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

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

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.

Directors' Statement

For the financial year ended 31 March 2019

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	How the matter was addressed in our audit
***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.	• *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.

<u>Findings</u>

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 key audit matter	How the matter was addressed in our audit
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.
Independent Auditors' Report – pages 131 to 136.

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	Attributable to shareholders of the Company											
	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
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.
Independent Auditors' Report – pages 131 to 136.

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**

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 - 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.
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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.
Independent Auditors' Report – pages 131 to 136.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2019

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.

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.

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For the financial year ended 31 March 2019

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.

Notes to the Financial Statements

For the financial year ended 31 March 2019

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.

Notes to the Financial Statements

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	**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	**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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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.

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

For the financial year ended 31 March 2019

5.3.1 Performance share plans *(Cont'd)*

Cash-settled 2019	**Date of grant** 20 June 2016	**Date of grant** 19 June 2017	**Date of grant** 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	**Date of grant** 20 June 2016	**Date of grant** 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				
<u>**FY2019**</u>				
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.

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

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5.4 Structured Entity *(Cont'd)*

The details of Singtel shares held by the Trust were as follows –

Group	Number of shares		Amount	
	2019 '000	2018 '000	2019 S$ Mil	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	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.

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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

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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

11. FINANCE COSTS

	Group	
	2019 S$ Mil	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	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

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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	**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**

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For the financial year ended 31 March 2019

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)**

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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

For the financial year ended 31 March 2019

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.

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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.

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)*

	Group		Company	
	Fair values		Fair values	
2018	**Assets S$ Mil**	**Liabilities S$ Mil**	**Assets S$ Mil**	**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

	Group		Company	
	Fair values		Fair values	
2017	**Assets S$ Mil**	**Liabilities S$ Mil**	**Assets S$ Mil**	**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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For the financial year ended 31 March 2019

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**.

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).

Notes to the Financial Statements

For the financial year ended 31 March 2019

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).

Notes to the Financial Statements

For the financial year ended 31 March 2019

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:

				Terminal growth rate [1]		Pre-tax discount rate	
Group	31 March 2019 S$ Mil	31 March 2018 S$ Mil	1 April 2017 S$ Mil	31 March 2019	31 March 2018	31 March 2019	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

Non-current	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
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 2019 S$ Mil	Group 2018 S$ Mil	Company 2019 S$ Mil	Company 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

	Group			Company		
Principal amount	**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**
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.

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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

Notes to the Financial Statements

For the financial year ended 31 March 2019

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
As at 31 March 2019					
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**
As at 31 March 2018					
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
As at 1 April 2017					
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.

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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.

Notes to the Financial Statements

For the financial year ended 31 March 2019

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

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

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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.

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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

Notes to the Financial Statements

For the financial year ended 31 March 2019

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

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.