3	2,250.0

19. **PROPERTY, PLANT AND EQUIPMENT** *(Cont'd)*

Company - 2018	Freehold land S$ Mil	Leasehold land S$ Mil	Buildings S$ Mil	Transmission plant and equipment S$ Mil	Switching equipment S$ Mil	Other plant and equipment S$ Mil	Capital work-in-progress S$ Mil	Total S$ Mil
Cost								
Balance as at 1 April 2017, previously reported	0.4	228.2	433.0	3,299.1	931.0	1,812.7	502.6	7,207.0
Effects of adoption of SFRS(I) 1	-	-	-	(221.8)	(24.1)	-	(1.6)	(247.5)
Balance as at 1 April 2017, restated	0.4	228.2	433.0	3,077.3	906.9	1,812.7	501.0	6,959.5
Additions (net of rebates)	-	-	-	43.2	19.8	84.6	209.5	357.1
Disposals/ Write-offs	-	-	-	(77.6)	(194.7)	(104.6)	-	(376.9)
Reclassifications	-	-	90.1	36.7	36.2	144.5	(307.5)	-
Balance as at 31 March 2018	0.4	228.2	523.1	3,079.6	768.2	1,937.2	403.0	6,939.7
Accumulated depreciation								
Balance as at 1 April 2017, previously reported	-	56.5	281.8	2,468.4	852.8	1,207.7	-	4,867.2
Effects of adoption of SFRS(I) 1	-	-	-	(175.9)	(11.7)	-	-	(187.6)
Balance as at 1 April 2017, restated	-	56.5	281.8	2,292.5	841.1	1,207.7	-	4,679.6
Depreciation charge for the year	-	2.7	8.7	110.2	35.8	166.1	-	323.5
Disposals/ Write-offs	-	-	-	(56.6)	(194.7)	(84.8)	-	(336.1)
Reclassifications	-	-	2.5	-	-	(2.5)	-	-
Balance as at 31 March 2018	-	59.2	293.0	2,346.1	682.2	1,286.5	-	4,667.0
Accumulated impairment								
Balance as at 1 April 2017 and 31 March 2018	-	2.0	7.2	4.1	-	-	-	13.3
Net Book Value as at 31 March 2018	0.4	167.0	222.9	729.4	86.0	650.7	403.0	2,259.4

19. PROPERTY, PLANT AND EQUIPMENT *(Cont'd)*

Property, plant and equipment included the following –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Net book value of property, plant and equipment						
Assets acquired under finance leases	**14.4**	37.0	78.6	**6.9**	10.8	29.2
Staff costs capitalised	**188.3**	204.6	235.4	**25.9**	31.2	35.6

20. INTANGIBLE ASSETS

	Group		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Goodwill on acquisition of subsidiaries	**11,538.3**	11,372.2	11,164.6
Telecommunications and spectrum licences	**2,116.2**	2,355.5	1,565.5
Technology and brand	**183.9**	204.6	302.5
Customer relationships and others	**178.3**	36.8	40.2
	14,016.7	13,969.1	13,072.8

20.1 Goodwill on Acquisition of Subsidiaries

	Group	
	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**11,372.2**	11,164.6
Acquisition of subsidiaries	**109.9**	347.5
Translation differences	**56.2**	(139.9)
Balance as at 31 March	**11,538.3**	11,372.2

20.2 Telecommunications and Spectrum Licences

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**2,355.5**	1,565.5	**-**	-
Additions	**130.2**	1,118.3	**-**	-
Amortisation for the year	**(210.0)**	(221.6)	**-**	-
Reclassification	**(71.8)**	-	**-**	-
Translation differences	**(87.7)**	(106.7)	**-**	-
Balance as at 31 March	**2,116.2**	2,355.5	**-**	-
Cost	**3,622.9**	3,817.1	**-**	8.4
Accumulated amortisation	**(1,500.5)**	(1,455.4)	**-**	(8.4)
Accumulated impairment	**(6.2)**	(6.2)	**-**	-
Net book value as at 31 March	**2,116.2**	2,355.5	**-**	-

20.3 Technology and Brand

	Group	
	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**204.6**	302.5
Acquisition of a subsidiary	**18.8**	53.3
Amortisation for the year	**(46.5)**	(58.5)
Impairment charge for the year	**-**	(75.8)
Translation differences	**7.0**	(16.9)
Balance as at 31 March	**183.9**	204.6
Cost	**611.7**	586.3
Accumulated amortisation	**(334.8)**	(288.6)
Accumulated impairment	**(93.0)**	(93.1)
Net book value as at 31 March	**183.9**	204.6

20.4 Customer Relationships and Others

	Group	
	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**36.8**	40.2
Additions	**86.6**	17.9
Amortisation for the year	**(69.6)**	(20.4)
Disposals	**(0.1)**	-
Reclassification/ adjustment	**125.3**	-
Translation differences	**(0.7)**	(0.9)
Balance as at 31 March	**178.3**	36.8
Cost	**437.1**	135.8
Accumulated amortisation	**(258.8)**	(99.0)
Net book value as at 31 March	**178.3**	36.8

21. SUBSIDIARIES

	Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Unquoted equity shares, at cost	**14,259.7**	13,676.4	11,001.2
Shareholders' advances	**5,733.0**	5,733.0	6,423.3
Deemed investment in a subsidiary	**32.5**	32.5	32.5
	20,025.2	19,441.9	17,457.0
Less: Allowance for impairment losses	**(16.0)**	(16.0)	(16.0)
	20,009.2	19,425.9	17,441.0

The advances given to subsidiaries were interest-free and unsecured with settlement neither planned nor likely to occur in the foreseeable future.

The deemed investment in a subsidiary, Singtel Group Treasury Pte. Ltd. ("**SGT**"), arose from financial guarantees provided by the Company for loans drawn down by SGT prior to 1 April 2010.

The significant subsidiaries of the Group are set out in **Note 44.1** to **Note 44.3**.

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22. JOINT VENTURES

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Quoted equity shares, at cost	**2,798.4**	2,798.4	2,798.4	**-**	-	-
Unquoted equity shares, at cost	**5,777.9**	5,778.7	5,240.8	**22.8**	22.8	23.0
	8,576.3	8,577.1	8,039.2	**22.8**	22.8	23.0
Goodwill on consolidation adjusted against shareholders' equity	**(1,225.9)**	(1,225.9)	(1,225.9)	**-**	-	-
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	**9,635.7**	9,414.8	8,717.6	**-**	-	-
Translation differences	**(4,098.2)**	(3,949.5)	(3,215.6)	**-**	-	-
	4,311.6	4,239.4	4,276.1	**-**	-	-
Less: Allowance for impairment losses	**(30.0)**	(30.0)	(30.0)	**-**	-	-
	12,857.9	12,786.5	12,285.3	**22.8**	22.8	23.0

As at 31 March 2019,

(i) The market value of the quoted equity shares in joint ventures held by the Group was S$18.89 billion (31 March 2018: S$21.29 billion).

(ii) The Group's proportionate interest in the capital commitments of joint ventures was S$1.97 billion (31 March 2018: S$2.14 billion).

The details of joint ventures are set out in **Note 44.5**.

Optus has an interest in an unincorporated joint operation to share certain 4G network sites and radio infrastructure across Australia whereby it holds an interest of 50% (31 March 2018: 50%) in the assets, with access to the shared network and shares 50% (31 March 2018: 50%) of the cost of building and operating the network.

The Group's property, plant and equipment included the Group's interest in the property, plant and equipment employed in the unincorporated joint operation was S$1.10 billion (31 March 2018: S$1.08 billion).

22. JOINT VENTURES *(Cont'd)*

The summarised financial information of the Group's significant joint ventures namely Bharti Airtel Limited ("**Airtel**"), PT Telekomunikasi Selular ("**Telkomsel**"), Globe Telecom, Inc. ("**Globe**") and Advanced Info Service Public Company Limited ("**AIS**"), based on their financial statements and a reconciliation with the carrying amounts of the investments in the consolidated financial statements were as follows –

Group - 2019	Airtel S$ Mil	Telkomsel S$ Mil	Globe S$ Mil	AIS S$ Mil
Statement of comprehensive income				
Revenue	15,671.4	8,461.0	3,980.2	7,146.6
Depreciation and amortisation	(4,141.4)	(1,265.9)	(793.7)	(1,455.6)
Interest income	276.3	50.1	13.6	6.8
Interest expense	(2,123.0)	(99.3)	(166.6)	(141.0)
Income tax credit/ (expense)	663.3	(816.1)	(249.4)	(243.5)
Profit after tax	183.5	2,407.6	532.5	1,228.3
Other comprehensive (loss)/ income	(202.3)	36.0	5.3	-
Total comprehensive (loss)/ income	(18.8)	2,443.6	537.8	1,228.3
Statement of financial position				
Current assets	6,448.6	2,614.3	1,724.0	1,965.8
Non-current assets	47,339.4	5,893.0	5,838.9	10,700.0
Current liabilities	(18,236.1)	(2,138.8)	(1,981.4)	(3,388.7)
Non-current liabilities	(19,113.3)	(913.0)	(3,606.5)	(6,853.1)
Net assets	16,438.6	5,455.5	1,975.0	2,424.0
Less: Non-controlling interests	(2,558.1)	*	0.6	(5.4)
Net assets attributable to equity holders	13,880.5	5,455.5	1,975.6	2,418.6
Proportion of the Group's ownership	39.5%	35.0%	47.1%	23.3% (1)
Group's share of net assets	5,484.2	1,909.4	930.1	564.0
Goodwill capitalised	1,508.4	1,403.6	375.1	308.1
Others (2)	427.8	-	(129.5)	(8.1)
Carrying amount of the investment	7,420.4	3,313.0	1,175.7	864.0
Other items				
Cash and cash equivalents	1,588.5	1,267.3	427.0	960.5
Non-current financial liabilities excluding trade and other payables	(18,359.7)	(560.9)	(3,352.2)	(482.1)
Current financial liabilities excluding trade and other payables	(7,732.5)	(78.8)	(224.8)	(3,929.1)
Group's share of market value	10,309.9	NA	3,130.5	5,447.4
Dividends received during the year	58.7	954.4	144.1	211.2

"NA" denotes Not Applicable.
"" denotes amount of less than S$0.05 million*

Notes:
(1) Based on the Group's direct equity interest in AIS.
(2) Others include adjustments to align the respective local accounting standards to SFRS(I).

22. JOINT VENTURES *(Cont'd)*

Group - 2018	Airtel S$ Mil	Telkomsel S$ Mil	Globe S$ Mil	AIS S$ Mil
Statement of comprehensive income				
Revenue	17,574.5	9,384.0	3,724.4	6,564.2
Depreciation and amortisation	(4,041.1)	(1,399.4)	(757.2)	(1,286.7)
Interest income	283.5	81.5	4.4	7.4
Interest expense	(1,958.4)	(55.8)	(172.4)	(137.7)
Income tax expense	(227.5)	(974.5)	(184.9)	(239.7)
Profit after tax	191.4	2,946.4	420.6	1,249.8
Other comprehensive (loss)/ income	(234.8)	(39.6)	29.5	33.6
Total comprehensive (loss)/ income	(43.4)	2,906.8	450.1	1,283.4
Statement of financial position				
Current assets	6,746.1	2,979.5	1,446.2	1,499.3
Non-current assets	43,560.9	5,759.2	5,543.2	10,597.9
Current liabilities	(15,756.0)	(2,295.3)	(2,112.2)	(3,107.5)
Non-current liabilities	(19,002.1)	(693.3)	(3,165.0)	(6,916.1)
Net assets	15,548.9	5,750.1	1,712.2	2,073.6
Less: Non-controlling interests	(1,684.8)	-	0.9	(13.6)
Net assets attributable to equity holders	13,864.1	5,750.1	1,713.1	2,060.0
Proportion of the Group's ownership	39.5%	35.0%	47.1%	23.3% (1)
Group's share of net assets	5,477.7	2,012.5	807.4	480.4
Goodwill capitalised	1,548.8	1,403.6	373.4	303.0
Others (2)	426.6	-	(126.4)	(7.7)
Carrying amount of the investment	7,453.1	3,416.1	1,054.4	775.7
Other items				
Cash and cash equivalents	964.3	1,634.3	158.3	457.7
Non-current financial liabilities excluding trade and other payables	(18,146.6)	(354.5)	(2,619.5)	(4,207.4)
Current financial liabilities excluding trade and other payables	(5,320.4)	(168.5)	(281.5)	(29.2)
Group's share of market value	12,680.9	NA	2,551.3	6,054.8
Dividends received during the year	47.9	1,017.8	152.8	217.1

"NA" denotes Not Applicable.

Notes:
(1) Based on the Group's direct equity interest in AIS.
(2) Others include adjustments to align the respective local accounting standards to SFRS(I).

22. JOINT VENTURES *(Cont'd)*

Group - 2017	Airtel S$ Mil	Telkomsel S$ Mil	Globe S$ Mil	AIS S$ Mil
Statement of financial position				
Current assets	4,378.4	3,546.3	1,481.6	1,368.4
Non-current assets	45,611.2	6,169.6	5,548.1	10,027.2
Current liabilities	(13,568.3)	(2,547.9)	(2,344.3)	(2,994.1)
Non-current liabilities	(20,676.7)	(886.5)	(2,909.5)	(6,816.6)
Net assets	15,744.6	6,281.5	1,775.9	1,584.9
Less: Non-controlling interests	(1,399.0)	-	0.4	(5.7)
Net assets attributable to equity holders	14,345.6	6,281.5	1,776.3	1,579.2
Proportion of the Group's ownership	36.5%	35.0%	47.1%	23.3% [1]
Group's share of net assets	5,230.4	2,198.5	837.4	368.2
Goodwill capitalised	1,229.0	1,403.6	381.7	293.3
Others [2]	387.6	-	(139.9)	(2.4)
Carrying amount of the investment	6,847.0	3,602.1	1,079.2	659.1
Other items				
Cash and cash equivalents	348.7	2,371.9	229.1	522.0
Non-current financial liabilities excluding trade and other payables	(19,774.0)	(570.2)	(2,658.7)	(3,690.1)
Current financial liabilities excluding trade and other payables	(3,884.7)	(76.6)	(353.6)	(187.4)
Group's share of market value	10,995.3	NA	3,544.1	5,013.9

"NA" denotes Not Applicable.

Notes:
(1) Based on the Group's direct equity interest in AIS.
(2) Others include adjustments to align the respective local accounting standards to SFRS(I).

The aggregate information of the Group's investments in joint ventures which are not individually significant were as follows –

	Group 2019 S$ Mil	Group 2018 S$ Mil
Share of profit after tax	**9.3**	12.2
Share of other comprehensive loss	*	*
Share of total comprehensive income	**9.3**	12.2
Aggregate carrying value	**84.8**	87.2

"" denotes amount of less than S$0.05 million*

23. ASSOCIATES

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Quoted equity shares, at cost	**1,733.4**	1,733.4	1,589.9	**24.7**	24.7	24.7
Unquoted equity shares, at cost	**79.2**	77.2	742.6	**-**	-	578.8
Shareholder's loan (unsecured)	**-**	-	1.7	**-**	-	-
	1,812.6	1,810.6	2,334.2	**24.7**	24.7	603.5
Goodwill on consolidation adjusted against shareholders' equity	**29.4**	29.4	(28.3)	**-**	-	-
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	**135.1**	135.5	(159.2)	**-**	-	-
Translation differences	**138.6**	104.6	65.0	**-**	-	-
	303.1	269.5	(122.5)	**-**	-	-
Less: Allowance for impairment losses	**(5.0)**	(5.0)	-	**-**	-	-
Reclassification to 'Net deferred gain' (see **Note 31**)	**(50.5)**	(74.9)	(265.0)	**-**	-	-
	2,060.2	2,000.2	1,946.7	**24.7**	24.7	603.5

As at 31 March 2019,

(i) The market values of the quoted equity shares in associates held by the Group and the Company were S$2.98 billion (31 March 2018: S$3.13 billion) and S$494.0 million (31 March 2018: S$676.8 million) respectively.

(ii) The Group's proportionate interest in the capital commitments of the associates was S$139.9 million (31 March 2018: S$166.6 million).

The details of associates are set out in **Note 44.4**.

23. ASSOCIATES *(Cont'd)*

The summarised financial information of the Group's significant associate namely Intouch Holdings Public Company Limited ("**Intouch**"), based on its financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements was as follows –

	2019 S$ Mil	2018 S$ Mil	2017 S$ Mil
Statement of comprehensive income			
Revenue	**250.1**	353.9	144.1
Profit after tax	**451.7**	488.2	166.1
Other comprehensive (loss)/ income	**(0.9)**	10.9	(1.6)
Total comprehensive income	**450.8**	499.1	164.5
Statement of financial position			
Current assets	**743.1**	720.0	701.9
Non-current assets	**1,532.5**	1,554.3	1,629.3
Current liabilities	**(305.1)**	(444.4)	(483.6)
Non-current liabilities	**(205.5)**	(313.4)	(395.3)
Net assets	**1,765.0**	1,516.5	1,452.3
Less: Non-controlling interests	**(304.6)**	(342.2)	(411.6)
Net assets attributable to equity holders	**1,460.4**	1,174.3	1,040.7
Proportion of the Group's ownership	**21.0%**	21.0%	21.0%
Group's share of net assets	**306.7**	246.6	218.5
Goodwill and other identifiable intangible assets	**1,441.7**	1,417.6	1,371.7
Others [(1)]	**(46.8)**	(23.0)	(8.4)
Carrying amount of the investment	**1,701.6**	1,641.2	1,581.8
Other items			
Group's share of market value	**1,653.2**	1,639.6	1,525.0
Dividends received during the year	**78.5**	77.8	-

Note:
(1) Others include adjustments to align the respective local accounting standards to SFRS(I).

The aggregate information of the Group's investments in associates which are not individually significant were as follows –

	Group	
	2019 S$ Mil	2018 S$ Mil
Share of profit after tax	**49.7**	90.2
Share of other comprehensive income/ (loss)	**0.4**	(2.2)
Share of total comprehensive income	**50.1**	88.0

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24. IMPAIRMENT REVIEWS

Goodwill arising on acquisition of subsidiaries

The carrying values of the Group's goodwill on acquisition of subsidiaries as at 31 March 2019 were assessed for impairment during the financial year.

Goodwill is allocated for impairment testing purposes to the individual entity which is also the cash-generating unit ("**CGU**").

The Group is structured into three business segments, Group Consumer, Group Enterprise and Group Digital Life. Based on the relative fair value approach, the goodwill of Optus was fully allocated to Consumer Australia included in the Group Consumer segment for the purpose of goodwill impairment testing.

The recoverable values of cash-generating units including goodwill are determined based on value-in-use calculations.

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management. The Group has used cash flow projections of five years except for Amobee and the Global Cyber Security business which were based on cash flow projections of thirteen years and ten years respectively to better reflect their stages of growth. Cash flows beyond the terminal year are extrapolated using the estimated growth rates stated in the table below. Key assumptions used in the calculation of value-in-use are growth rates, operating margins, capital expenditure and discount rates.

The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with forecasts included in industry reports.

The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital (WACC) where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

The details of other subsidiaries are shown in the table below:

Group	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	Terminal growth rate [1] 31 March 2019	Terminal growth rate [1] 31 March 2018	Pre-tax discount rate 31 March 2019	Pre-tax discount rate 31 March 2018
Carrying value of goodwill in –							
Optus Group	**9,272.2**	9,279.1	9,288.4	**3.0%**	3.0%	**8.4%**	9.0%
Global Cyber Security business [2]	**1,046.6**	999.1	1,064.2	**4.0%**	4.0%	**12.0%**	11.9%
Amobee, Inc.	**1,137.3**	1,011.8	729.8	**3.0%**	3.5%	**14.3%**	14.1%
SCS Computer Systems Pte. Ltd.	**82.2**	82.2	82.2	**2.0%**	2.0%	**7.8%**	7.4%

Notes:

(1) Weighted average growth rate used to extrapolate cash flows beyond the terminal year.

(2) Global Cyber Security business, which comprises the cyber security businesses across the Group including Trustwave, is considered a single CGU for the purpose of goodwill impairment testing.

24. IMPAIRMENT REVIEWS *(Cont'd)*

As at 31 March 2019, no impairment charge was required for goodwill arising from acquisition of subsidiaries, with any reasonably possible change to the key assumptions applied not likely to cause the recoverable values to be below their carrying values.

25. FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") INVESTMENTS

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Balance as at 1 April	**197.9**	192.9	**5.5**	37.4
Additions	**437.1**	59.6	**-**	-
Disposals/ Write-offs	**(9.6)**	(68.3)	**-**	(31.4)
Net fair value gains/ (losses) included in 'Other Comprehensive Income'	**13.2**	9.6	**(0.2)**	(0.5)
Translation differences	**8.3**	4.1	**-**	-
Balance as at 31 March	**646.9**	197.9	**5.3**	5.5

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Cost	**646.5**	214.9	182.8	**3.3**	3.3	9.7
Fair value changes	**0.4**	(17.0)	10.1	**2.0**	2.2	27.7
	646.9	197.9	192.9	**5.3**	5.5	37.4

FVOCI investments included the following –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Quoted equity securities						
- Singapore	**5.3**	5.5	7.7	**5.3**	5.5	7.7
- United States of America	**16.6**	4.5	4.2	**-**	-	-
- Thailand	**-**	-	21.4	**-**	-	21.4
	21.9	10.0	33.3	**5.3**	5.5	29.1
Unquoted						
Equity securities	**600.8**	168.2	149.4	**-**	-	8.3
Others	**24.2**	19.7	10.2	**-**	-	-
	625.0	187.9	159.6	**-**	-	8.3
	646.9	197.9	192.9	**5.3**	5.5	37.4

26. OTHER ASSETS

	Group			Company		
Non-current	**31 March 2019 S$ Mil**	**31 March 2018 S$ Mil**	**1 April 2017 S$ Mil**	**31 March 2019 S$ Mil**	**31 March 2018 S$ Mil**	**1 April 2017 S$ Mil**
Capitalised contract costs (net)	**273.4**	235.0	239.5	**0.1**	1.2	5.9
Prepayments	**157.8**	198.3	194.5	**130.6**	143.7	155.1
Tax recoverable from ATO [(1)]	**128.5**	134.9	143.2	**-**	-	-
Other receivables	**84.7**	19.6	14.8	**-**	-	-
	644.4	587.8	592.0	**130.7**	144.9	161.0

Note:
[(1)] In November 2016, the Group paid A$134 million to the Australian Taxation Office ("**ATO**") for amended tax assessments received in respect of the acquisition financing of Optus. This payment has been recorded as a tax recoverable from the ATO pending outcome of its objections to the ATO (see **Note 40(b)**).

The movements in capitalised contract costs (net) were as follows –

	Group		Company	
	2019 S$ Mil	**2018 S$ Mil**	**2019 S$ Mil**	**2018 S$ Mil**
Balance as at 1 April	**235.0**	239.5	**1.2**	5.9
Contract costs incurred	**296.4**	252.7	**0.2**	0.2
Amortisation to operating expenses	**(132.9)**	(145.0)	**(1.3)**	(4.9)
Amortisation to mobile service revenue	**(121.4)**	(108.0)	**-**	-
Translation differences	**(3.7)**	(4.2)	**-**	-
Balance as at 31 March	**273.4**	235.0	**0.1**	1.2

27. TRADE AND OTHER PAYABLES

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Trade payables	**4,393.8**	3,994.0	3,590.7	**657.2**	585.5	592.9
Accruals	**844.3**	877.0	985.9	**226.0**	245.9	160.4
Interest payable on borrowings and swaps	**132.1**	137.9	142.7	**40.3**	41.7	43.6
Contract liabilities (handset sales)	**111.7**	136.4	129.9	**-**	-	-
Deferred income	**54.5**	38.3	31.3	**26.6**	12.6	11.5
Customers' deposits	**33.6**	26.6	26.2	**19.3**	15.3	15.8
Due to associates and joint ventures						
- trade	**47.7**	31.0	27.9	**21.5**	23.9	22.3
- non-trade	**0.1**	*	*	**-**	-	-
	47.8	31.0	27.9	**21.5**	23.9	22.3
Due to subsidiaries						
- trade	**-**	-	-	**371.9**	294.3	263.8
- non-trade	**-**	-	-	**340.4**	214.4	458.2
	-	-	-	**712.3**	508.7	722.0
Other payables	**199.3**	129.8	120.2	**34.3**	34.8	33.5
	5,817.1	5,371.0	5,054.8	**1,737.5**	1,468.4	1,602.0

"*" denotes amount of less than S$0.05 million.

The trade payables are non-interest bearing and are generally settled on 30 or 60 days terms, with some payables relating to handset and network investments having payment terms of up to a year.

The interest payable on borrowings and swaps are mainly settled on a quarterly or semi-annual basis.

The amounts due to subsidiaries are unsecured, repayable on demand and interest-free.

28. BORROWINGS (UNSECURED)

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Current						
Bonds	**678.5**	1,129.0	978.4	**-**	-	-
Bank loans	**1,167.7**	671.5	2,068.2	**-**	-	-
	1,846.2	1,800.5	3,046.6	**-**	-	-
Non-current						
Bonds	**7,267.5**	6,755.9	7,748.2	**786.5**	739.5	802.7
Bank loans	**1,466.9**	1,830.2	150.0	**-**	-	-
	8,734.4	8,586.1	7,898.2	**786.5**	739.5	802.7
Total unsecured borrowings	**10,580.6**	10,386.6	10,944.8	**786.5**	739.5	802.7

28.1 Bonds

Principal amount	Group 31 March 2019 S$ Mil	Group 31 March 2018 S$ Mil	Group 1 April 2017 S$ Mil	Company 31 March 2019 S$ Mil	Company 31 March 2018 S$ Mil	Company 1 April 2017 S$ Mil
US$2,100 million[1] (31 March 2018: US$1,600 million 31 March 2017: US$2,300 million)	**2,832.0**	2,088.8	3,201.4	**-**	-	-
US$500 million[1]	**786.5**	739.5	802.7	**786.5**	739.5	802.7
US$500 million[1][2]	**678.5**	659.5	711.2	**-**	-	-
US$400 million	**-**	525.1	559.2	**-**	-	-
€700 million[1][2]	**1,076.8**	1,150.2	1,071.0	**-**	-	-
A$1,150 million[2] (31 March 2018: A$1,025 million 31 March 2017: A$625 million)	**1,100.1**	1,028.2	665.0	**-**	-	-
S$600 million[1]	**599.8**	600.0	600.0	**-**	-	-
S$550 million	**549.8**	550.0	550.0	**-**	-	-
S$150 million[2]	**149.9**	149.9	149.9	**-**	-	-
¥10,000 million	**-**	123.0	124.9	**-**	-	-
HK$1,000 million[2]	**172.6**	167.1	179.8	**-**	-	-
HK$620 million	**-**	103.6	111.5	**-**	-	-
	7,946.0	7,884.9	8,726.6	**786.5**	739.5	802.7
Classified as –						
Current	**678.5**	1,129.0	978.4	**-**	-	-
Non-current	**7,267.5**	6,755.9	7,748.2	**786.5**	739.5	802.7
	7,946.0	7,884.9	8,726.6	**786.5**	739.5	802.7

Notes:

(1) The bonds are listed on the Singapore Exchange.

(2) The bonds, issued by Optus Group, are subject to a negative pledge that limits the amount of secured indebtedness of certain subsidiaries of Optus.

28.2 Bank Loans

	Group		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Current	**1,167.7**	671.5	2,068.2
Non-current	**1,466.9**	1,830.2	150.0
	2,634.6	2,501.7	2,218.2

28.3 Maturity

The maturity periods of the non-current unsecured borrowings at the end of the reporting period were as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Between one and two years	**3,116.0**	1,009.5	1,346.0	**-**	-	-
Between two and five years	**2,811.3**	5,533.9	3,698.2	**-**	-	-
Over five years	**2,807.1**	2,042.7	2,854.0	**786.5**	739.5	802.7
	8,734.4	8,586.1	7,898.2	**786.5**	739.5	802.7

28.4 Interest Rates

The weighted average effective interest rates at the end of the reporting period were as follows –

	Group		Company	
	31 March 2019 %	31 March 2018 %	31 March 2019 %	31 March 2018 %
Bonds (fixed rate)	**3.9**	3.9	**7.4**	7.4
Bonds (floating rate)	**-**	3.0	**-**	-
Bank loans (floating rate)	**2.5**	1.9	**-**	-

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28.5 The tables below set out the maturity profile of borrowings and related swaps based on expected contractual undiscounted cash flows.

Group	Less than 1 year S$ Mil	Between 1 and 2 years S$ Mil	Between 2 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2019				
Net-settled interest rate swaps	**36.3**	**13.4**	**3.3**	**9.0**
Cross currency interest rate swaps (gross-settled)				
- Inflow	**(339.4)**	**(307.8)**	**(570.2)**	**(881.4)**
- Outflow	**289.9**	**250.7**	**509.5**	**746.5**
	(13.2)	**(43.7)**	**(57.4)**	**(125.9)**
Borrowings	**2,033.8**	**3,237.8**	**3,220.7**	**3,524.0**
	2,020.6	**3,194.1**	**3,163.3**	**3,398.1**
As at 31 March 2018				
Net-settled interest rate swaps	45.3	37.2	20.3	17.3
Cross currency interest rate swaps (gross-settled)				
- Inflow	(301.3)	(252.5)	(458.5)	(624.9)
- Outflow	259.4	210.8	363.4	464.4
	3.4	(4.5)	(74.8)	(143.2)
Borrowings	2,143.8	1,185.6	5,846.2	2,768.7
	2,147.2	1,181.1	5,771.4	2,625.5

Company	Less than 1 year S$ Mil	Between 1 and 2 years S$ Mil	Between 2 and 5 years S$ Mil	Over 5 years S$ Mil
As at 31 March 2019				
Net-settled interest rate swaps	**1.0**	**1.0**	**2.9**	**7.8**
Cross currency interest rate swaps (gross-settled)				
- Inflow	**(183.6)**	**(183.6)**	**(419.2)**	**(715.0)**
- Outflow	**168.8**	**168.9**	**375.2**	**597.8**
	(13.8)	**(13.7)**	**(41.1)**	**(109.4)**
Borrowings	**50.0**	**50.0**	**149.9**	**1,281.1**
	36.2	**36.3**	**108.8**	**1,171.7**
As at 31 March 2018				
Net-settled interest rate swaps	1.3	1.3	4.0	12.0
Cross currency interest rate swaps (gross-settled)				
- Inflow	(157.1)	(125.4)	(308.2)	(562.6)
- Outflow	139.2	107.2	253.9	399.7
	(16.6)	(16.9)	(50.3)	(150.9)
Borrowings	48.4	48.4	145.2	1,316.9
	31.8	31.5	94.9	1,166.0

29. BORROWINGS (SECURED)

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Current						
Finance lease	**34.0**	23.1	29.4	**4.8**	7.4	1.5
Bank loans	**-**	-	57.3	**-**	-	-
	34.0	23.1	86.7	**4.8**	7.4	1.5
Non-current						
Finance lease	**49.5**	81.5	168.8	**7.7**	68.5	157.2
Bank loans	**-**	-	30.8	**-**	-	-
	49.5	81.5	199.6	**7.7**	68.5	157.2
Total secured borrowings	**83.5**	104.6	286.3	**12.5**	75.9	158.7

Finance lease liabilities included lease liabilities in respect of certain assets leased from NetLink Trust.

29.1 Finance Lease Liabilities

The minimum lease payments under the finance lease liabilities were payable as follows –

	Group		Company	
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil
Not later than one year	**38.2**	28.8	**5.5**	11.9
Later than one but not later than five years	**52.6**	58.4	**8.0**	44.9
Later than five years	**-**	268.0	**-**	268.0
	90.8	355.2	**13.5**	324.8
Less: Future finance charges	**(7.3)**	(250.6)	**(1.0)**	(248.9)
	83.5	104.6	**12.5**	75.9

29.2 Maturity

The maturity periods of the non-current secured borrowings at the end of the reporting period were as follows –

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Between one and two years	**37.3**	18.3	11.0	**5.1**	7.9	0.9
Between two and five years	**12.2**	29.0	33.2	**2.6**	26.4	0.9
Over five years	**-**	34.2	155.4	**-**	34.2	155.4
	49.5	81.5	199.6	**7.7**	68.5	157.2

29.3 Interest Rates

The weighted average effective interest rates per annum at the end of the reporting period were as follows –

	Group		Company	
	31 March 2019 %	31 March 2018 %	31 March 2019 %	31 March 2018 %
Finance lease liabilities	**7.1**	7.2	**7.3**	7.3

30. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Group - 2019	Bonds S$ Mil	Bank loans S$ Mil	Finance lease liabilities S$ Mil	Interest payable S$ Mil	Derivative financial instruments S$ Mil
As at 1 April 2018	**7,884.9**	**2,501.7**	**104.6**	**137.9**	**(64.6)**
Financing cash flows[1]	**38.5**	**174.0**	**9.8**	**(385.1)**	**(6.2)**
Non-cash changes:					
Fair value adjustments	**35.0**	**-**	**-**	**-**	**(223.1)**
Amortisation of bond discount	**2.0**	**-**	**-**	**-**	**-**
Foreign exchange movements	**(7.2)**	**(41.1)**	**-**	**(8.2)**	**13.9**
Additions of finance lease	**-**	**-**	**25.5**	**-**	**-**
Interest expense	**-**	**-**	**-**	**387.5**	**-**
Adjustment	**(7.2)**	**-**	**(56.4)**	**-**	**-**
	22.6	**(41.1)**	**(30.9)**	**379.3**	**(209.2)**
As at 31 March 2019	**7,946.0**	**2,634.6**	**83.5**	**132.1**	**(280.0)**

Note:
[1] The cash flows comprise the net amount of proceeds from borrowings and repayments of borrowings, net interest paid on borrowings, and settlement of swaps for bonds repaid in the statement of cash flows.

30. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES *(Cont'd)*

Group - 2018	Bonds S$ Mil	Bank loans S$ Mil	Finance lease liabilities S$ Mil	Interest payable S$ Mil	Derivative financial instruments S$ Mil
As at 1 April 2017	8,726.6	2,306.3	198.2	142.7	(245.3)
Financing cash flows[1]	(506.2)	222.6	(28.3)	(379.9)	61.4
Non-cash changes:					
Fair value adjustments	(65.4)	-	-	-	107.8
Amortisation of bond discount	3.2	-	-	-	-
Foreign exchange movements	(273.3)	(58.5)	(0.5)	(8.5)	11.5
Acquisition of subsidiary	-	31.3	8.7	-	
Additions of finance lease	-	-	4.8	-	-
Interest expense	-	-	-	383.6	-
Adjustment	-	-	(78.3)	-	-
	(335.5)	(27.2)	(65.3)	375.1	119.3
As at 31 March 2018	7,884.9	2,501.7	104.6	137.9	(64.6)

Note:

(1) The cash flows comprise the net amount of proceeds from borrowings and repayments of borrowings, net interest paid on borrowings, and settlement of swaps for bonds repaid in the statement of cash flows.

31. NET DEFERRED GAIN

	Group		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Unamortised deferred gain	**446.3**	452.7	1,616.5
Reclassification from 'Associates' (see **Note 23**)	**(50.5)**	(74.9)	(265.0)
Net deferred gain	**395.8**	377.8	1,351.5
Classified as –			
Current	**20.8**	20.1	68.8
Non-current	**375.0**	357.7	1,282.7
	395.8	377.8	1,351.5

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31. NET DEFERRED GAIN *(Cont'd)*

NetLink Trust ("**NLT**") is a business trust established as part of the Info-communications Media Development Authority of Singapore's effective open access requirements under Singapore's Next Generation Nationwide Broadband Network.

In prior years, Singtel had sold certain infrastructure assets, namely ducts, manholes and exchange buildings ("**Assets**") to NLT. At the consolidated level, the gain on disposal of Assets recognised by Singtel is deferred in the Group's statement of financial position and amortised over the useful lives of the Assets. The unamortised deferred gain is released to the Group's income statement when NLT is partially or fully sold, based on the proportionate equity interest disposed.

Singtel sold its 100% interest in NLT to NetLink NBN Trust (the "**Trust**") in July 2017 for cash as well as a 24.8% interest in the Trust. Net deferred gains of S$1.10 billion were correspondingly released to the Group's income statement in the previous financial year upon this sale. Following the divestment, Singtel ceased to own units in NLT but continues to have an interest of 24.8% in the Trust which owns all the units in NLT.

32. OTHER NON-CURRENT LIABILITIES

	Group			Company		
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil
Performance share liability	**5.4**	7.0	7.0	**5.4**	7.0	7.0
Other payables	**284.4**	288.1	317.2	**21.1**	24.4	16.7
	289.8	295.1	324.2	**26.5**	31.4	23.7

Other payables mainly relate to accruals of rental for certain network sites, long-term employee entitlements and asset retirement obligations.

33. SHARE CAPITAL

Group and Company	Number of shares Mil	Share capital S$ Mil
Balance as at 31 March 2019, 31 March 2018 and 1 April 2017	16,329.1	4,127.3

All issued shares are fully paid and have no par value. The issued shares carry one vote per share and a right to dividends as and when declared by the Company.

33. SHARE CAPITAL *(Cont'd)*

Capital Management

The Group is committed to delivering dividends that increase over time with growth in underlying earnings, while maintaining an optimal capital structure and investment grade credit ratings. The Group monitors capital based on gross and net gearing ratios. In order to achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce its borrowings.

From time to time, the Group purchases its own shares from the market. The shares purchased are primarily for delivery to employees upon vesting of performance shares awarded under Singtel performance share plans. The Group can also cancel the shares which are repurchased from the market.

There were no changes in the Group's approach to capital management during the financial year.

34. DIVIDENDS

	Group		Company	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Final dividend of 10.7 cents (2018: 10.7 cents) per share, paid	**1,746.7**	1,746.6	**1,747.2**	1,747.2
Interim dividend of 6.8 cents (2018: 6.8 cents) per share, paid	**1,109.9**	1,110.0	**1,110.4**	1,110.4
Special dividend of nil (2018: 3.0 cents) per share, paid	**-**	489.7	**-**	489.9
	2,856.6	3,346.3	**2,857.6**	3,347.5

During the financial year, a final one-tier tax exempt ordinary dividend of 10.7 cents per share, totalling S$1.75 billion was paid in respect of the previous financial year ended 31 March 2018. In addition, an interim one-tier tax exempt ordinary dividend of 6.8 cents per share totalling S$1.11 billion was paid in respect of the current financial year ended 31 March 2019.

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

The Directors have proposed a final one-tier tax exempt ordinary dividend of 10.7 cents per share, totalling approximately S$1.75 billion in respect of the current financial year ended 31 March 2019 for approval at the forthcoming Annual General Meeting.

These financial statements do not reflect the above final dividend payable of approximately S$1.75 billion, which will be accounted for in the 'Shareholders' Equity' as an appropriation of 'Retained Earnings' in the next financial year ending 31 March 2020.

35. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The Group classifies fair value measurements using a fair value hierarchy which reflects the significance of the inputs used in determining the measurements. The fair value hierarchy has the following levels –

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);

(b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and

(c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

35.1 Financial assets and liabilities measured at fair value

Group 31 March 2019	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments (**Note 25**)				
- Quoted equity securities	**21.9**	**-**	**-**	**21.9**
- Unquoted investments	**-**	**-**	**625.0**	**625.0**
	21.9	**-**	**625.0**	**646.9**
Derivative financial instruments (**Note 18**)	**-**	**438.7**	**-**	**438.7**
	21.9	**438.7**	**625.0**	**1,085.6**
Financial liabilities				
Derivative financial instruments (**Note 18**)	**-**	**158.7**	**-**	**158.7**
	-	**158.7**	**-**	**158.7**

Group 31 March 2018	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments (**Note 25**)				
- Quoted equity securities	10.0	-	-	10.0
- Unquoted investments	-	-	187.9	187.9
	10.0	-	187.9	197.9
Derivative financial instruments (**Note 18**)	-	410.9	-	410.9
	10.0	410.9	187.9	608.8
Financial liabilities				
Derivative financial instruments (**Note 18**)	-	346.3	-	346.3
	-	346.3	-	346.3

35.1 Financial assets and liabilities measured at fair value *(Cont'd)*

Group 1 April 2017	**Level 1 S$ Mil**	**Level 2 S$ Mil**	**Level 3 S$ Mil**	**Total S$ Mil**
Financial assets				
FVOCI investments (**Note 25**)				
- Quoted equity securities	33.3	-	-	33.3
- Unquoted investments	-	-	159.6	159.6
	33.3	-	159.6	192.9
Derivative financial instruments (**Note 18**)	-	540.5	-	540.5
	33.3	540.5	159.6	733.4
Financial liabilities				
Derivative financial instruments (**Note 18**)	-	295.2	-	295.2
	-	295.2	-	295.2

Company 31 March 2019	**Level 1 S$ Mil**	**Level 2 S$ Mil**	**Level 3 S$ Mil**	**Total S$ Mil**
Financial assets				
FVOCI investments (**Note 25**)				
- Quoted equity securities	**5.3**	**-**	**-**	**5.3**
Derivative financial instruments (**Note 18**)	**-**	**126.6**	**-**	**126.6**
	5.3	**126.6**	**-**	**131.9**
Financial liabilities				
Derivative financial instruments (**Note 18**)	**-**	**192.3**	**-**	**192.3**
	-	**192.3**	**-**	**192.3**

Company 31 March 2018	**Level 1 S$ Mil**	**Level 2 S$ Mil**	**Level 3 S$ Mil**	**Total S$ Mil**
Financial assets				
FVOCI investments (**Note 25**)				
- Quoted equity securities	5.5	-	-	5.5
Derivative financial instruments (**Note 18**)	-	200.7	-	200.7
	5.5	200.7	-	206.2
Financial liabilities				
Derivative financial instruments (**Note 18**)	-	335.8	-	335.8
	-	335.8	-	335.8

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35.1 Financial assets and liabilities measured at fair value *(Cont'd)*

Company **1 April 2017**	**Level 1** **S$ Mil**	**Level 2** **S$ Mil**	**Level 3** **S$ Mil**	**Total** **S$ Mil**
Financial assets				
FVOCI investments (**Note 25**)				
– Quoted equity securities	29.1	–	–	29.1
– Unquoted investments	–	–	8.3	8.3
	29.1	–	8.3	37.4
Derivative financial instruments (**Note 18**)	–	389.4	–	389.4
	29.1	389.4	8.3	426.8
Financial liabilities				
Derivative financial instruments (**Note 18**)	–	452.8	–	452.8
	–	452.8	–	452.8

See **Note 2.16** for the policies on fair value estimation of the financial assets and liabilities.

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

	Group		**Company**	
	2019 **S$ Mil**	**2018** **S$ Mil**	**2019** **S$ Mil**	**2018** **S$ Mil**
FVOCI investments – unquoted				
Balance as at 1 April, previously reported	**86.1**	90.3	**–**	8.3
Effects of adoption of SFRS(I) 9	**101.8**	69.3	**–**	–
Balance as at 1 April, restated	**187.9**	159.6	**–**	8.3
Total gains/ (losses) included in 'Fair Value Reserve'	**4.1**	(6.3)	**–**	0.3
Additions	**437.1**	59.6	**–**	–
Disposals	**(2.3)**	(24.2)	**–**	(8.6)
Transfer out from Level 3	**(10.1)**	–	**–**	–
Translation differences	**8.3**	(0.8)	**–**	–
Balance as at 31 March	**625.0**	187.9	**–**	–

35.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed)

	Carrying Value	Fair value			
	S$ Mil	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
<u>As at 31 March 2019</u>					
Financial liabilities					
Group					
Bonds (**Note 28.1**)	**7,946.0**	**6,235.4**	**2,013.0**	**-**	**8,248.4**
Company					
Bonds (**Note 28.1**)	**786.5**	**936.4**	**-**	**-**	**936.4**
<u>As at 31 March 2018</u>					
Financial liabilities					
Group					
Bonds (**Note 28.1**)	7,884.9	5,459.8	2,680.4	-	8,140.2
Company					
Bonds (**Note 28.1**)	739.5	879.1	-	-	879.1
<u>As at 1 April 2017</u>					
Financial liabilities					
Group					
Bonds (**Note 28.1**)	8,726.6	6,722.9	2,402.9	-	9,125.8
Company					
Bonds (**Note 28.1**)	802.7	957.0	-	-	957.0

See **Note 2.16** on the basis of estimating the fair values and **Note 18** for information on the derivative financial instruments used for hedging the risks associated with the borrowings.

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

36.1 Financial Risk Factors

The Group's activities are exposed to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk, liquidity risk and market risk. The Group's overall risk management seeks to minimise the potential adverse effects of these risks on the financial performance of the Group.

The Group uses financial instruments such as currency forwards, cross currency and interest rate swaps, and foreign currency borrowings to hedge certain financial risk exposures. No financial derivatives are held or sold for speculative purposes.

The Directors assume responsibility for the overall financial risk management of the Group. For the financial year ended 31 March 2019, the Risk Committee and Finance and Investment Committee ("**FIC**"), which are committees of the Board, assisted the Directors in reviewing and establishing policies relating to financial risk management in accordance with the policies and directives of the Directors.

36.2 Foreign Exchange Risk

The foreign exchange risk of the Group arises from subsidiaries, associates and joint ventures operating in foreign countries, mainly Australia, India, Indonesia, the Philippines, Thailand and the United States of America. Additionally, the Group's joint venture in India, Bharti Airtel Limited, is primarily exposed to foreign exchange risks from its operations in Sri Lanka and 14 countries across Africa. Translation risks of overseas net investments are not hedged unless approved by the FIC.

The Group has borrowings denominated in foreign currencies that have primarily been hedged into the functional currency of the respective borrowing entities using cross currency swaps in order to reduce the foreign currency exposure on these borrowings. As the hedges are intended to be perfect, any change in the fair value of the cross currency swaps has minimal impact on profit and equity.

The Group Treasury Policy, as approved by the FIC, is to substantially hedge all known transactional currency exposures. The Group generates revenue, receives foreign dividends and incurs costs in currencies which are other than the functional currencies of the operating units, thus giving rise to foreign exchange risk. The currency exposures are primarily for the Australian Dollar, Euro, Hong Kong Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Pound Sterling, Thai Baht, United States Dollar and Japanese Yen.

Foreign currency purchases and forward currency contracts are used to reduce the Group's transactional exposure to foreign currency exchange rate fluctuations. The foreign exchange difference on trade balances is disclosed under **Note 6** and the foreign exchange difference on non-trade balances is disclosed under **Note 10**.

36.2 Foreign Exchange Risk *(Cont'd)*

The critical terms (i.e. the notional amount, maturity and underlying) of the derivative financial instruments and their corresponding hedged items are the same. The Group performs a qualitative assessment of effectiveness and it is expected that derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the derivative financial instruments, which is not reflected in the fair value of the hedged items attributable to changes in foreign currency rates. No other source of ineffectiveness emerged from these hedging relationships.

All hedge relationships remain effective and there is no hedge relationship in which hedge accounting is no longer applied.

36.3 Interest Rate Risk

The Group has cash balances placed with reputable banks and financial institutions which generate interest income for the Group. The Group manages its interest rate risks on its interest income by placing the cash balances on varying maturities and interest rate terms.

The Group's borrowings include bank borrowings and bonds. The borrowings expose the Group to interest rate risk. The Group seeks to minimise its exposure to these risks by entering into interest rate swaps over the duration of its borrowings. Interest rate swaps entail the Group agreeing to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2019, after taking into account the effect of interest rate swaps, approximately 66% (31 March 2018: 67%) of the Group's borrowings were at fixed rates of interest.

As at 31 March 2019, assuming that the market interest rate is 50 basis points higher or lower and with no change to the other variables, the annualised interest expense on borrowings would be higher or lower by S$15.4 million (2018: S$15.5 million).

The critical terms (i.e. the notional amount, maturity and underlying) of the derivative financial instruments and their corresponding hedged items are the same. The Group performs a qualitative assessment of effectiveness and it is expected that derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swaps, which is not reflected in the fair value of the hedge items attributable to changes in interest rates. No other source of ineffectiveness emerged from these hedging relationships.

Interest rate swap contracts paying fixed rate interest amounts are designated and effective as cash flow hedges in reducing the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the borrowings occur simultaneously and the amount accumulated in equity is reclassified to the income statement over the period that the floating rate interest payments on borrowings affect the income statement.

36.3 Interest Rate Risk *(Cont'd)*

Interest rate swap contracts paying floating rate interest amounts are designated and effective as fair value hedges of interest rate movements. During the year, the hedge was fully effective in hedging the fair value exposure to interest rate movements. The carrying amount of the bond decreased by S$23.5 million which was included in the income statement at the same time that the fair value of the interest rate swap was included in the income statement.

As at 31 March 2019, S$2.54 billion of borrowings was designated in fair value hedge relationships. All hedge relationships remained effective and there was no hedge relationship in which hedge accounting could no longer be applied.

36.4 Credit Risk

Financial assets that potentially subject the Group to concentrations of credit risk consist primarily of trade receivables, contract assets, cash and cash equivalents and financial instruments used in hedging activities.

The Group has no significant concentration of credit risk from trade receivables and contract assets due to its diverse customer base. Credit risk is managed through the application of credit assessment and approvals, credit limits and monitoring procedures. Where appropriate, the Group obtains deposits or bank guarantees from customers or enters into credit insurance arrangements. The Group's exposure to credit risk and the measurement bases used to determine expected credit losses is disclosed in **Note 16**.

The Group places its cash and cash equivalents with a number of major commercial banks and other financial institutions with high credit ratings. Derivative counter-parties are limited to high credit rating commercial banks and other financial institutions. The Group has policies that limit the financial exposure to any one financial institution.

36.5 Liquidity Risk

To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Group aims at maintaining funding flexibility with adequate committed and uncommitted credit lines available to ensure that the Group is able to meet the short-term obligations of the Group as they fall due.

The maturity profile of the Group's borrowings and related swaps based on expected contractual undiscounted cash flows is disclosed in **Note 28.5**.

36.6 Market Risk

The Group has investments in quoted equity shares. The market value of these investments will fluctuate with market conditions.

37. SEGMENT INFORMATION

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

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

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

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

Group Digital Life ("**GDL**") focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage. It focuses on three key businesses in digital life – digital marketing (Amobee), regional premium over-the-top video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel's digital innovation engine through Innov8.

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

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

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

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37. SEGMENT INFORMATION *(Cont'd)*

The Group's reportable segments by the three business segments for the financial years ended 31 March 2019 and 31 March 2018 were as follows –

Group - 2019	**Group Consumer S$ Mil**	**Group Enterprise S$ Mil**	**Group Digital Life S$ Mil**	**Corporate S$ Mil**	**Group Total S$ Mil**
Operating revenue	**9,818.6**	**6,329.3**	**1,223.8**	**-**	**17,371.7**
Operating expenses	**(6,803.9)**	**(4,701.7)**	**(1,315.2)**	**(83.7)**	**(12,904.5)**
Other income/ (expense)	**151.6**	**67.6**	**(0.3)**	**5.8**	**224.7**
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	**3,166.3**	**1,695.2**	**(91.7)**	**(77.9)**	**4,691.9**
Share of pre-tax results of associates and joint ventures					
- Airtel	**(511.2)**	**-**	**-**	**-**	**(511.2)**
- Telkomsel	**1,128.3**	**-**	**-**	**-**	**1,128.3**
- Globe	**367.8**	**-**	**-**	**-**	**367.8**
- AIS	**343.2**	**-**	**-**	**-**	**343.2**
- Intouch	**96.1**	**-**	**-**	**-**	**96.1**
- Others	**1.0**	**-**	**-**	**110.7**	**111.7**
	1,425.2	**-**	**-**	**110.7**	**1,535.9**
EBITDA and share of pre-tax results of associates and joint ventures	**4,591.5**	**1,695.2**	**(91.7)**	**32.8**	**6,227.8**
Depreciation and amortisation	**(1,544.5)**	**(614.8)**	**(60.3)**	**(2.6)**	**(2,222.2)**
Earnings before interest and tax ("EBIT")	**3,047.0**	**1,080.4**	**(152.0)**	**30.2**	**4,005.6**
Segment assets					
Investment in associates and joint ventures					
- Airtel	**7,420.4**	**-**	**-**	**-**	**7,420.4**
- Telkomsel	**3,313.0**	**-**	**-**	**-**	**3,313.0**
- Globe	**1,175.7**	**-**	**-**	**-**	**1,175.7**
- AIS	**864.0**	**-**	**-**	**-**	**864.0**
- Intouch	**1,701.6**	**-**	**-**	**-**	**1,701.6**
- Others	**24.3**	**-**	**-**	**419.1**	**443.4**
	14,499.0	**-**	**-**	**419.1**	**14,918.1**
Goodwill on acquisition of subsidiaries	**9,190.0**	**1,211.0**	**1,137.3**	**-**	**11,538.3**
Other assets	**13,512.4**	**5,705.6**	**949.0**	**2,291.4**	**22,458.4**
	37,201.4	**6,916.6**	**2,086.3**	**2,710.5**	**48,914.8**

37. SEGMENT INFORMATION *(Cont'd)*

Group - 2018	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Operating revenue	9,711.0	6,476.7	1,080.3	-	17,268.0
Operating expenses	(6,595.5)	(4,658.1)	(1,133.4)	(89.3)	(12,476.3)
Other income	206.9	44.8	1.8	5.3	258.8
EBITDA	3,322.4	1,863.4	(51.3)	(84.0)	5,050.5
Share of pre-tax results of associates and joint ventures					
- Airtel	199.3	-	-	-	199.3
- Telkomsel	1,372.4	-	-	-	1,372.4
- Globe	289.1	-	-	-	289.1
- AIS	347.4	-	-	-	347.4
- Intouch	103.0	-	-	-	103.0
- Others	0.9	-	-	148.7	149.6
	2,312.1	-	-	148.7	2,460.8
EBITDA and share of pre-tax results of associates and joint ventures	5,634.5	1,863.4	(51.3)	64.7	7,511.3
Depreciation and amortisation	(1,571.9)	(607.8)	(69.1)	(1.2)	(2,250.0)
EBIT	4,062.6	1,255.6	(120.4)	63.5	5,261.3
Segment assets					
Investment in associates and joint ventures					
- Airtel	7,453.1	-	-	-	7,453.1
- Telkomsel	3,416.1	-	-	-	3,416.1
- Globe	1,054.4	-	-	-	1,054.4
- AIS	775.7	-	-	-	775.7
- Intouch	1,641.2	-	-	-	1,641.2
- Others	23.6	-	-	422.6	446.2
	14,364.1	-	-	422.6	14,786.7
Goodwill on acquisition of subsidiaries	9,192.9	1,167.5	1,011.8	-	11,372.2
Other assets	13,742.3	5,844.7	725.6	2,024.0	22,336.6
	37,299.3	7,012.2	1,737.4	2,446.6	48,495.5

37. SEGMENT INFORMATION *(Cont'd)*

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

	Group	
	2019 S$ Mil	2018 S$ Mil
EBIT	**4,005.6**	5,261.3
Share of exceptional items of associates and joint ventures (post-tax)	**301.1**	(16.7)
Share of tax expense of associates and joint ventures	**(274.3)**	(640.1)
Exceptional items	**68.2**	1,895.1
Profit before interest, investment income (net) and tax	**4,100.6**	6,499.6
Interest and investment income (net)	**38.1**	45.5
Finance costs	**(392.8)**	(390.2)
Profit before tax	**3,745.9**	6,154.9

The Group's revenue from its major products and services are disclosed in **Note 4**.

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 38% (2018: 38%) and 52% (2018: 52%) of the total revenue for the financial year ended 31 March 2019, with the remaining 10% (2018: 10%) from the United States of America and other countries where the Group operates in. The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

The Group has a large and diversified customer base which consists of individuals and corporations. There was no single customer that contributed 10% or more of the Group's revenue for the financial years ended 31 March 2019 and 31 March 2018.

38. OPERATING LEASE COMMITMENTS

As at 31 March 2019, the future aggregate lease payments for the remaining lease periods (including renewal periods where the Group is reasonably certain to exercise the renewals) under operating leases but not recognised as liabilities, were as follows:

	Group S$ Mil	Company S$ Mil
Not later than one year	**430.2**	**82.5**
Later than one but not later than five years	**1,517.0**	**308.5**
Later than five years	**1,471.1**	**495.6**
	3,418.3	**886.6**

39. COMMITMENTS

39.1 The commitments for capital and operating expenditures, and investments which had not been recognised in the financial statements, excluding the commitments shown under **Note 39.2** and **Note 39.3**, were as follows –

	Group		Company	
	31 March 2019 S$ Mil	31 March 2018 S$ Mil	31 March 2019 S$ Mil	31 March 2018 S$ Mil
Authorised and contracted for	**1,334.7**	865.3	**250.3**	87.5

39.2 As at 31 March 2019, the Group's commitments for the purchase of broadcasting programme rights were S$926 million (31 March 2018: S$693 million). The commitments included only the minimum guaranteed amounts payable under the respective contracts and did not include amounts that may be payable based on revenue share arrangement which cannot be reliably determined as at the end of the reporting period.

39.3 On 7 March 2019, Singtel announced that it will subscribe to Airtel's rights issue based on its rights entitlement for its direct stake of 15%. The total consideration for the subscription is approximately S$735 million. The rights issue will close on 17 May 2019 and is expected to complete in early June 2019.

40. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES

(a) <u>**Guarantees**</u>

As at 31 March 2019,

(i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S$592.4 million and S$109.1 million (31 March 2018: S$570.4 million and S$146.4 million) respectively.

(ii) The Company provided guarantees for loans of S$1.24 billion (31 March 2018: S$1.18 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly-owned subsidiary, with maturities between December 2019 and September 2021.

(iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S$3.95 billion (31 March 2018: S$4.04 billion) due between April 2020 and August 2028.

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

In December 2018, Singtel Group received additional assessments amounting to S$120 million from the Inland Revenue Authority of Singapore for reduction in group relief claims in Year of Assessment 2014. Singtel has objected to the additional assessments. The final payment due date has not been indicated by the Inland Revenue Authority of Singapore.

The Group has received advice from external experts in relation to the above matters and will vigorously defend its position. Accordingly, no provision has been made as at 31 March 2019.

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40. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES *(Cont'd)*

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

41. SIGNIFICANT CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES

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

On 8 January 2013, the local regulator, Department of Telecommunications ("**DOT**") issued a demand on Airtel Group for Rs. 52.01 billion (S$1.02 billion) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S$1.65 billion).

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licences issued in the past. Airtel believes, based on independent legal opinion and its evaluation, that it is not probable that any material part of the claim will be awarded against Airtel and therefore, pending outcome of this matter, no provision has been recognised.

As at 31 March 2019, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 166 billion (S$3.25 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

(b) AIS, a joint venture of the Group, has various commercial disputes and significant litigations.

In 2008, CAT Telecom Public Company Limited ("**CAT**") demanded that AIS' subsidiary, Digital Phone Company Limited ("**DPC**") pay additional revenue share of THB 3.4 billion (S$146 million) arising from the abolishment of excise tax. CAT's claim is still pending appeal before the Supreme Administrative Court.

In 2015, TOT Public Company Limited ("**TOT**") demanded that AIS pays additional revenue share of THB 62.8 billion (S$2.68 billion) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. This case is pending arbitration.

Between 2011 and 2016, TOT demanded that AIS pays additional revenue share based on gross interconnection income from 2007 to 2015 amounting to THB 36.2 billion (S$1.55 billion) plus interest. On 17 August 2018, the Arbitration Institute awarded in favour of AIS in deciding that TOT has no right to claim for revenue share on gross interconnection income for the period from 2007 to 2010 amounting to THB 17.8 billion (S$760 million). The claims for the remaining period from 2011 to 2015 amounting to THB 18.4 billion (S$784 million) are pending arbitration.

Between 2014 to 2016, TOT demanded that AIS pays THB 41.1 billion (S$1.76 billion) plus interest for the porting of subscribers from 900 MHz to 2100 MHz network. In February 2019, the Arbitration Institute resolved the dispute in favour of AIS. TOT is eligible to file a petition within 90 days.

41. SIGNIFICANT CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES *(Cont'd)*

In March 2018, CAT demanded DPC to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S$573 million) or to pay the same amount plus interest. This case is pending arbitration.

In September 2018, TOT demanded that AIS pays additional revenue share from disputes on roaming rates from July 2013 to September 2015, amounting to THB 16.3 billion (S$694 million).

As at 31 March 2019, there are a number of other claims against AIS and its subsidiaries amounting to THB 30.1 billion (S$1.28 billion) which are pending adjudication.

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

(c) In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited ("**Thaicom**") received letters from the Ministry of Digital Economy and Society (the "**Ministry**") stating that Thaicom 7 and Thaicom 8 satellites (the "**Satellites**") are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the Agreement but instead under the licence from the National Broadcasting and Telecommunications Commission. This case is pending arbitration.

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

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

(e) As at 31 March 2019, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 71 billion (S$7 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY

The adoption of SFRS(I) had no material effect on the financial statements prepared under FRS, except as described below:

SFRS(I) 1, *First-time Adoption of Singapore Financial Reporting Standards (International)*

The Group has made the following adjustments to the opening statement of financial position as at 1 April 2017 arising from the transition options:

(a) The cumulative currency translation loss of the Group has been transferred to retained earnings.

(b) Fair value has been used as the 'deemed cost' for certain property, plant and equipment.

SFRS(I) 9, *Financial Instruments*

SFRS(I) 9 introduces new requirements for classification and measurement of financial assets and financial liabilities, general hedge accounting and impairment requirements for financial assets. Equity investments previously accounted for as 'Available-For-Sale' (AFS) investments are accounted for as 'Fair Value through Other Comprehensive Income' (FVOCI) investments. Lifetime expected credit losses are recognised for trade receivables and contract assets.

SFRS(I) 15, *Revenue from Contracts with Customers*

SFRS(I) 15 establishes a single comprehensive model of accounting for revenue arising from contracts with customers. The standard requires companies to apportion revenue earned from contracts to performance obligations based on a five-step model on a relative standalone selling price basis. It also introduces new contract cost guidance and requires certain additional disclosures.

The Group has applied the retrospective method in the initial application of SFRS(I) 15, including the use of practical expedients. Contracts that ended before 1 April 2017 (the first comparative reporting period) were not restated. The adoption of SFRS(I) 15 resulted in the following key effects at the consolidated level:

(a) An increase in revenue allocated to sales of equipment, which are based on their relative standalone selling prices, and a reduction in mobile service revenue over the customer contract term.

(b) An increase in cost of sales and a reduction in mobile customer acquisition costs.

(c) Commission paid to dealers and own sales force are capitalised and amortised as operating expenses over the customer contract term in the income statement. Capitalised contract costs are included in 'Other assets' under non-current assets.

(d) An increase in contract assets, comprising mainly unbilled equipment receivables arising from upfront recognition of revenue from sales of equipment. Contract assets are included in 'Trade and other receivables' under current assets as they are expected to be realised in the normal operating cycle.

(e) An increase in contract liabilities, comprising mainly deferred revenue in respect of mobile price plan discount vouchers given. Contract liabilities are included in 'Trade and other payables' under current liabilities.

There are no material differences between the consolidated statement of cash flows presented under SFRS(I) and FRS.

42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY *(Cont'd)*

The tables below summarised the impact of adopting SFRS(I) 1, SFRS(I) 9 and SFRS(I) 15 for the previous financial year ended, and as at 31 March 2018 and 1 April 2017.

Income statement for the financial year ended 31 March 2018

Group	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Operating revenue	17,531.8	(263.8)	17,268.0
Operating expenses	(12,701.5)	225.2	(12,476.3)
Other income	258.8	-	258.8
	5,089.1	(38.6)	5,050.5
Depreciation and amortisation	(2,340.1)	90.1	(2,250.0)
	2,749.0	51.5	2,800.5
Exceptional items	1,940.4	(45.3)	1,895.1
Profit on operating activities	4,689.4	6.2	4,695.6
Share of results of associates and joint ventures	1,786.7	17.3	1,804.0
Profit before interest, investment income (net) and tax	6,476.1	23.5	6,499.6
Interest and investment income (net)	45.6	(0.1)	45.5
Finance costs	(390.2)	-	(390.2)
Profit before tax	6,131.5	23.4	6,154.9
Tax expense	(701.2)	(1.8)	(703.0)
Profit after tax	5,430.3	21.6	5,451.9
Attributable to:			
Shareholders of the Company	5,451.4	21.6	5,473.0
Non-controlling interests	(21.1)	-	(21.1)
	5,430.3	21.6	5,451.9
Earnings per share attributable to shareholders of the Company			
- basic	33.40¢		33.53¢
- diluted	33.35¢		33.48¢

Statement of comprehensive income for the financial year ended 31 March 2018

Group	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Profit after tax	5,430.3	21.6	5,451.9
Other comprehensive loss, net of tax	(652.1)	8.7	(643.4)
Total comprehensive income	4,778.2	30.3	4,808.5
Attributable to:			
Shareholders of the Company	4,798.6	30.3	4,828.9
Non-controlling interests	(20.4)	-	(20.4)
	4,778.2	30.3	4,808.5

Notes to the Financial Statements

For the financial year ended 31 March 2019

42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY *(Cont'd)*

Statement of Financial Position as at 31 March 2018

Group	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Current assets			
Cash and cash equivalents	524.9	–	524.9
Trade and other receivables	5,035.4	778.3	5,813.7
Inventories	397.4	–	397.4
Derivative financial instruments	23.2	(0.6)	22.6
	5,980.9	777.7	6,758.6
Non-current assets			
Property, plant and equipment	11,800.8	(346.7)	11,454.1
Intangible assets	13,969.1	–	13,969.1
Joint ventures	12,782.6	3.9	12,786.5
Associates	2,005.5	(5.3)	2,000.2
Available-for-sale investments	197.9	(197.9)	–
Fair value through other comprehensive income investments	–	197.9	197.9
Derivative financial instruments	409.6	(21.3)	388.3
Deferred tax assets	360.1	(7.1)	353.0
Trade and other receivables	747.2	(747.2)	–
Other assets	–	587.8	587.8
	42,272.8	(535.9)	41,736.9
Total assets	48,253.7	241.8	48,495.5
Current liabilities			
Trade and other payables	5,233.9	137.1	5,371.0
Advance billings	794.1	–	794.1
Current tax liabilities	351.3	–	351.3
Borrowings (unsecured)	1,800.5	–	1,800.5
Borrowings (secured)	23.1	–	23.1
Derivative financial instruments	70.0	(0.7)	69.3
Net deferred gain	20.1	–	20.1
	8,293.0	136.4	8,429.4
Non-current liabilities			
Advance billings	225.1	(3.5)	221.6
Borrowings (unsecured)	8,525.1	61.0	8,586.1
Borrowings (secured)	81.5	–	81.5
Derivative financial instruments	302.2	(25.2)	277.0
Net deferred gain	357.7	–	357.7
Deferred tax liabilities	520.4	15.2	535.6
Other non-current liabilities	295.1	–	295.1
	10,307.1	47.5	10,354.6
Total liabilities	18,600.1	183.9	18,784.0
Net assets	29,653.6	57.9	29,711.5
Share capital and reserves			
Share capital	4,127.3	–	4,127.3
Reserves	25,551.9	57.9	25,609.8
Equity attributable to shareholders of the Company	29,679.2	57.9	29,737.1
Non-controlling interests	(3.2)	–	(3.2)
Other reserve	(22.4)	–	(22.4)
Total equity	29,653.6	57.9	29,711.5

Notes to the Financial Statements

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42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY *(Cont'd)*

Statement of Financial Position as at 31 March 2018

Company	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Current assets			
Cash and cash equivalents	92.0	–	92.0
Trade and other receivables	2,323.9	–	2,323.9
Inventories	21.8	–	21.8
Derivative financial instruments	70.1	–	70.1
	2,507.8	–	2,507.8
Non-current assets			
Property, plant and equipment	2,303.9	(44.5)	2,259.4
Subsidiaries	19,425.9	–	19,425.9
Joint ventures	22.8	–	22.8
Associates	24.7	–	24.7
Available-for-sale investments	5.5	(5.5)	–
Fair value through other comprehensive income investments	–	5.5	5.5
Derivative financial instruments	134.1	(3.5)	130.6
Trade and other receivables	143.7	(143.7)	–
Other assets	–	144.9	144.9
	22,060.6	(46.8)	22,013.8
Total assets	24,568.4	(46.8)	24,521.6
Current liabilities			
Trade and other payables	1,468.4	–	1,468.4
Advance billings	80.1	–	80.1
Current tax liabilities	101.5	–	101.5
Borrowings (secured)	7.4	–	7.4
Derivative financial instruments	84.9	–	84.9
	1,742.3	–	1,742.3
Non-current liabilities			
Advance billings	136.7	–	136.7
Borrowings (unsecured)	673.2	66.3	739.5
Borrowings (secured)	68.5	–	68.5
Derivative financial instruments	279.0	(28.1)	250.9
Deferred tax liabilities	275.6	(7.4)	268.2
Other non-current liabilities	31.4	–	31.4
	1,464.4	30.8	1,495.2
Total liabilities	3,206.7	30.8	3,237.5
Net assets	21,361.7	(77.6)	21,284.1
Share capital and reserves			
Share capital	4,127.3	–	4,127.3
Reserves	17,234.4	(77.6)	17,156.8
Total equity	21,361.7	(77.6)	21,284.1

Notes to the Financial Statements

For the financial year ended 31 March 2019

42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY *(Cont'd)*

Statement of Financial Position as at 1 April 2017

Group	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Current assets			
Cash and cash equivalents	533.8	–	533.8
Trade and other receivables	4,924.2	838.2	5,762.4
Inventories	352.2	–	352.2
Derivative financial instruments	107.3	(1.2)	106.1
	5,917.5	837.0	6,754.5
Non-current assets			
Property, plant and equipment	11,892.9	(436.8)	11,456.1
Intangible assets	13,072.8	–	13,072.8
Joint ventures	12,282.9	2.4	12,285.3
Associates	1,952.2	(5.5)	1,946.7
Available-for-sale investments	192.9	(192.9)	–
Fair value through other comprehensive income investments	–	192.9	192.9
Derivative financial instruments	455.2	(20.8)	434.4
Deferred tax assets	657.8	(22.9)	634.9
Trade and other receivables	769.5	(769.5)	–
Other assets	–	592.0	592.0
Loan to an associate	1,100.5	–	1,100.5
	42,376.7	(661.1)	41,715.6
Total assets	48,294.2	175.9	48,470.1
Current liabilities			
Trade and other payables	4,922.4	132.4	5,054.8
Advance billings	835.4	25.7	861.1
Current tax liabilities	296.3	–	296.3
Borrowings (unsecured)	3,046.9	(0.3)	3,046.6
Borrowings (secured)	86.7	–	86.7
Derivative financial instruments	15.8	–	15.8
Net deferred gain	68.8	–	68.8
	9,272.3	157.8	9,430.1
Non-current liabilities			
Advance billings	245.7	(3.8)	241.9
Borrowings (unsecured)	7,852.7	45.5	7,898.2
Borrowings (secured)	199.6	–	199.6
Derivative financial instruments	303.1	(23.7)	279.4
Net deferred gain	1,282.7	–	1,282.7
Deferred tax liabilities	574.6	(1.8)	572.8
Other non-current liabilities	349.9	(25.7)	324.2
	10,808.3	(9.5)	10,798.8
Total liabilities	20,080.6	148.3	20,228.9
Net assets	28,213.6	27.6	28,241.2
Share capital and reserves			
Share capital	4,127.3	–	4,127.3
Reserves	24,086.3	27.6	24,113.9
Equity attributable to shareholders of the Company	28,213.6	27.6	28,241.2
Non-controlling interests	22.4	–	22.4
Other reserve	(22.4)	–	(22.4)
Total equity	28,213.6	27.6	28,241.2

42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY *(Cont'd)*

Statement of Financial Position as at 1 April 2017

Company	Previously reported S$ Mil	Adjustments S$ Mil	Restated S$ Mil
Current assets			
Cash and cash equivalents	89.2	-	89.2
Trade and other receivables	1,673.3	-	1,673.3
Inventories	23.8	-	23.8
Derivative financial instruments	107.1	(1.2)	105.9
	1,893.4	(1.2)	1,892.2
Non-current assets			
Property, plant and equipment	2,326.5	(59.9)	2,266.6
Subsidiaries	17,441.0	-	17,441.0
Joint ventures	23.0	-	23.0
Associates	603.5	-	603.5
Available-for-sale investments	37.4	(37.4)	-
Fair value through other comprehensive income investments	-	37.4	37.4
Derivative financial instruments	284.9	(1.4)	283.5
Trade and other receivables	155.1	(155.1)	-
Other assets	-	161.0	161.0
Loan to an associate	1,100.5	-	1,100.5
	21,971.9	(55.4)	21,916.5
Total assets	23,865.3	(56.6)	23,808.7
Current liabilities			
Trade and other payables	1,602.0	-	1,602.0
Advance billings	74.8	-	74.8
Current tax liabilities	100.6	-	100.6
Borrowings (secured)	1.5	-	1.5
Derivative financial instruments	110.0	(1.2)	108.8
	1,888.9	(1.2)	1,887.7
Non-current liabilities			
Advance billings	138.3	-	138.3
Borrowings (unsecured)	746.2	56.5	802.7
Borrowings (secured)	157.2	-	157.2
Derivative financial instruments	370.0	(26.0)	344.0
Deferred tax liabilities	282.2	(9.2)	273.0
Other non-current liabilities	23.7	-	23.7
	1,717.6	21.3	1,738.9
Total liabilities	3,606.5	20.1	3,626.6
Net assets	20,258.8	(76.7)	20,182.1
Share capital and reserves			
Share capital	4,127.3	-	4,127.3
Reserves	16,131.5	(76.7)	16,054.8
Total equity	20,258.8	(76.7)	20,182.1

43. EFFECTS OF ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

The new and revised accounting standards effective from 1 April 2019 are not expected to have a significant impact on the financial statements of the Group in the next financial year ending 31 March 2020 except for SFRS(I) 16, *Leases*.

SFRS(I) 16 requires lessees to adopt a single lease accounting model with leases recognised as lease liabilities in the statement of financial position, with corresponding "right-of-use" assets. In the income statement, depreciation charges on the "right-of-use" assets and interest expense on the lease liability will be recorded. In the statement of cash flows, lease payments will be classified as financing cash flows. The new standard also specifies new accounting rules for sales and leaseback of assets, as well as for subleases of leased assets under certain circumstances. The standard continues to adopt a dual accounting lease model for lessor accounting.

The Group will apply SFRS(I) 16 using the modified retrospective approach where the cumulative effect of initial application will be reflected as an adjustment to the opening statement of financial position as at 1 April 2019. The standard will be applied prospectively with no restatement of financial statements for the comparative periods.

On transition, the Group will elect the practical expedients permitted by the new standard, including carrying forward the historical lease classification, as well as excluding all leases with original maturities of one year or less, and leases of low value assets.

The Group is a lessee mainly for operating leases of facilities such as central offices, data centres, corporate offices, retail stores, network equipment, ducts and manholes.

In Australia, the Group sells and leases back handsets (as a lessee) from a bank for subleasing to its customers (as an intermediate lessor). Before the adoption of SFRS(I) 16, the profit on sale of handset is accounted in full upon delivery, the lease payments made (as a lessee) are accounted as operating lease expenses over the contract period, and the lease income received (as an intermediate lessor) are recognised as operating lease income over the contract period. Under SFRS(I) 16, however, the profit on sale and leaseback of handset to be recognised is subject to the proportion attributable to the bank and an upfront gain or loss on finance lease of leased handsets will be recognised.

The Group is still in the process of quantifying the impact of SFRS(I) 16 on the financial statements.

44. COMPANIES IN THE GROUP

The Company's immediate and ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore. The following were the significant subsidiaries as well as associates and joint ventures as at 31 March 2019 and 31 March 2018.

44. COMPANIES IN THE GROUP *(Cont'd)*

44.1 Significant subsidiaries incorporated in Singapore

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group 2019 %	2018 %
1.	Amobee Asia Pte. Ltd.	Provision of internet advertising solutions	100	100
2.	DataSpark Pte. Ltd.	Develop and market data analytics and insights products and services	100	100
3.	Group Enterprise Pte. Ltd.	Telecommunications resellers and third party telecommunications providers	100	100
4.	HOOQ Digital Pte. Ltd.	Provision of regional premium over-the-top video services	65	65
5.	NCS Communications Engineering Pte. Ltd.	Provision of facilities management and consultancy services, and distributor of specialised telecommunications and data communication products	100	100
6.	NCS Pte. Ltd.	Provision of information technology and consultancy services	100	100
7.	NCSI Solutions Pte. Ltd.	Provision of information technology services	100	100
8.	SCS Computer Systems Pte. Ltd.	Provision of information technology services	100	100
9.	Singapore Telecom International Pte Ltd	Holding of strategic investments and provision of technical and management consultancy services	100	100
10.	SingNet Pte Ltd	Provision of internet access and pay television services	100	100
11.	Singtel Cyber Security (Singapore) Pte. Ltd.	Provision of information security services and products	100	100
12.	Singtel Innov8 Ventures Pte. Ltd.	Provision of fund management services	100	100
13.	Singtel Mobile Singapore Pte. Ltd.	Operation and provision of cellular mobile telecommunications systems and services, and sale of telecommunications equipment	100	100
14.	ST-2 Satellite Ventures Private Limited	Provision of satellite capacity for telecommunications and video broadcasting services	61.9	61.9
15.	Sembawang Cable Depot Pte Ltd	Provision of storage facilities for submarine telecommunication cables and related equipment	60	60

Notes to the Financial Statements

For the financial year ended 31 March 2019

44.1 Significant subsidiaries incorporated in Singapore *(Cont'd)*

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group 2019 %	2018 %
16.	Singtel Digital Media Pte Ltd	Development and management of on-line internet portal	100	100
17.	SingtelSat Pte Ltd	Provision of satellite capacity for telecommunications and video broadcasting services	100	100
18.	Telecom Equipment Pte Ltd	Engaged in the sale and maintenance of telecommunications equipment, and mobile finance services	100	100
19.	Trustwave Pte. Ltd.	Provision of information security services and products	100	98

All companies are audited by KPMG LLP.

44.2 Significant subsidiaries incorporated in Australia

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group 2019 %	2018 %
1.	Amobee ANZ Pty Ltd	Provision of internet advertising solutions	100	100
2.	Alphawest Services Pty Ltd [(1)]	Provision of information technology services	100	100
3.	Ensyst Pty Limited	Provision of cloud services	100	100
4.	Hivint Pty Limited	Provision of information security services and products	100	-
5.	NCSI (Australia) Pty Limited	Provision of information technology services	100	100
6.	Optus Administration Pty Limited [(1)]	Provision of management services to the Optus Group	100	100
7.	Optus ADSL Pty Limited [(1)]	Provision of carriage services	100	100
8.	Optus Billing Services Pty Limited [(*)(1)]	Provision of billing services to the Optus Group	100	100
9.	Optus C1 Satellite Pty Limited [(1)]	C1 Satellite contracting party	100	100
10.	Optus Content Pty Limited [(1)]	Provision of digital content acquisition	100	100
11.	Optus Data Centres Pty Limited [(1)]	Provision of data communication services	100	100

44.2 Significant subsidiaries incorporated in Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group 2019 %	2018 %
12.	Optus Fixed Infrastructure Pty Limited [1]	Provision of telecommunications services	100	100
13.	Optus Insurance Services Pty Limited	Provision of handset insurance and related services	100	100
14.	Optus Internet Pty Limited [1]	Provision of services over Hybrid Fibre Co-Axial network and National Broadband Network	100	100
15.	Optus Mobile Pty Limited [1]	Provision of mobile phone services	100	100
16.	Optus Networks Pty Limited [1]	Provision of telecommunications services	100	100
17.	Optus Satellite Pty Limited [1]	Provision of satellite services	100	100
18.	Optus Systems Pty Limited [1]	Provision of information technology services to the Optus Group	100	100
19.	Optus Vision Media Pty Limited [*] [2]	Provision of broadcasting related services	20	20
20.	Optus Vision Pty Limited [1]	Provision of telecommunications services	100	100
21.	Optus Wholesale Pty Limited [1]	Provision of services to wholesale customers	100	100
22.	Prepaid Services Pty Limited [1]	Distribution of prepaid mobile products	100	100
23.	Reef Networks Pty Ltd [1]	Operation and maintenance of fibre optic network between Brisbane and Cairns	100	100
24.	TWH Australia Pty. Ltd.	Provision of information security services and products	100	98
25.	Uecomm Operations Pty Limited [1]	Provision of data communication services	100	100
26.	Virgin Mobile (Australia) Pty Limited [1]	Provision of mobile phone services	100	100
27.	Vividwireless Group Limited [1]	Provision of wireless broadband services	100	100

All companies are audited by KPMG, Australia, except for those companies denoted (*) where no statutory audit is required.

Notes:

(1) These entities are relieved from the Australian Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports pursuant to ASIC Class Order 2016/785 (as amended) dated 30 March 2007.

(2) Optus Vision Media Pty Limited is deemed to be a subsidiary by virtue of control.

Notes to the Financial Statements

For the financial year ended 31 March 2019

44.3 Significant subsidiaries incorporated outside Singapore and Australia

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
1.	Amobee EMEA Limited	Provision of internet advertising solutions	United Kingdom	100	100
2.	Amobee, Inc.	Provision of internet advertising solutions	USA	100	100
3.	Amobee Ltd	Research and development centre	Israel	100	100
4.	Breach Security, Ltd.	Provision of information security services and products	Israel	100	98
5.	GB21 (Hong Kong) Limited (2)	Provision of telecommunications services and products	Hong Kong	–	100
6.	Global Enterprise International Malaysia Sdn. Bhd.	Provision of data communication and value added network services	Malaysia	100	100
7.	HOOQ Digital (India) Private Limited	Provision of over-the-top video services and related activities and services	India	65	65
8.	HOOQ Digital Mauritius Private Limited	Content operations and procurement	Mauritius	65	65
9.	HOOQ Digital (Philippines) Inc.	Provision of market research, sales and marketing support services	Philippines	65	65
10.	HOOQ Digital (Thailand) Company Limited	Provision of market research, sales and marketing support services	Thailand	65	65
11.	Lanka Communication Services (Pvt) Limited	Provision of telecommunications services	Sri Lanka	82.9	82.9
12.	M86 Security International, Ltd.	Provision of information security services and products	United Kingdom	100	98
13.	M86 Security Israel, Ltd.	Provision of information security services and products	Israel	100	98
14.	NCS Information Technology (Suzhou) Co., Ltd. (3)	Software development and provision of information technology services	People's Republic of China	100	100
15.	NCSI (Chengdu) Co., Ltd (3)	Provision of information technology research and development, and other information technology related services	People's Republic of China	100	100

44.3 Significant subsidiaries incorporated outside Singapore and Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
16.	NCSI (HK) Limited	Provision of information technology services	Hong Kong	100	100
17.	NCSI (Malaysia) Sdn Bhd	Provision of information technology services	Malaysia	100	100
18.	NCSI (Philippines) Inc.	Provision of information technology and communication engineering services	Philippines	100	100
19.	NCSI (Shanghai), Co. Ltd (3)	Provision of system integration, software research and development and other information technology related services	People's Republic of China	100	100
20.	SCS Information Technology Sdn Bhd	Consultancy, sale of computer equipment and software including provision of marketing, maintenance and other related services	Brunei	100	100
21.	Singtel Global Private Limited	Provision of infotainment products and services, and investment holding	Mauritius	100	100
22.	Singtel Global India Private Limited	Provision of telecommunications services and all related activities	India	100	100
23.	Singtel Innov8 Ventures LLC	Provision of investment consulting services	USA	100	100
24.	Singapore Telecom Hong Kong Limited	Provision of telecommunications services and all related activities	Hong Kong	100	100
25.	Singapore Telecom Japan Co Ltd	Provision of telecommunications services and all related activities	Japan	100	100
26.	Singapore Telecom Korea Limited	Provision of telecommunications services and all related activities	South Korea	100	100
27.	Singapore Telecom USA, Inc.	Provision of telecommunications, engineering and marketing services	USA	100	100
28.	Singtel (Europe) Limited	Provision of telecommunications services and all related activities	United Kingdom	100	100
29.	Singtel Taiwan Limited	Provision of telecommunications services and all related activities	Taiwan	100	100
30.	STI Solutions (Shanghai) Co., Ltd	Provision of telecommunications services and all related activities	People's Republic of China	100	100

44.3 Significant subsidiaries incorporated outside Singapore and Australia *(Cont'd)*

	Name of subsidiary	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
31.	Sudong Sdn. Bhd.	Management, provision and operations of a call centre for telecommunications services	Malaysia	100	100
32.	Trustwave Canada, Inc.	Provision of information security services and products	Canada	100	98
33.	Trustwave Government Solutions, LLC	Provision of information security services and products	USA	100	98
34.	Trustwave Holdings, Inc.	Provision of information security services and products	USA	100	98
35.	Trustwave Limited	Provision of information security services and products	United Kingdom	100	98
36.	Trustwave SecureConnect Inc.	Provision of information security services and products	USA	100	98
37.	Turn Europe (UK) Limited	Provision of internet advertising solutions	United Kingdom	100	100

All companies are audited by a member firm of KPMG.

Notes:
(1) The place of business of the subsidiaries are the same as their country of incorporation.
(2) The company has been disposed during the year.
(3) Subsidiary's financial year-end is 31 December.

44.4 Associates of the Group

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
1.	2359 Media Pte. Ltd.	Development and design of mobile-based advertising	Singapore	28.3	28.3
2.	APT Satellite Holdings Limited (2)	Investment holding	Bermuda	20.3	20.3
3.	APT Satellite International Company Limited (2)	Investment holding	British Virgin Islands	28.6	28.6
4.	HOPE Technik Pte Ltd	Provision of high performance unique engineering solutions	Singapore	21.3	21.3

44.4 Associates of the Group *(Cont'd)*

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
5.	Intouch Holdings Public Company Limited [3]	Investment holding	Thailand	21.0	21.0
6.	Kai Square	Provision of next generation cloud-based video surveillance services, monitoring and analytics based on unified platform	Singapore	39.2	39.2
7.	MassiveImpact International Ltd	Provision of performance based mobile advertising platform	British Virgin Islands	48.9	48.9
8.	NetLink Trust [4]	To own, install, operate and maintain the passive infrastructure for Singapore's Next Generation Nationwide Broadband Network	Singapore	24.8	24.8
9.	NetLink NBN Trust [4]	Investment holding	Singapore	24.8	24.8
10.	Sentilla Corporation	Provision of energy management services for data centres	USA	31.0	31.0
11.	Singapore Post Limited [4]	Operation and provision of postal, eCommerce logistics and retail services	Singapore	21.7	21.7
12.	SESTO Robotics Pte Ltd	Provision of autonomous mobile robots	Singapore	28.5	-
13.	Viewers Choice Pte Ltd	Provision of services relating to motor vehicle rental and retail of general merchandise	Singapore	49.2	49.2

Notes:

(1) The place of business of the associates are the same as their country of incorporation.
(2) The company has been equity accounted for in the consolidated financial statements based on results ended, or as at, 31 December 2018, the financial year-end of the company.
(3) Audited by Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd, Bangkok.
(4) Audited by Deloitte & Touche LLP, Singapore.

44.5 Joint ventures of the Group

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
1.	Acasia Communications Sdn Bhd [3]	Provision of networking services to business customers operating within and outside Malaysia	Malaysia	14.3	14.3
2.	ACPL Marine Pte Ltd	To own, operate and manage maintenance-cum-laying cableships	Singapore	16.7	16.7

Notes to the Financial Statements

For the financial year ended 31 March 2019

44.5 Joint ventures of the Group *(Cont'd)*

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
3.	Advanced Info Service Public Company Limited (4) (5)	Provision of mobile, broadband, international telecommunications services, call centre and data transmission	Thailand	23.3	23.3
4.	ASEAN Cableship Pte Ltd	Operation of cableships for laying, repair and maintenance of submarine telecommunication cables	Singapore	16.7	16.7
5.	ASEAN Telecom Holdings Sdn Bhd (3)	Investment holding	Malaysia	14.3	14.3
6.	Asiacom Philippines, Inc. (3)	Investment holding	Philippines	40.0	40.0
7.	Bharti Airtel Limited (6)	Provision of mobile, long distance broadband and telephony telecommunications services, enterprise solutions, pay television and passive infrastructure	India	39.5	39.5
8.	Bharti Telecom Limited (6)	Investment holding	India	48.9	48.9
9.	Bridge Mobile Pte. Ltd.	Provision of regional mobile services	Singapore	34.5	34.5
10.	Globe Telecom, Inc. (7) (8)	Provision of mobile, broadband, international and fixed line telecommunications services	Philippines	21.5	21.5
11.	Grid Communications Pte. Ltd. (3)	Provision of public trunk radio services	Singapore	50.0	50.0
12.	Indian Ocean Cableship Pte. Ltd.	Leasing, operating and managing of maintenance-cum-laying cableship	Singapore	50.0	50.0
13.	International Cableship Pte Ltd	Ownership and chartering of cableships	Singapore	45.0	45.0
14.	Main Event Television Pty Limited	Provision of cable television programmes	Australia	33.3	33.3
15.	Pacific Bangladesh Telecom Limited	Provision of mobile telecommunications, broadband and data transmission services	Bangladesh	45.0	45.0
16.	Pacific Carriage Holdings Limited (9)	Operation and provision of telecommunications facilities and services utilising a network of submarine cable systems	Bermuda	39.99	39.99

44.5 Joint ventures of the Group *(Cont'd)*

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group 2019 %	2018 %
17.	PT Telekomunikasi Selular(10)	Provision of mobile telecommunications and related services	Indonesia	35.0	35.0
18.	Radiance Communications Pte Ltd(3)	Sale, distribution, installation and maintenance of telecommunications equipment	Singapore	50.0	50.0
19.	Southern Cross Cables Holdings Limited(9)(11)	Operation and provision of telecommunications facilities and services utilising a network of submarine cable systems	Bermuda	39.99	39.99
20.	Telescience Singapore Pte Ltd(12)	Sale, distribution and installation of telecommunications and information technology equipment and services	Singapore	-	50.0
21.	VA Dynamics Sdn. Bhd.(3)	Distribution of networking cables and related products	Malaysia	49.0	49.0

Notes:

(1) The place of business of the joint ventures are the same as their country of incorporation, unless otherwise specified.
(2) The Group holds substantive participating rights over the significant financial and operating decisions of the above joint ventures, which enables the Group to exercise joint control with the other shareholders.
(3) The company has been equity accounted for in the consolidated financial statements based on the results ended, or as at, 31 December 2018, the financial year-end of the company.
(4) Audited by Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd, Bangkok.
(5) This represents the Group's direct interest in AIS.
(6) Audited by Deloitte Haskins & Sells LLP, New Delhi. Bharti Airtel Limited has business operations in India, Sri Lanka, and 14 countries across Africa.
(7) Audited by Navarro Amper & Co. (a member firm of Deloitte Touche Tohmatsu Limited).
(8) The Group has a 47.1% effective economic interest in Globe.
(9) The Southern Cross Cable Consortium operates through two separate companies. Southern Cross Cables Holdings Limited owns a cable network between Australia and the USA, with operations outside the USA. Pacific Carriage Holdings Limited has operations within the USA.
(10) Audited by Purwantono, Sungkoro & Surja (a member firm of Ernst & Young).
(11) Audited by KPMG, Bermuda.
(12) The company has been disposed during the year.

Interested Person Transactions

The aggregate value of all interested person transactions during the financial year ended 31 March 2019 (excluding transactions less than S$100,000) were as follows –

Name of interested person	**S$ Mil**
Ascendas – Singbridge Pte Ltd	0.2
Certis CISCO Auxiliary Police Force Pte Ltd	8.8
Ensign InfoSecurity (Systems) Pte Ltd	0.1
Grid Communications Pte. Ltd.	0.3
HarbourFront Centre Pte Ltd	0.2
Human Capital Leadership Institute	0.1
Mediacorp Pte Ltd	16.0
Mediacorp VizPro International Pte Ltd	0.2
Nexwave Technologies Pte Ltd	0.1
Power Gas Ltd	0.3
PSA Corporation Ltd	0.3
Radiance Communications Pte Ltd	2.5
SP Digital Pte. Ltd.	0.3
ST Electronics (Info-Security) Pte Ltd	3.6
ST Engineering Electronics Ltd.	5.9
ST Electronics (Satcom & Sensor Systems) Pte Ltd	0.3
StarHub Cable Vision Ltd	36.6
StarHub Ltd	7.7
StarHub Mobile Pte Ltd	1.7
Surbana Jurong Consultants Pte Ltd	1.4
Synergy FMI Pte Ltd	0.2
	86.8

Additional Information on Directors Seeking Re-election

Name of Director	Christina Hon Kwee Fong (Mrs Christina Ong)	Simon Claude Israel
Date of appointment	**7 April 2014**	**4 July 2003 (as Director) 29 July 2011 (as Chairman)**
Date of last re-appointment (if applicable)	**29 July 2016**	**29 July 2016**
Age	**67**	**66**
Country of principal residence	**Singapore**	**Singapore**
The Board's comments on this re-election/appointment	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mrs Ong's qualifications and experience (as set out below), the Board has confirmed Mrs Ong's independence and approved that Mrs Ong stands for re-election as a non-executive/independent Director. Mrs Ong will, upon re-election, continue to serve as a member of the Corporate Governance and Nominations Committee and the Audit Committee.	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Israel's qualifications and experience (as set out below), the Board has approved that Mr Israel stands for re-election as a non-executive and non-independent Director. Mr Israel will, upon re-election, continue to serve as Chairman of the Board, Chairman of the Finance and Investment Committee, and a member of the Corporate Governance and Nominations Committee, the Executive Resource and Compensation Committee and the Optus Advisory Committee.
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive and independent Director Member of the Corporate Governance and Nominations Committee Member of the Audit Committee	Non-executive and non-independent Director Chairman of the Board Chairman of the Finance and Investment Committee Member of the Corporate Governance and Nominations Committee Member of the Executive Resource and Compensation Committee Member of the Optus Advisory Committee
Professional qualifications	Bachelor of Laws (Second Upper Class Honours) from the University of Singapore Member of the Law Society of Singapore and the International Bar Association	Diploma in Business Studies from The University of the South Pacific

Additional Information on Directors Seeking Re-election

	Dominic Stephen Barton	Bradley Joseph Horowitz	Gail Patricia Kelly
	25 March 2019	**26 December 2018**	**26 December 2018**
	Not applicable	**Not applicable**	**Not applicable**
	56	**54**	**63**
	Canada	**United States of America**	**Australia**
	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Barton's qualifications and experience (as set out below), the Board has confirmed Mr Barton's independence and approved that Mr Barton stands for re-election as a non-executive/independent Director. Mr Barton will, upon re-election, continue to serve as a member of the Finance and Investment Committee and the Risk Committee.	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mr Horowitz's qualifications and experience (as set out below), the Board has confirmed Mr Horowitz's independence and approved that Mr Horowitz stands for re-election as a non-executive/independent Director. Mr Horowitz will, upon re-election, continue to serve as a member of the Finance and Investment Committee and the Technology Advisory Panel.	After reviewing the recommendation of the Corporate Governance and Nominations Committee and Mrs Kelly's qualifications and experience (as set out below), the Board has confirmed Mrs Kelly's independence and approved that Mrs Kelly stands for re-election as a non-executive/independent Director. Mrs Kelly will, upon re-election, continue to serve as a member of the Executive Resource and Compensation Committee, the Audit Committee and the Optus Advisory Committee.
	Non-executive	Non-executive	Non-executive
	Non-executive and independent Director Member of the Finance and Investment Committee Member of the Risk Committee	Non-executive and independent Director Member of the Finance and Investment Committee Member of the Technology Advisory Panel	Non-executive and independent Director Member of the Executive Resource and Compensation Committee Member of the Audit Committee Member of the Optus Advisory Committee
	Bachelor of Arts (Honours) in Economics from the University of British Columbia Master of Philosophy in Economics from Oxford University	Bachelor in Computer Science from the University of Michigan Masters in Media Science from the Media Lab at the Massachusetts Institute of Technology	Bachelor of Arts and Higher Diploma of Education from the University of Cape Town Masters of Business Administration (with Distinction) from the University of the Witwatersrand Honorary Doctorate of Business from the University of New South Wales, Macquarie University and Charles Sturt University Honorary Doctorate of Science in Economics from the University of Sydney

Additional Information on Directors Seeking Re-election

Name of Director	Christina Hon Kwee Fong (Mrs Christina Ong)	Simon Claude Israel
Working experience and occupation(s) during the past 10 years	**Allen & Gledhill LLP** 1987 to present Mrs Ong joined Allen & Gledhill LLP in 1987 as a Partner. She is now the Co-Chairman and Senior Partner, a member of EXCO and Co-Head of the Financial Services Department. Mrs Ong currently also serves as a Director/Member/Trustee of various entities including those which are owned by Allen & Gledhill LLP. Please refer to her present directorships/ principal commitments provided below for further information.	**Temasek Holdings (Private) Limited** 2006 to 2011 Executive Director and President
Shareholding interest in the listed issuer and its subsidiaries	No	Yes 1,019,593 ordinary shares in Singapore Telecommunications Limited (Direct interest) 1,360 ordinary shares in Singapore Telecommunications Limited (Deemed interest)
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interests (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.		
Past (for the last 5 years)	Other principal commitments: • Singapore Tourism Board, Director • Trailblazer Foundation Ltd, Director	Other listed company: • CapitaLand Limited, Director Other principal commitment: • Stewardship Asia Centre Pte. Ltd., Director

Additional Information on Directors Seeking Re-election

Dominic Stephen Barton	Bradley Joseph Horowitz	Gail Patricia Kelly
McKinsey & Company 2009 to present Senior Partner, former Global Managing Partner	**Google, Inc.** 2008 to present Vice President of Product Management **Yahoo, Inc.** 2004 to 2008 Vice President of Advanced Development	**Westpac Banking Corporation** 2008 to 2015 Group Chief Executive Officer and Managing Director
No	No	No
No	No	No
No	No	No
Yes	Yes	Yes
Other principal commitment: • McKinsey & Company, Global Managing Partner	Nil	Other listed companies: • Woolworths Holdings Limited, South Africa, Director • Westpac Banking Corporation, Australia, Executive Director (in role as Group Chief Executive Officer and Managing Director) Other principal commitments: • Business Council of Australia, Director • Country Road Group, Director • David Jones, Director • Financial Markets Foundation for Children, Director • Osiris Holdings, Director • Vela Investments, Director

Additional Information on Directors Seeking Re-election

Name of Director	Christina Hon Kwee Fong (Mrs Christina Ong)	Simon Claude Israel
Present	Other listed companies: • Hongkong Land Holdings Limited, Director • Oversea-Chinese Banking Corporation Limited, Director • SIA Engineering Company Limited, Director Other principal commitments: • ABF Singapore Bond Index Fund, Member of the Supervisory Committee • Allen & Gledhill LLP, Co-Chairman & Senior Partner • Allen & Gledhill Regulatory & Compliance Pte. Ltd., Director • Catalist Advisory Panel, Member • Corporate Governance Advisory Committee, Member • Eastern Development Holdings Pte. Ltd., Director • Eastern Development Private Limited, Director • Epimetheus Ltd, Director • The Stephen A. Schwarzman Scholars Trust, Trustee	Other listed companies: • Fonterra Co-operative Group Limited, Director • Singapore Post Limited, Chairman Other principal commitments: • Governing Board of Lee Kuan Yew School of Public Policy, Member • Stewardship Asia Centre CLG Limited, Director • Westpac's Asia Advisory Board, Member
Information required Disclose the following matters concerning an appointment of director.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

Additional Information on Directors Seeking Re-election

Dominic Stephen Barton	Bradley Joseph Horowitz	Gail Patricia Kelly
Other listed company: • Teck Resources Limited, Chairman Other principal commitments: • International Integrated Reporting Council, Chairman • McKinsey & Company, Senior Partner • Olayan Group, Member of the Corporate Board • University of Waterloo, Chancellor • Canadian Minister of Finance's Advisory Council on Economic Growth, Chairman • Seoul International Business Advisory Council, Chairman • Brookings Institution, Trustee • Singapore Economic Development Board's International Advisory Council, Member • Boards of Memorial Sloan Kettering in New York City, Member • Asia Pacific Foundation of Canada, Member	Other principal commitments: • Google, Inc., Vice President of Product Management • Issuu, Inc, Director • Massachusetts Institute of Technology, Member of the Visiting Committee of Media Lab	Other principal commitments: • Alliance of Girls' Schools Australasia, Patron • Australian Philanthropic Services, Director • Bretton Woods Committee, Member • Business Council of Australia, Honorary Member • CARE Australia, Ambassador for Women's Empowerment • Group of Thirty, Member • McKinsey Advisory Council, Member • PLuS Alliance Advisory Board, Member • UBS AG and UBS Group AG, Senior Global Adviser • University of New South Wales, Adjunct Professor
No	No	No
No	No	No

Additional Information on Directors Seeking Re-election

Name of Director	Christina Hon Kwee Fong (Mrs Christina Ong)	Simon Claude Israel
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

Additional Information on Directors Seeking Re-election

Dominic Stephen Barton	Bradley Joseph Horowitz	Gail Patricia Kelly
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No

Additional Information on Directors Seeking Re-election

Name of Director	Christina Hon Kwee Fong (Mrs Christina Ong)	Simon Claude Israel
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach for any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Yes - An enquiry by the Law Society of Singapore in 1986/1987 of a complaint which was dismissed by the Law Society of Singapore.	No

Additional Information on Directors Seeking Re-election

	Dominic Stephen Barton	Bradley Joseph Horowitz	Gail Patricia Kelly
	No	No	No
	No	No	No
	No	No	No
	No	No	No
	No	No	No
	No	No	No

Note:
The information in this section is as of 15 May 2019.

Shareholder Information

As at 27 May 2019

ORDINARY SHARES

Number of ordinary shareholders	328,719

Voting rights:
On a show of hands – every member present in person and each proxy shall have one vote
On a poll – every member present in person or by proxy shall have one vote for every share he holds or represents
(The Company cannot exercise any voting rights in respect of shares held by it as treasury shares or subsidiary holdings [(1)])

Note:

(1) "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

SUBSTANTIAL SHAREHOLDERS

	No. of shares	
	Direct interest	**Deemed interest**
Temasek Holdings (Private) Limited	8,132,818,602	440,338,370 [(1)]

Note:

(1) Deemed through interests of subsidiaries and associated companies.

MAJOR SHAREHOLDERS LIST – TOP 20

No.	Name	No. of shares held	% of issued share capital [(1)]
1	Temasek Holdings (Private) Limited	8,132,818,602	49.81
2	Citibank Nominees Singapore Pte Ltd	1,890,056,474	11.58
3	DBS Nominees (Private) Limited	1,790,798,738 [(2)]	10.97
4	DBSN Services Pte Ltd	1,130,926,449	6.93
5	Central Provident Fund Board	829,584,324	5.08
6	HSBC (Singapore) Nominees Pte Ltd	533,816,595	3.27
7	Atrium Investments Pte Ltd	358,354,351	2.19
8	Raffles Nominees (Pte) Limited	243,974,170	1.49
9	BPSS Nominees Singapore (Pte.) Ltd.	97,626,252	0.60
10	United Overseas Bank Nominees (Private) Limited	63,073,194	0.39
11	OCBC Nominees Singapore Private Limited	36,708,110	0.22
12	Societe Generale Singapore Branch	26,016,159	0.16
13	Maybank Kim Eng Securities Pte Ltd	25,243,038	0.15
14	OCBC Securities Private Ltd	20,451,725	0.12
15	DB Nominees (Singapore) Pte Ltd	18,997,965	0.12
16	Phillip Securities Pte Ltd	16,878,383	0.10
17	Morgan Stanley Asia (Singapore) Securities Pte Ltd	13,559,279	0.08
18	UOB Kay Hian Pte Ltd	11,900,982	0.07
19	Merrill Lynch (Singapore) Pte Ltd	10,997,368	0.07
20	BNP Paribas Nominees Singapore Pte Ltd	10,971,140	0.07
		15,262,753,298	93.47

Notes:

(1) The percentage of issued ordinary shares is calculated based on the number of issued ordinary shares of the Company as at 27 May 2019, excluding 808,005 ordinary shares held as treasury shares as at that date.

(2) Excludes 808,005 ordinary shares held by DBS Nominees (Private) Limited as treasury shares for the account of the Company.

Shareholder Information

As at 27 May 2019

ANALYSIS OF SHAREHOLDERS

Range of holdings	No. of holders	% of holders	No. of shares	% of issued share capital
1 - 99	2,981	0.91	122,667	0.00
100 - 1,000	236,659	71.99	59,906,557	0.37
1,001 - 10,000	71,407	21.72	264,977,736	1.62
10,001 - 1,000,000	17,616	5.36	647,344,668	3.96
1,000,001 and above	56	0.02	15,356,806,672	94.05
	328,719	100.00	16,329,158,300	100.00

Note:
As at 27 May 2019, the Company had 808,005 treasury shares and no subsidiary holdings. Based on information available to the Company as at 27 May 2019, approximately 47% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with. The percentage of issued ordinary shares held by the public is calculated based on the number of issued ordinary shares of the Company as at 27 May 2019, excluding 808,005 ordinary shares held as treasury shares as at that date. The percentage of such treasury shares against the total number of issued ordinary shares (excluding ordinary shares held as treasury shares) is 0.005%.

SHARE PURCHASE MANDATE

At the 26th Annual General Meeting of the Company held on 24 July 2018 (2018 AGM), the shareholders approved the renewal of a mandate to enable the Company to purchase or otherwise acquire not more than 5% of the issued ordinary share capital of the Company as at the date of the 2018 AGM. As at 27 May 2019, there is no current on-market buy-back of shares pursuant to the mandate.

Corporate Information[1]

BOARD OF DIRECTORS

Simon Israel (Chairman)
Gautam Banerjee
Dominic Barton
Bobby Chin
Chua Sock Koong (Group CEO)
Venkataraman (Venky) Ganesan
Bradley Horowitz
Gail Kelly
Low Check Kian
Peter Mason AM[2]
Christina Ong
Teo Swee Lian

AUDIT COMMITTEE

Bobby Chin (Chairman)
Gautam Banerjee
Gail Kelly
Christina Ong

CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE

Low Check Kian (Chairman)
Simon Israel
Christina Ong
Teo Swee Lian

EXECUTIVE RESOURCE AND COMPENSATION COMMITTEE

Peter Mason AM[2] (Chairman)
Simon Israel
Gail Kelly
Teo Swee Lian

FINANCE AND INVESTMENT COMMITTEE

Simon Israel (Chairman)
Dominic Barton
Venky Ganesan
Bradley Horowitz
Low Check Kian

RISK COMMITTEE

Teo Swee Lian (Chairman)
Gautam Banerjee
Dominic Barton
Bobby Chin

LEAD INDEPENDENT DIRECTOR

Low Check Kian
Email: check.low@clunyparkcapital.com

OPTUS ADVISORY COMMITTEE

Peter Mason AM[2] (Chairman)
Chua Sock Koong
David Gonski AC[3]
Simon Israel
Gail Kelly
John Morschel
Paul O'Sullivan

TECHNOLOGY ADVISORY PANEL

Venky Ganesan (Chairman)
Manik Gupta
Bradley Horowitz
Koh Boon Hwee

ASSISTANT COMPANY SECRETARY

Lim Li Ching

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Notes:
(1) The information in this section is as at 15 May 2019.
(2) Member of the Order of Australia.
(3) Companion of the Order of Australia.

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